Retired Priests’ Pension, Medical Insurance and Housing
Ad Hoc Committee Report and Recommendations

Approved Oct. 13, 2014
My dear friends:

As bishop and fellow priest, I take seriously the obligation of the diocese to assist each priest – particularly in retirement – with the material needs that arise. With heartfelt appreciation for the service rendered by our retired priests, an ad hoc committee was formed to examine three very important issues for priests in retirement: pension, medical insurance and housing.

The committee worked diligently to achieve clarity on our current status in all three areas of study, and to provide concrete recommendations for the future. The following report and recommendations of the committee, along with the appendices, will greatly assist the diocese in the near future. We have established internally a timeline and plan to address each recommendation made by the committee, and commit ourselves to implementing the work of this committee.

My genuine appreciation is extended to the entire ad hoc committee, particularly its co-chairs, Paul Rupprecht and Mary Kelly, for their leadership and commitment to this project.

+Richard E. Pates
The Most Reverend Richard E. Pates
Bishop of Des Moines
Introduction

In late 2013, Bishop Richard Pates invited professionals to compose an ad hoc committee to study three issues around priest retirement, namely the pension plan, medical insurance and housing. The stated mission and objectives were as follows:

The mission of this ad hoc committee is to review current plans and where necessary assist in the direction for comprehensive planning on three issues at the heart of future needs for our retired priests: pensions, medical insurance and housing.

Objective 1: Concerning pensions and medical insurance, the committee should review the plans already in place in order to advise Bishop Pates on any adjustments that might be necessary. The committee is being asked to assist the bishop, and therefore the diocese, in making current plans accessible, clear, and transparent to the priests.

Objective 2: Concerning housing, the committee should review the current housing options for retired priests, oversee an actuarial study of future needs in housing, and determine a recommended course of action for the diocese.

Bishop Pates asked for a final report providing recommendations in the three areas reviewed for long-term diocesan planning.

Membership

Chairing the committee was Bishop Pates, and he was joined by two co-chairs, Paul Rupprecht and Mary Kelly. Committee membership included Msgr. Ed Hurley, Msgr. Larry Beeson, Michele Whitty, John McRoberts, Rick DeBartolo, Phil Hodgin, Brad Becker and Jason Kurth (diocesan staff support).

Meetings

The committee met three times in 2014 (January 27, March 11 and April 28). Membership focused on housing also met on various occasions to tour facilities at the Dowling Priest Residence and Mercy Court. Once initial reviews and recommendations were formulated, the committee hosted two priest meetings, in Council Bluffs on May 20 and Des Moines on May 27. The committee met on October 13, 2014 to review and approve final recommendations for Bishop Pates.
Pension Review and Recommendations

According to established objectives, the committee reviewed the priest pension plan already in place to advise the bishop on any adjustments that might be necessary. The committee was also asked to make recommendations to the diocese in order that the pension plan might be accessible, clear and transparent to the priests.

History and Status of the Pension Fund

Msgr. Hurley, secretary and treasurer for the Priest Pension Fund Society, provided the committee a history and current status of the fund. The Priest Pension Fund Society is a separate corporation with its own board and was established in the late 1940s, originally to assist with special needs and medical insurance. The board consists of the bishop of the Diocese of Des Moines, the vicar general of the diocese, and three priest trustees, of which Msgr. Hurley currently is the secretary/treasurer. The Priest Pension Fund is not only responsible for the pension, but also assists with discretionary projects such as the Dowling Catholic priest residence renovations and assisting in alcohol treatment and other individual situations. While the priest is responsible for his retirement planning, ultimately according to canon law, the diocese is obligated to take care of its priests until death.

The pension is a defined benefit plan, and has remained as such even as other retirement plans have changed to a defined contribution, precisely because the diocese is obligated to care for its priests. The funds for the Pension Fund are provided by the diocese as well as other donations, often from estate bequests.

Approximately seven to eight years ago, the diocese began to offer a 403b retirement vehicle to priests, which is supplemental and separate from the pension. Priests ministering within parishes receive a 100% match from the parish up to $125 per month toward their 403b retirement account.

Priests are also encouraged to organize additional personal savings toward their retirement.

Msgr. Hurley provided an actuarial assessment conducted by the pension plan provider, Principal Financial, in December 2013. The plan has recovered significantly since 2008-09 when a substantial portion of the plan assets declined in value. According to the assessment conducted by Principal Financial, the plan was 80% funded as of July 1, 2013. With recent increases from the diocese and other sources the pension plan is now 90% funded. Between July 1, 2013 and December 31, 2014 the diocese contributed $494,311 to the pension fund. An additional $46,674 was secured through memorials, bequests, and mass stipends. In recent years, the diocese has budgeted $45,000 annually from the Annual Diocesan Appeal toward the pension fund. Recent increased contributions were based largely on receipts from the Sharing God’s Gifts capital campaign and a bequest. The SGG capital campaign will provide up to $1 million
additional capital for the pension fund in the coming four years. As of December 31, 2014, capital campaign contributions of $403,956 had been disbursed to the pension fund.

Currently, individual pension distributions are $1,476-1,566 per month.

Immediate Action of the Review

As a result of this process, Principal Financial provided the following updated documents for distribution at the priest meetings on May 20 and 27.

1) A Summary Plan description (Appendix A) from Principal released in a brochure format. Principal restates the plan every five years so this summary was due for re-release. The summary was distributed to all priests for clarity and transparency on their pension and other retirement benefits, as well as, the use of discretionary funds to assist priests.

2) A report of the Priest Pension Fund Society (Appendix B) which provided yearly financial activities regarding the operating fund, fund transfers, and fund balance information for fiscal years 2013 and 2014 (to date).

3) Sample annual retirement plan statement received by the priests.

Recommendations Regarding the Priest Pension Fund

The committee was encouraged by the amount of current funding (90%) and found no need to adjust the plan at this time. The committee recommends that the Diocese of Des Moines commit to the following action steps to achieve accessibility, clarity and transparency with regard to the Priest Pension Fund:

1) Restate the Summary Plan description every 5 years in booklet format. The next release should be in 2019.

2) The current Summary Plan booklet (developed in 2014) should be shared with priests on an annual basis by including it with the information they receive regarding their priest compensation package. It should also be shared with diocesan donors, particularly through diocesan Development Office and the Catholic Foundation of Southwest Iowa, in order to invite direct contribution to the pension fund. This can assist the diocese in achieving 100% funding for the Priest Pension Fund.

3) The Priest Pension Fund Society should publish an annual Statement of Financial Activities regarding the operating fund, fund transfers, and fund balance information. This information should be shared directly with all priests of the diocese and should be published in diocesan communications (i.e. The Catholic Mirror, diocesan website).

4) A significant number of the priests currently in diocesan ministry are of a religious order or other “extern” priests, not incardinated in the presbyterate of the Diocese of Des Moines. Out of justice, we commend and strongly recommend the process already initiated by the diocese to find some means of providing equitable benefits to these non-
incardinated priests ministering within the Diocese of Des Moines. At the request of the bishop, we propose a timeline of six months to finalize the details of this plan.

Medical Insurance Review and Recommendations

According to its objectives, the committee reviewed the current process for retired priests to achieve medical insurance coverage through the diocesan plan. The committee was also asked to make recommendations to the diocese in order that priest options for medical insurance might be accessible, clear and transparent to the priests.

Current Status of Retired Priests in Regard to Health Insurance

All priests are members of a diocesan group plan through Wellmark, administered by LMC, which also includes full-time lay employees. The diocese covers the entire premium for priests on the plan. The annual cost of the priest medical insurance plan is paid out of two sources: a Priest Medical Endowment which covers approximately 65% of the annual cost, and Annual Diocesan Appeal funds that provide the remainder. Recent capital campaign activities will provide up to $1.7 million additional funds for the Endowment. The diocese has a cafeteria benefits plan, which offers life insurance and other benefits such as dental and vision, but these are not a part of the medical plan.

Currently, LMC and the diocesan Human Resources Director work with the priests upon their retirement to register for “Medicare Part B,” which becomes their financial responsibility, currently at $105 per month.

Immediate Action of the Review

As a result of the review, and in preparation for the May, 2014 priest meetings, Rick Debartolo (LMC) prepared a question and answer sheet, “Retirement Issues” (Appendix C) for distribution, articulating four essential questions priests should ask in regard to their health insurance once they turn age 65.

Recommendations Regarding Retired Priest Medical Insurance

The committee recommends that the Diocese of Des Moines commit to the following action steps. First, clarify the best option for medical insurance for priests eligible to participate in Medicare. Second, achieve accessibility, clarity and transparency with regard to the medical insurance plan.

1) Further study is essential to determine if it is in the best interests of both the diocese and individual priests to remove all priests from the diocesan plan once they are eligible for Medicare. The committee recommends that this discussion is best handled internally, by consulting with current provider, LMC, along with other dioceses to seek “best practices” regarding this question. Some within the committee feel that this separation would be
least expensive for both individual priests and the diocese, and would provide more mobility and options for the priests on Medicare. Further study is needed to confirm this sentiment.

a. The committee assumes that this option would involve the full reimbursement of Medicare costs by the diocese, which could affect priest tax liability, so this would need to be considered as well.

2) Regardless, the committee recommends the diocese consider paying for or reimbursing Medicare Part B, which currently is paid by the priest. This recommendation will be considered in terms of funds available in the priests’ medical account.

3) The “Retirement Issues” resource developed by Rick Debartolo, updated as necessary based on the results of recommendations one and two, should be shared with priests approaching age 65 to provide clarity of options and direction.

4) In addition to the resource referred to in recommendation number three, the committee recommends that the diocese arrange on an annual basis an opportunity for LMC to present to all of the presbyterate of the diocese annual medical benefits, changes or updates in the plan, and special interest topics such as “end of life” care and insurance options.

5) The diocese and LMC should work with the Catholic Foundation of Southwest Iowa to produce a summary document, similar to that recommended for the Priest Pension Fund, for donor education regarding the Priest Medical Insurance Fund.

Housing Review and Recommendations

Bishop Pates’ primary objective is to provide the priests with safe, comfortable living environment and that those who wish to live in community may have the opportunity to do so. Bishop Pates asked the committee to develop a recommendation for the $500,000 allocated for priest housing from the Sharing God’s Gifts capital campaign, which is due to be collected in the next 4-5 years, as well as, the approximate $175,000 given to the diocese for the purpose of priest housing from the estate of a deceased priest. Bishop Pates asked that the committee provide in their final report a recommendation on how the diocese might best utilize these funds (i.e., building new, renovating, subsidizing priest housing, etc.).

According to their objectives, the committee reviewed current housing options for retired priests, oversaw an actuarial study and survey of the priests to assess future needs in housing, and provided recommendations for a future course of action by the diocese.

History and Status of Retired Priest Housing

Currently, priests engage in a number of arrangements for housing in their retirement. Some prefer to live in community. Though there is currently no diocesan retirement community living facility, many of our retired priests live with their brother priests in active ministry at either the Dowling Catholic priest residence or on a smaller scale the St. Francis Worship Center (Council
Bluffs). While currently no retired priests live in Mercy Court Apartments, it was suggested early on in the study to consider this as another community living possibility. Other priests prefer to live alone, in either rental or owned houses and apartments. Some priests choose to live in another location outside the diocese.

In 2009, Msgr. Larry Beeson conducted a survey of priests regarding their future plans for housing in retirement. He provided the committee the results of this report (Appendix D) which included the recommendation, “based on need and interest” that the smaller apartments within the Dowling Catholic priest residence be enlarged and six extra apartments be added.

**Immediate Action of the Review**

**Actuarial Review**

The committee first looked at the question of retired priest housing from an actuarial perspective, in order to determine if there would be a “large wave” of retired priests in the relatively near future which would necessitate building or securing a new community living facility. Brad Becker of Principal Financial provided actuarial analysis, though admittedly, the numbers are so small as to make the conclusions only limited in value. Mr. Becker’s report, “Retired Priest Housing Projections” (Appendix E) indicates the diocese should not expect a large wave of retired priests in need of community housing in the next ten years.

**Potential Housing Sites**

**Assessment of Dowling Catholic Priest Residence**

Currently, there are apartments for 15 priests at the Dowling Catholic priest residence, located on the northeastern section of the Dowling Catholic campus. Originally built in the mid-1970s to house Dowling priest faculty, the residence is now used for priests – active and retired – ministering throughout the Des Moines metro area. Bishop Pates instructed the committee that in regard to the Dowling Catholic priest residence there is need for controls, clarity of structure, governance and management. He also asked for the annual subsidy amount provided by Dowling to the residence is clarified. Committee members were led on a tour by resident, Msgr. Larry Beeson, and had an opportunity to view the facilities and the two types of rooms in the residence.

The committee came away from the tour very impressed with the facility. The question that is most important is whether the current housing works for the priests. A survey tool would be created to assess this question. Further conversation between committee co-chairs Paul Rupprecht and Mary Kelly with Dr. Jerry Deegan (DCHS President) and Brenda Wheeler (DCHS Business Manager) indicated that Dowling is comfortable with the situation and willingly received best practices on operations and management. Currently, the priest residence
costs Dowling about $5,000 per year plus property maintenance costs (i.e., snow removal, mowing, etc.).

The committee created an information sheet for priests, outlining the basic amenities and details of the Dowling Catholic priest residence (Appendix F).

**Assessment of Mercy Court Residence**

The committee toured the Mercy Court Apartments, at 921 6th Avenue, across from Mercy College campus. The residence includes senior living apartments of various sizes as well as two floors of apartments for students of Mercy College. The committee found the apartments in good shape and can provide an option for community living, while not exclusively among priests. The committee received an information sheet from Mercy Court personnel, which outlined amenities and details of the residence (Appendix G). Mercy Court was willing to share operational and management best practices, which were provided to Dowling Catholic for their facility. As an aside, the committee is aware that Mercy plans at some point to convert the entirety of the Mercy Court Apartments to dormitory housing for students, thus it should not be seen as a reliable long-term option. However, in the short-term it can provide a good housing option for those interested retired priests.

**St. Francis Worship Center Priest Residence**

The committee reviewed the primary option for community priest living in Council Bluffs. The facility can house five priests, and currently includes an apartment for the bishop. It is a newer facility, with low rent and basic amenities (see information sheet, Appendix H).

**Assessment of Parish Based Housing**

During the course of the study, the committee suggested that an informal assessment be conducted of potential parish housing for priests (Appendix I). Initially, the study was done in the Des Moines metro area. However, it was widened to the entire diocese based on feedback at the May 2014 meeting with priests in Council Bluffs that several priests may prefer to live in rural settings in retirement. The result of the survey was the identification of several residences throughout the diocese which have potential for housing priests in retirement. In some cases, these are rectories which currently house one priest but could take on another resident or two. In other cases, these rectories have been converted for other uses but could revert to housing. Some priests have indicated to the committee that they would like to live on or near a parish in retirement.

**St. Augustin Parish Option**

One immediate possibility for parish-based priest housing is at St. Augustin parish in Des Moines. Parish staff member, Andy Ball, led a tour of the facility which houses four apartments. The parish would prefer to rent these apartments to priests.


Survey of Priests

Perhaps most importantly, the committee conducted a survey of priests entering retirement within 10 years to understand their individual needs and desires involving housing. It is important to understand their current plans, whether they hope to live in community – such as at Dowling, and whether they would like assistance in helping them find housing. Twenty-two priests identified that they anticipate retiring in the next 10 years and completed the survey. Another four did not respond to the survey but based on age should be expected to retire in the next 10 years.

The data from the review indicates a number of interesting points relevant to our study. Though priests often listed multiple preferences, of the 22 priests who expect to retire in the next 10 years:

- 8 plan on finding their own residence and do not need diocesan assistance
- 8 are somewhat to very interested in the Dowling Catholic priest residence
- 7 are somewhat interested in the Mercy Court apartments
- 6 would like to live with priests, on or near a parish setting

Recommendations Regarding Retired Priest Housing

Based on the actuarial report of Mr. Becker and the survey conducted among the priests, it is the conclusion of this committee that there is no big bubble coming that would require building or creating an additional facility.

The committee further recommends that the diocese lead an effort (through the diocesan Building Commission or some similar group) to address governance, management and operational considerations of the Dowling Catholic priest residence. Specifically, the committee recommends the following be addressed:

1) The diocese utilize legal advisors to propose an equitable arrangement with Dowling so that the residence might be governed by the Diocese of Des Moines and leased long-term for a nominal amount from Dowling Catholic for that purpose. While current administration at Dowling is comfortable with the arrangement, the facility is essential to long-term diocesan housing options for priests and requires being secured for the future.

2) Dowling Catholic should be retained for management of the facility but written agreements should be put in place outlining terms of this service, responsibilities, and boundaries of staff and adequate resident liaison with management.

3) Management of the facility should establish processes to determine and maintain residency requirements, particularly in light of health and physical ability and authority.
to assess resident’s capacity to continue to live in the facility. Currently, there is no formal structure in place to assist priests’ transition from the residence to assisted living.

4) Based on the evidence collected, including priest interest, the use of a Mercy Court facility which may not be available long-term, and the feedback of current residents, the committee concludes with the suggestion made by Msgr. Beeson that further consideration should be given to enlarging the smaller apartments and adding up to six new apartments at the Dowling Catholic priest residence, which would include a guest room. This could be one potential use for the capital campaign and bequest assets of $675,000. Additional fundraising and funds from the Priest Pension Fund could be engaged to provide any remainder.

Additional Recommendations

1) **Further conversation** needs to occur between the diocese and St. Augustin parish about the use of its housing as a retired priest residence. This site is centrally located in Des Moines and offers an excellent opportunity for communal living on a parish campus.

2) **Further study** should be done internally within the diocese concerning parish rectory-based housing options across the diocese to identify locations where future retired priests might be able to find residence.

3) Once determined, these locations should be communicated to all retired priests, but particularly directed to those priests who indicated a desire to live on or near parish property in retirement.

4) Effort should be made to further the conversation with priests individually concerning their housing preferences, particularly for those who indicated a desire to live on or near a parish, for those who indicated living in community (Dowling, St. Francis, Mercy, or other), or asked for the diocese to assist them in some other manner.
Ad Hoc Committee Recommendations

Pension

1) Restate the Summary Plan description every 5 years in booklet format. The next release should be in 2019.
2) The current Summary Plan booklet (developed in 2014) should be shared with priests on an annual basis by including it with the information they receive regarding their priest compensation package. It should also be shared with diocesan donors, particularly through diocesan Development Office and the Catholic Foundation of Southwest Iowa to invite direct contribution to the pension fund. This can assist the diocese in achieving 100% funding for the Priest Pension Fund.
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Medical Insurance

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   a. The committee assumes that this option would involve the full reimbursement of Medicare costs by the diocese, which could affect priest tax liability, so this would need to be considered as well.
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### Housing

Dowling:

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3) Management of the facility should establish processes to determine and maintain residency requirements, particularly in light of health and physical ability and authority to assess resident’s capacity to continue to live in the facility. Currently, there is no formal structure in place to assist priests’ transition from the residence to assisted living.

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### General:

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ROMAN CATHOLIC DIOCESE OF DES MOINES
PRIESTS' PENSION FUND SOCIETY

Summary Plan Description
PLAN HIGHLIGHTS

Plan Highlights briefly describes the plan. The rest of this booklet explains in greater detail how the plan works.

We started the plan on April 1, 1972.

The plan:

• Gives you a dependable source of income when you retire. Knowing how much you will receive from the plan makes planning for your retirement easier.

• Bases your right to your retirement benefit on your service.

• Provides benefits before retirement if you become disabled as defined in the plan.

• Is funded entirely by our contributions.

• Offers several different ways to receive your benefits. You choose the best way for you.

About This Booklet

This booklet is the summary plan description. It explains how the plan currently works, when you qualify for benefits, and other information.

If any part of this summary plan description (booklet) conflicts with the terms of the plan, the terms of the plan will be followed. The plan is much more detailed.

The term “your earned benefit” refers to the benefit earned by you under the plan. The term “your earned benefit” applies to both the vested part of your earned benefit and the part of your earned benefit that is not vested. The term “your vested benefit” refers to the vested part of the earned benefit. Part 4 of this booklet explains vesting. Use of the term “your earned benefit” does not give you any rights to the earned benefit or any assets of the plan other than those described in this booklet.

The terms “in writing” and “written” generally refer to paper documents. These terms may also refer to an electronic means of sending or receiving information that is acceptable to the plan administrator and is allowable by law.

Ask the plan administrator if you have questions. Part 8 of this booklet lists the plan administrator's name and address.
# TABLE OF CONTENTS

JOINING THE PLAN ........................................................................................................... PART 1
  • When You Join
  • Changes in Your Participation

YOUR EARNED BENEFIT ............................................................................................... PART 2
  • Figuring Your Earned Benefit
  • Law Limits
  • Helpful Terms
  • Who Provides Your Earned Benefit

RETIREMENT BENEFITS ............................................................................................. PART 3
  • At Normal Retirement Date
  • At Early Retirement Date
  • At Late Retirement Date
  • Required Beginning Date

BENEFITS FOR INACTIVE PARTICIPANTS ................................................................. PART 4
  • Your Vested Benefit
  • When Your Vested Benefit Starts
  • Disability Benefits

DEATH BENEFITS BEFORE RETIREMENT .................................................................. PART 5

HOW THE PLAN PAYS BENEFITS ............................................................................. PART 6
  • Form of Benefit
  • Tax Considerations

IMPORTANT INFORMATION FOR YOU ....................................................................... PART 7
  • The Plan Administrator
  • Direct Rollovers
  • Top-heavy Plans
  • Your Social Security Benefits
  • Changing the Plan
  • Stopping the Plan
  • Military Service

FACTS ABOUT THE PLAN .......................................................................................... PART 8
PART 1 JOINING THE PLAN

When You Join

You join the plan as an active participant on the day on which you become an eligible employee. This date is your entry date.

You are an eligible employee if you are employed as a priest. This includes Bishop Joseph Charron.

If you are an acquired employee, you may be excluded from the plan for a period of time, as determined by us and in accordance with requirements of the Internal Revenue Code. You are an acquired employee if we purchased the assets of a company (or any similar transaction), and you worked for that company before the purchase and were hired by us at the time we purchased such assets. This exclusion will only apply during the transition period (the period beginning on the date of the transaction and ending on the last day of the next plan year following the date of the transaction) or an earlier date as required by law or as elected by us.

Changes in Your Participation

You become an inactive participant on the date you are no longer an eligible employee.

You stop being a participant on:

• The date of your death.

• The date you get a single sum payment in place of all other benefits if your vesting percentage is 100% (see Part 4).

If you become an inactive participant, you will also stop being a participant on the earliest date on which you are not entitled to a vested benefit (see Part 4).

You rejoin the plan as an active participant when you again work for us as an eligible employee.
PART 2 YOUR EARNED BENEFIT

As you work for us, you earn your retirement benefit. This earned benefit grows with your service.

Figuring Your Earned Benefit

The formula below is used to figure your earned benefit:

Your Accrued Benefit is equal to the product of (a), (b), and (c), reduced by (d):

(a) An amount equal to:

(1) The amount of $1,200 on June 30, 2005, increased by three percent for the plan year beginning July 1, 2005, and each July 1, thereafter, through June 30, 2011.

(2) Your earned benefit in effect on June 30, 2011, increased by one percent for the plan year beginning July 1, 2011, and each July 1 thereafter. However, if you attained age 70 on or before July 1, 2011, the amount of your benefit in effect on June 30, 2011 shall be increased by three percent for the plan year beginning July 1, 2011 and each successive plan year until you retire.

multiplied by

(b) Your accrued benefit adjustment

multiplied by

(c) Your short service percentage

reduced by

(d) Your accrued benefit, if any, earned under any other prior diocesan plan.

Certain priests will receive the full amount of their earned benefit at normal retirement date without regard to the short service percentage. Ask your plan administrator if this applies to you.

Law Limits

The law limits the amount of pay that may be used in any pay year to determine benefits. The limit for any pay year beginning in 2013 is $255,000.

The law limits the annual benefit that may be paid to you in any year to the lesser of 100% of your average annual pay for the highest three years or a dollar amount. The dollar limit, which is subject to change each year for cost of living changes, is $205,000 in 2013. The limits are adjusted if:

• You have less than 10 years of service or participation.

• You retire before age 62 or after age 65.

• The plan’s normal form of income provides a death benefit.

Your earned benefit may not exceed this limit. Since your earned benefit is stated as a monthly benefit, 1/12th of the applicable limit applies.
Ask the plan administrator if you want to know more about these limits.

**Helpful Terms**

**Earned benefit percentage** is the percentage of the benefit you have earned. It equals your full service since your ordination (excluding any leave of absence) divided by the full years of service you expect to have at age 65. The percentage won't be more than 100%.

**Short service percentage** is a percentage that reduces your earned benefit if you would have fewer than 300 months of expected service since your ordination (excluding any leave of absence). Your expected service is determined when you enter or reenter the plan, based on the service you could have at age 65. Your expected service is divided by 300. The result is expressed as a percentage. This percentage is 100% if your expected service is 300 or more months.

If you continue to work after age 65 and your expected service at age 65 was less than 300 months, your actual years of service after age 65 will be added to your expected service at age 65. Your short service percentage on any date after age 65 will be determined using this sum. Your short service percentage will be 100% if your expected service at age 65 and your actual years of service after age 65 is 300 or more months.

**Who Provides Your Earned Benefit**

Your earned benefit is provided entirely by our contributions to the plan.

The contributions are invested and accumulate to provide benefits under the plan. The plan funds are for the exclusive benefit of participants and their beneficiaries.
PART 3 RETIREMENT BENEFITS

The plan is designed to provide a retirement income for you. The amount you receive each month when you retire is based on your earned benefit.

At Normal Retirement Date

Your retirement benefit begins on your normal retirement date if you have an earned benefit (see Part 2) and you stop working for us.

Normal retirement date means the earliest first day of the month on or after the date you reach your 65th birthday.

At Early Retirement Date

With our consent, you may choose to retire early. If you choose to retire early, your earned benefit will be less than the amount you could have earned by working until normal retirement date.

You receive a percentage of your earned benefit because payments begin at a younger age and are expected to continue longer. The percentage is based on the number of years you retire early and is shown in the following table:

<table>
<thead>
<tr>
<th>Years You Retire Early</th>
<th>Approximate Percentage of Earned Benefit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>93</td>
</tr>
<tr>
<td>2</td>
<td>86</td>
</tr>
<tr>
<td>3</td>
<td>80</td>
</tr>
<tr>
<td>4</td>
<td>73</td>
</tr>
<tr>
<td>5</td>
<td>66</td>
</tr>
<tr>
<td>6</td>
<td>63</td>
</tr>
<tr>
<td>7</td>
<td>60</td>
</tr>
<tr>
<td>8</td>
<td>56</td>
</tr>
<tr>
<td>9</td>
<td>53</td>
</tr>
<tr>
<td>10</td>
<td>50</td>
</tr>
</tbody>
</table>

The percentage is adjusted for parts of a year.

Early retirement date means the first day of any month you choose that is on or after the latest of:

- The date you stop working for us.
- The date you reach age 55.
- The date you have 20 years of vesting service (see Part 4).
At Late Retirement Date

With our consent, you may choose to start benefits on your late retirement date. Otherwise, your benefits begin on your normal retirement date. When you retire late, your benefit equals your earned benefit as of your normal retirement date.

Late retirement date means, if you continue working for us after your normal retirement date, the earliest first day of the month on or after the date you stop working for us.

Required Beginning Date

Under the law you must begin receiving benefits by your required beginning date. Your required beginning date is the April 1 following the later of the calendar year in which you reach age 70 1/2 or the calendar year in which you stop working for us.
PART 4 BENEFITS FOR INACTIVE PARTICIPANTS

Your Vested Benefit

Each year as you work for us, you earn a right to a benefit if you stop working for us before retirement. This benefit is called your vested benefit.

Your vested benefit is equal to:

(1) your earned benefit

    multiplied by

(2) your vesting percentage

If you become an inactive participant because you are no longer an eligible employee (see Part 1), but you are still working for us, your service after you become an inactive participant is used to figure your vesting percentage but not your earned benefit.

Your vesting percentage will be 100% if you are working for us:

• On or after your normal retirement date (see Part 3).

• On or after the date you meet the requirements for an early retirement date (see Part 3).

• On the date you become totally disabled, as defined in the plan.

Before that date, the following schedule determines your vesting percentage:

<table>
<thead>
<tr>
<th>Years of Vesting Service</th>
<th>Vesting Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Less than 10</td>
<td>0</td>
</tr>
<tr>
<td>10</td>
<td>50</td>
</tr>
<tr>
<td>11</td>
<td>55</td>
</tr>
<tr>
<td>12</td>
<td>60</td>
</tr>
<tr>
<td>13</td>
<td>65</td>
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<tr>
<td>14</td>
<td>70</td>
</tr>
<tr>
<td>15</td>
<td>75</td>
</tr>
<tr>
<td>16</td>
<td>80</td>
</tr>
<tr>
<td>17</td>
<td>85</td>
</tr>
<tr>
<td>18</td>
<td>90</td>
</tr>
<tr>
<td>19</td>
<td>95</td>
</tr>
<tr>
<td>20 or more</td>
<td>100</td>
</tr>
</tbody>
</table>

However, you will be 0% vested if you are discharged by us for the following reasons:

• theft

• embezzlement

• falsification of official records of your employment
Vesting service means your continuous service with us.

The following service is not counted:

- Service while you are on a leave of absence.

When Your Vested Benefit Starts

If you become an inactive participant, you will start receiving your vested benefit on your retirement date. Part 3 explains when you may retire and how your vested benefit is adjusted if you retire early or late.

Your vested benefit is the amount you will receive under the normal form of income. Normal form of income means a form that pays you monthly income for life and pays no benefits after your death.

Part 6 explains other forms of benefit you may choose when you retire and tax considerations. If the value of your vested benefit is $5,000 or less, such value will be paid to you in a single sum when you stop working for us. There is no choice to make. Federal law requires the plan to automatically roll the value of your vested benefit to an IRA in a direct rollover (see Part 7) if:

- such value is more than $1,000
- you have not reached age 65
- you do not elect to have such value paid to you in a single sum or rolled to another retirement plan or an IRA of your choice in a direct rollover

For more information regarding the designated IRA for automatic rollovers see Part 8.

You need to tell us your current address when you wish payments to begin.

Disability Benefits

You receive a monthly disability benefit if you are an active participant who becomes totally disabled as defined in the plan.

The monthly disability payments equal your expected earned benefit on your normal retirement date (see Part 3). 75% of your monthly disability payment is a non-taxable housing allowance.

Payments continue until the earliest of the date you are no longer disabled, the date you die, or the date you reach your retirement date (normal retirement date, if earlier). On your retirement date, your retirement benefits are determined as provided in Part 3. Your earned benefit is equal to your earned benefit on the date you became disabled, but not less than the amount of the monthly disability payment you have been receiving.

If you recover before retirement and come back to work, your payments stop and you may become an active participant again as provided in Part 1.

If you recover before retirement and don’t come back to work, you are treated as though you had stopped working for us on the date you became totally disabled. Your earned benefit will be determined as of the date you became totally disabled.
PART 5 DEATH BENEFITS BEFORE RETIREMENT

The primary purpose of the plan is to provide income for you during your retirement years. Therefore, no death benefits are payable under the plan.
PART 6 HOW THE PLAN PAYS BENEFITS

If the value of your retirement benefit is $5,000 or less, such value will be paid to you in a single sum. There is no choice to be made. Federal law requires the plan to automatically roll the value of your retirement benefit to an IRA in a direct rollover (see Part 7) if:

- such value is more than $1,000
- you have not reached age 65
- you do not elect to have such value paid to you in a single sum or rolled to another retirement plan or an IRA of your choice in a direct rollover

For more information regarding the designated IRA for automatic rollovers see Part 8.

Form of Benefit

The only form of benefit offered under the plan is a monthly income to you for life. No benefits are payable after your death.

Tax Considerations

Benefits you receive are normally subject to income taxes. You may be able to postpone or reduce the taxes that would otherwise be due. In addition, benefits you receive before age 59 1/2 may be subject to a 10% penalty tax.

Each person's tax situation differs. Your tax advisor can help you decide the best way for you to receive benefits.
PART 7 IMPORTANT INFORMATION FOR YOU

The Plan Administrator

The plan administrator has the full power to decide what the plan provisions mean; to answer all questions about the plan, including those about eligibility and benefits; and to supervise the administration of the plan. The plan administrator's decisions are final.

Direct Rollovers

Certain benefits that are payable to you may be paid directly to another retirement plan or IRA. The plan administrator will give you more specific information about this option when it applies.

Top-heavy Plans

We test our plan once a year to see if it is top-heavy. It would be top-heavy if the present values of the earned benefits for key employees exceed 60% of the present values of the earned benefits for all employees.

In general, a key employee is an officer. Not all officers are key employees. Factors taken into account are the number of officers and their amount of pay.

For any year in which a plan is top-heavy, there are minimum requirements for benefits and vesting.

The plan administrator can tell you if the plan is top-heavy and if the minimums apply.

Your Social Security Benefits

Your benefits from this plan are in addition to your benefits from Social Security. You should make your application for Social Security (and Medicare) benefits three months before you wish Social Security payments to begin.

Changing the Plan

The plan can be changed at any time. We will notify you of any changes that affect your benefits.

An earlier version of the plan may continue to apply in certain situations. For example, participants who stop working for us have their eligibility for benefits determined under the version in effect when they stopped working.

Stopping the Plan

We hope to continue the plan, but the plan can be terminated (stopped). Federal law is very specific as to how the plan may be terminated. Generally, a plan that has enough money to pay all benefits owed to participants will be terminated in a "standard termination." This means all participants under the plan will receive the full benefit earned as of the date the plan is terminated.

However, if the plan does not have enough money to pay all benefits, the law specifies the general manner and order that plan assets will be distributed. If this happens the plan assets will be used up on a priority basis to provide retirement income for plan participants.
Military Service

You may be entitled to certain benefits under the Uniformed Services Employment and Reemployment Rights Act of 1994. The benefits you are entitled to will be determined at the time you return to work for us based on your period of military service and whether or not you returned to work during the period of time in which you have reemployment rights.

You may be entitled to additional benefits or vesting service under the Heroes Earnings Assistance and Relief Tax Act of 2008 if you die during a period of qualified military service. Your survivor may also be entitled to certain benefits if you die during your period of military service and you could have returned to work for us during the period of time in which you had reemployment rights.
PART 8 FACTS ABOUT THE PLAN

The terms of the plan do not guarantee your employment with us.

Plan Sponsor
Roman Catholic Diocese of Des Moines
3300 Easton Blvd.
Des Moines, IA 50317

Plan Name
Roman Catholic Diocese of Des Moines Priests' Pension Fund Society

Type of Plan
Defined Benefit

Plan Administrator
Roman Catholic Diocese of Des Moines
3300 Easton Blvd.
Des Moines, IA 50317

Telephone: (515) 223-4577

Plan Year
July 1 through June 30

Designated IRA for Automatic Rollovers

The IRA designated for automatic rollovers is an interest-bearing savings account. Fees and expenses will be paid by you. For more information about the designated IRA and related fees, contact:

Rev. Edward Hurley
Roman Catholic Diocese of Des Moines
3300 Easton Blvd.
Des Moines, IA 50317

Telephone: (515) 223-4577
PRIESTS PENSION FUND SOCIETY
Diocese of Des Moines

Description of Society

The Priests' Pension Fund Society in a separate corporation established in 1948 for the benefit of the incardinated priests of the Diocese of Des Moines to assist with their medical, retirement, and other special needs as they arise. The original Society included priests health insurance, which insurance was funded through the Diocese. The role of the Society was to meet with the health insurance carriers to review the health insurance plan and determine rates, deductibles, and co-pays. The Society also enrolled the priests in the plan and provided some wellness programs from time to time. The Diocese of Des Moines later assumed the administration and responsibility for the health insurance needs of the priests.

The Priests' Pension Fund Society is set up as a separate corporation in the State of Iowa according to the guidelines of the Diocese of Des Moines. The Bishop of the Diocese is the President, the Vicar General of the Diocese is the Vice-President, and there are four priest elected by the priests as Directors, one representing the retired priests and the other three elected at large. One of the priest serves as Secretary – Treasurer.

There are two components of the Pension Fund Society, The Pension Fund set up with Principal Financial and the Contingency Fund to provide for special needs of the priests.

Principal Pension Fund

A separate Pension Fund was established in 1972 as a defined benefit plan with Provident Insurance in Kentucky for the benefit of the priests of the Diocese. It was later moved to American Republic Insurance in Des Moines, and then eventually to Principal Financial.

The Board of Directors of the Society meets annually with Principal Financial to review the status and health of the Pension Fund at Principal and determine policies and changes to the Fund regarding the amount of benefits and investment guidelines.

The guidelines and by-laws of the Pension Fund are set out in the booklet provided by Principal Insurance that is included with this description. Such things as vesting and accrual of pension benefits are described in detail in this booklet.
Contingency Fund

The Society has also maintained a Contingency Fund over the years to assist priests with special needs and to provide for various contingencies as they arise. The most common use of this fund has been for assisting with nursing home needs or assisted living when priests own assets are not sufficient, addiction treatment, special medical needs, and assisting with priests’ retirement residences.

Priests are expected to use their own resources for their retirement care until they are exhausted. The Society is then available as a safety net to provide for individual care as needed. Title XIX funding has also been utilized, especially if the individual priest is able to continue to stay in the same facility and have the same level of care as they had before going on Title XIX.

The Society does maintain a cost assurance program (insurance) with Guest House for addiction care needs.

Christian Brothers 403(b) Tax-Sheltered Annuity & Social Security

Social Security and the Christian Brothers 403(b) Tax-Sheltered Annuity program are both additional components to priests’ retirement needs that must be considered.

The Diocese provides for a 403(b) tax-sheltered annuity program for the priests of our diocese. The annuity program is not part of the Society, but is directed through the Diocese. Priests are encouraged to participate in their own retirement planning in addition to the Pension Fund. The Pension Fund is not intended to be the sole source of a priests' retirement needs. Social Security is an additional component in retirement planning. It is hoped that each priest takes advantage of the Christian Brothers annuity program. Currently, priest contributions through payroll deduction to the annuity will be matched up to $125 per month. Priests can have more deducted from their payroll each month (and hopefully each priest will contribute more), but the match will be maxed at $125 per month.
### Priests' Pension Fund Society

#### Operating Fund

**7/1/2012 - 6/30/2013**

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diocese of Des Moines (ADA)</td>
<td>$45,000.00</td>
</tr>
<tr>
<td>Memorials</td>
<td>$1,015.00</td>
</tr>
<tr>
<td>Bequests Polish</td>
<td>$149,279.57</td>
</tr>
<tr>
<td>Mass Stipends</td>
<td>$630.00</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$195,924.57</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured Care</td>
<td>$24,051.00</td>
</tr>
<tr>
<td>Special Care (Guest House)</td>
<td>$11,325.24</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>$300.78</td>
</tr>
<tr>
<td>Other (Dowling Residence)</td>
<td>$13,063.46</td>
</tr>
<tr>
<td>Other (Polich House)</td>
<td>$5,650.50</td>
</tr>
<tr>
<td>Principal Expenses</td>
<td>$6,235.00</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$60,625.98</strong></td>
</tr>
</tbody>
</table>

* Roof on garage

**Fund Transfers (To Pension Fund at Principal)**

<table>
<thead>
<tr>
<th>Fund Transfers</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contingency Fund</td>
<td>$1,000,000.00</td>
</tr>
<tr>
<td>Annual Diocesan Appeal</td>
<td>$45,000.00</td>
</tr>
<tr>
<td><strong>Total Transfers</strong></td>
<td><strong>$1,045,000.00</strong></td>
</tr>
</tbody>
</table>

#### Operating Fund

**7/1/2013 - 4/27/2014**

<table>
<thead>
<tr>
<th>Revenues</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diocese of Des Moines (ADA)</td>
<td>$45,000.00</td>
</tr>
<tr>
<td>Sharing God's Gifts</td>
<td>$326,951.83</td>
</tr>
<tr>
<td>Memorials</td>
<td>$9,070.00</td>
</tr>
<tr>
<td>Bequests</td>
<td>$19,024.77</td>
</tr>
<tr>
<td>Mass Stipends</td>
<td>$250.00</td>
</tr>
<tr>
<td><strong>Total Revenues</strong></td>
<td><strong>$400,296.60</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Expenses</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Uninsured Care</td>
<td>$24,045.97</td>
</tr>
<tr>
<td>Special Care (Guest House)</td>
<td>$5,756.13</td>
</tr>
<tr>
<td>Office Expenses</td>
<td>$200.50</td>
</tr>
<tr>
<td>Audit</td>
<td>$3,400.00</td>
</tr>
<tr>
<td>Other ( Mostly Dowling Residence)</td>
<td>$30,835.72</td>
</tr>
<tr>
<td>Principal Expenses</td>
<td>$11,231.28</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td><strong>$75,469.60</strong></td>
</tr>
</tbody>
</table>

* Chairs for Dining Room & Furnaces

**Fund Transfers (To Pension Fund at Principal)**

<table>
<thead>
<tr>
<th>Fund Transfers</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contingency Fund</td>
<td>$500,000.00</td>
</tr>
<tr>
<td>Annual Diocesan Appeal</td>
<td>$45,000.00</td>
</tr>
<tr>
<td>Sharing God's Gifts</td>
<td>$326,951.83</td>
</tr>
<tr>
<td><strong>Total Transfers</strong></td>
<td><strong>$871,951.83</strong></td>
</tr>
</tbody>
</table>

#### Fund Balances

**6/30/2013**

- Pension Fund at Principal: $7,880,621.00
- Contingency & Operating:
  - Robert W. Baird & Co: $1,332,234.00
  - RBC Wealth Management: $726,461.00
  - West Bank Checking: $53,922.00
- **Total**: $9,793,238.00

**3/31/2014**

- Pension Fund at Principal: $9,000,070.00
- Contingency & Operating:
  - Robert W. Baird & Co: $973,901.00
  - RBC Wealth Management: $747,518.00
  - West Bank Checking: $19,306.00
- **Total**: $10,740,797.00
Retirement Issues
Medical Plan

As a Priest ages into 65, there are four main questions that need to be asked:

- **What happens when I turn 65?**
  - Determine whether Priest will remain active or will retire at age 65
    - If the Priest remains an active “employee”, the Priest will be automatically enrolled in Medicare Part A & will defer Medicare Part B
      - Medicare Part A is at no cost to the Priest with the assumption that they have been working and receiving a paycheck for the required 40 quarters
      - Medicare Part B Deferral
        - Part B has premiums associated with coverage - $104.90 per month
        - Priest is able to defer premiums until retirement
          - Priest will need to return form to social security office to decline Part B
      - Priest provides copy of card to Eileen
        - Eileen sends copy to LMC (Nancy)
          - Priest remains on group plan with the group as primary insurance and Medicare Part A secondary
  - **What happens when I retire?**
    - Eileen notifies LMC in July of any Priest retirement
    - Priest will enroll in Medicare Part B
      - Priest is able to enroll 3 ways
        - Online
        - Phone
        - In-person at social security office
      - Priest to provide a copy of the new card with Medicare Part A & Medicare Part B active to Eileen
        - Eileen sends a copy to LMC (Nancy)
          - Priest remains on group plan with the group as primary insurance and Medicare as secondary
  - **What am I responsible for paying under the current Diocesan policy?**
    - Under the current Diocesan policy, Retired Priests are only required to pay the Medicare Part B premiums – approximately $104.90 / month
      - Directly billed to Priest
    - In addition to Medicare Part B premiums, the Priest will have member responsibility of deductibles, coinsurance & copayments
  - **What are the differences between Medicare Supplement and the Diocesan plan?**
    - Premiums
      - Medicare Supplement premiums are age banded and will increase annually
      - Group plan is composite rated, could increase annually depending on plan performance
      - Medicare Supplement & PDP (Prescription Drug Plan) premiums would be direct billed to Priest
    - Benefits
      - If a Priest were to move off of the Group Plan, he would need to also purchase a PDP
        - Cost will vary by individual depending on the type of prescriptions (brand vs. generic) and the number of scripts that he is taking
      - Medicare Supplement plan F does not have any deductibles, coinsurance or copayments
        - Medicare will pay for services that are Medicare approved
          - Chiropractic coverage is not considered Medicare approved
        - Priest can elect or remain on dental and or vision coverage
In 2009 the priests were asked about their future plans for retirement. At that time it was stated that there are 15 apartments at the Dowling Priest Residence. 6 of the apartments were enlarged in that remodeling. At that time it was the thinking of the research committee (Msgr. Larry Beeson, the members of the Priest Pension Board; Ed Hurley, Bob Schoemann, Mike Hess, Greg Leach) that depending upon the need and interest an addition could be built on to the Priests Residence and more of the apartments would be enlarged. Our thought was that six apartments should be added. Currently there is no guest room at the Dowling Priest Residence.

The total capacity of Dowling Priest Residence is 15. In addition to 9 retired priests there are two in special ministry and four in active parish ministry.

The total capacity of St. Francis is 5. In addition to the two retired priests there are two in active parish ministry and a room for the Bishop’s Council Bluffs Office.

There are now 36 retired priests.
7 have left ministry and are on partial pensions.
4 are in care facilities
10 have their own home
9 live at Dowling Priest Residence
2 live at St. Francis in Council Bluffs
3 live in Parish Facilities

In the next five years there are 13 priests who could retire.
5 priests would like to live at Dowling. 6 have places of their own.
1 priest would like to live at St. Francis.

The five years following the previous group there are 12 priests who could retire.
6 priests from this group would like to live at Dowling.
Des Moines Priest Residency Needs Projection
February 6, 2014

Qualifications
The results below show an estimate of housing needs using conservative mortality assumptions. These mortality assumptions are typically applied to large groups of people. With a smaller group, greater variance from projections is more likely than with large groups. That means that with 5 potential retirees expected to need housing in the next 10 years, it is a real possibility that 19 additional units will be needed to accommodate these priests. The tables below represent only a best estimate.

Results
Using conservative mortality assumptions (assuming that more priests will live longer), the housing deficit is projected to reach two over the next five years. A group of expected retirements pushes this deficit up at 2020. This assumes that priests retire at age 70. This deficit looks better if priests delay retirement, and much worse if they retire earlier.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Dowling</td>
<td>15</td>
<td>15</td>
<td>14</td>
<td>14</td>
<td>14</td>
<td>13</td>
<td>13</td>
<td>12</td>
<td>12</td>
<td>11</td>
</tr>
<tr>
<td>ST Francis</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
<td>3</td>
</tr>
<tr>
<td>Martina Place</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>20</td>
<td>20</td>
<td>19</td>
<td>19</td>
<td>19</td>
<td>18</td>
<td>18</td>
<td>17</td>
<td>17</td>
<td>16</td>
</tr>
</tbody>
</table>

| Future Needs | 1    | 1    | 2    | 3    | 3    | 4    | 6    | 8    | 8    | 8    |
| **Total Needs** | 21   | 21   | 21   | 22   | 22   | 22   | 24   | 25   | 25   | 24   |

| Total Units | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   | 20   |
| **Deficit** | (1)  | (1)  | (1)  | (2)  | (2)  | (2)  | (4)  | (5)  | (5)  | (4)  |

Assumptions
- Conservative mortality assumptions were used, as it was mentioned that the priest population has comparatively low healthcare costs.
- The projected values below are rounded up to be conservative. For example, if on average 17.2 units are filled in 2020, it appears as 18 units above.
- We have assumed a normal retirement age of 70 and that all priests below require housing upon retirement.
- Deficit refers to housing units needed in addition to the 20 units initially included above at Dowling, ST Francis, and Martina Place.

Population

**Current Housing**

<table>
<thead>
<tr>
<th>Residence</th>
<th>Name</th>
<th>Age</th>
</tr>
</thead>
<tbody>
<tr>
<td>Dowling</td>
<td>Lorenz</td>
<td>85</td>
</tr>
<tr>
<td>Dowling</td>
<td>Pleffer</td>
<td>82</td>
</tr>
<tr>
<td>Dowling</td>
<td>Stearns</td>
<td>80</td>
</tr>
<tr>
<td>Dowling</td>
<td>Beeson</td>
<td>79</td>
</tr>
<tr>
<td>Dowling</td>
<td>G. Koch</td>
<td>79</td>
</tr>
<tr>
<td>Dowling</td>
<td>L. Kenkel</td>
<td>79</td>
</tr>
<tr>
<td>Dowling</td>
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**Future Housing Needed**

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Active

Retired
Appendix F

Dowling Priest Residence
1390 Buffalo Road
West Des Moines, IA 50265

Information Sheet

Since the 1970’s, priests of the Diocese of Des Moines have lived in the Dowling Priest Residence. Originally housing priest’s employed by Dowling; today the priest residents are mixed between active and retired. The total capacity of the residence is 15, including 9 studio apartments and 6 larger 1 bedroom units.

Monthly rent includes:
- Evening communal dinner in the dining room
- Utilities (water, electricity, heat, central air)
- Weekly light housekeeping
- Free laundry facilities on the lower floor
- Available Chapel
- Garage for each resident

Monthly Rates:
Studio Apartment -- $630
1 Bedroom Apartment -- $730
Mercy Court Apartments
921 6th Avenue / Des Moines, IA / 50309

Mercy Court is a retirement community operated by Mercy Medical Center. It provides independent living in a comfortable, secure location centrally located to Mercy Hospital & downtown. There are 58 apartments – ranging in size from 500 square feet to 925 square feet - each furnished with a full kitchen, carpeting and draperies.

Monthly Rent Includes

- Mid-day dinner in the dining room
- Utilities (Water, Electricity, Heat, Central-Air)
- Emergency medical call system / central fire alarms / unit smoke detectors
- Bi-weekly housekeeping
- 24 hour security
- Laundry facilities on each floor – complimentary
- Two Chapels – Catholic & non-denominational services
- Library / Large print book materials
- Outdoor gazebo & outdoor swimming pool, indoor exercise equipment
- Full activity calendar
- Dry cleaning pick-up and delivery
- Management lives on site with 24 hour availability
- Café service (week days 11:30am for lunch service)

Other services:

- Guest room accommodations
- Garages and carports
- Storage lockers
- Barber / Beauty shop

Monthly Rates*

- **Efficiency** (500-625 sq’) = $800 (with mid-day meal = $950)
- **Standard One Bedroom** (537 sq’) = $850 (with mid-day meal = $1,000)
- **Deluxe One Bedroom** (625 sq’) = $875 (with mid-day meal = $1025)
- **One Bedroom with Den** (925 sq’) = $1,160 (with meal = $1,310)

*double occupancy add $150 for second meal
St. Francis Worship Center
238 S. 6th Street
Council Bluffs, IA 51501

Information Sheet

The St. Francis Worship Center has capacity for five priests. Apartments on the ground floor have their own living room, kitchenette, bedroom, and bathroom. Apartments on the upper floor are similar but share a kitchenette. There is an additional kitchen and recreation room on the ground floor.

Monthly rent includes:
• Utilities (water, electricity, heat, central air)
• Weekly housekeeping
• Free laundry facilities
• Available Chapel
• Garage for each resident
• Recreation Room
• Storage

Monthly Rate -- $300
Rectory Research

Compiled 2014

Introduction: The following information is an informal assessment of the rectory availability within our diocese and was compiled by Jason Kurth in 2014. The method used was conversation with priests or parish staff. No site visits were conducted and the report does not assess the current state of the facilities.

This report will be divided into two parts: Part I -- top options for the Des Moines metro area, Council Bluffs, and rural areas, and Part II – more detailed information on all top options.

Part I – Top Options

Des Moines Metro Area – locations only

Basilica of St. John
Christ the King
St. Anthony
St. Augustin
Our Lady of the Immaculate Heart (Ankeny)
Ss John and Paul (Altoona)

Council Bluffs – locations only

St. Patrick

Rural and Small town – locations only

St. Mary's (Anita)
Ss Peter and Paul (Atlantic)
Sacred Heart (Chariton)
St. Clare (Clarinda)
Holy Spirit (Creston)
St. Peter (Defiance)
Holy Trinity (SE Warren County)
Immaculate Conception (St. Marys)
St. Mary (Shenandoah)
St. Patrick (Mansena)
St. Patrick (Neola)
St. Patrick (Perry)
St. Mary (Shenandoah)
St. Boniface (Westphalia)
Appendix I

Part II – Detailed Responses

Des Moines Metro Area

Basilica of St. John, DM
• Parish rectory where the priest lives
• Seminarians use extra rooms during breaks
• Space for additional priests would be possible but location is an issue

Christ the King, DM
• Parish rectory on site, recently renovated
• Currently only pastor lives there, but could potentially house additional priests.

St. Anthony, DM
• Rectory on site where pastor, associate pastor, and a third priest lives
• Parish also owns another rental property nearby

St. Augustin, DM
• Recently renovated rectory on site
• Permanent residence for two priests, plus guest room (not fitted for permanent residence)
• To east of church there is an apartment building with four apartments, parish is looking to utilize for priest housing. Needs some updating but a possibility.

Immaculate Heart of Mary, Ankeny
• Rectory on site, currently pastor alone but could add a second resident

Ss John and Paul, Altoona
• Current Pastor lives in his own home off site
• Parish owns a ranch style house, which is currently being used by religious sister
• Could comfortably house 2-3 residents

Council Bluffs

St. Patrick
• Rectory is a condo, offsite, for pastor. Former rectory used for parish office center and is attached to the church. Condo has a bedroom, bathroom and loft area upstairs could be used for additional priest.

Rural

St. Mary’s, Anita
• House, currently Fr. Sherbo living there/
• 3 bedrooms/each with own bathrooms – 1 is smaller, best for guest room
• Basement partially finished, possible office space
• Probably 1,200-1,500 square feet

Ss Peter and Paul, Atlantic
• Rectory housing, currently Seriah family. Originally built to house several priests (3-4)
• Four bedrooms/baths upstairs
• If necessary the basement could be converted (with funding) to two bedrooms but significant work would need to go into this (egress windows would need to be installed)

Sacred Heart, Chariton
• Has room for 2-3 extra priests. Office closed off from residence. Bedrooms only – fairly small without sitting area, with shared living spaces.

St. Clare, Clarinda
• Can house another priest.

Holy Spirit, Creston
• One former rectory is being used for thrift shop (will be torn down, would need $200K+ to be livable)

• Pastor’s rectory is very large, pastor has lived on the main floor and upstairs there are two bedrooms, full bath, living space and storage. Could hold another priest. Lots of stairs.

St. Peter, Defiance
• Beautiful rectory that is not used very much, just a few meetings held there. On the second floor there are three bedrooms a bathroom with a shower, plenty of closets and a very large living space. I would guess two to three priests would be very comfortable up there. The main floor has the kitchen and dining room two offices and another bathroom. There is a one to two car garage under the kitchen and a basement and back door entrance for whomever would use the garage.

Holy Trinity, SE Warren County
• Rectory has three bedrooms, could support more than one priest. In Lacona, across the street from church. Office downstairs which could also be a bedroom with some adjustment.

St. Patrick, Massena
• Currently, used for Religious Education and meetings but may be possible to convert back to residence for priests (one, possibly two) if interest is there in the future.

St. Patrick, Neola
• Big rectory with plenty of room; could comfortably fit two priests.

St. Patrick, Perry
• Currently full but in future could comfortably handle two priests.
Appendix I

Immaculate Conception, St. Marys
  • Rectory could house 4 priests with at least two rooms upstairs and possibly two downstairs.

St. Mary, Shenandoah
  • Rectory has room for additional priest.

St. Boniface, Westphalia
  • Has a two-story, five bedroom rectory which is currently unoccupied. The parish council will need to put some money into it since it has not been lived in for a few years, but the thought of having a retired priest live there will be the needed stimulus to make the necessary repairs and to paint it.