

August 4, 2015

Archdiocese of Milwaukee Settles Bankruptcy

Dear Brothers and Sisters in Christ,

A few short months after I was installed as your archbishop on January 4, 2010, a trusted advisor met with me and said, "They told you we might have to go into bankruptcy, right?" It was a plain and frank assessment of the financial picture of the archdiocese and of pending lawsuits, all part of the destruction caused by some priests who committed horrible crimes and left that devastation in their wake 30, 40, 50 years later.

Shortly thereafter, I pledged I would do everything possible to avoid bankruptcy and try and settle the financial situation we were in.

So we entered our first mediation to try and settle the lawsuits. When that failed, I believed the best course of action was to file for Chapter 11 protection, something I hoped would be an expedited process to bring resolution, healing and fairness for all abuse survivors, not just those who were first to file lawsuits. We filed the bankruptcy petition on January 4, 2011, my first anniversary as your archbishop.

From the outset, I adopted a mindset of prayer and patience, knowing that this could be an arduous process. Prayer sustains us; patience helps us persevere. My goal was to provide compensation to those who had been harmed; create a path toward healing for abuse survivors; and allow the Church to continue its spiritual, charitable and educational ministries.

Just a few weeks ago in July, the archdiocese entered its fourth mediation to try to reach an agreement with the attorneys for abuse survivors. More prayer and patience was necessary, but I am happy to report this mediation was finally successful and after nearly five years, the archdiocese, after approval by the bankruptcy court this fall, will emerge from Chapter 11 at the end of this year. It took longer than I ever thought or hoped, but prayer and patience are helping us reach a reasonable end.

Under the settlement agreement, the abuse survivors will receive \$21 million. That is a large amount of money, but we all know that no amount of money could ever restore what was taken from these

individuals. The money will be shared by abuse survivors of diocesan priests, but some payments will also be made to those who made claims against religious order men and women, and lay people who were employed by parishes or schools. More details about the settlement are posted at www.archmil.org.

As part of this settlement, all parishes and schools will receive a legal release protecting them from future lawsuits. This was important because we wanted certainty that we could all move forward together in our ministry of Word, Worship and Service.

The settlement money will come from various sources, including insurance settlements and a settlement with the Cemetery Perpetual Care Trust. This settlement has been developed with a great deal of care and thought. The Trust assures us that as we move forward, it will continue to have the necessary resources to fulfill its duty of maintaining our nine Archdiocese of Milwaukee Catholic cemeteries for their sacred purpose and for the families with loved ones interred there.

Reaching a settlement is the best way to acknowledge the hurts of the past and try to reconcile for the future. I am pleased that a settlement was reached and that both abuse survivors and the archdiocese can turn the page from this terrible chapter of our history. It is important that we never forget the pain and suffering of abuse survivors. And we will continue to hold ourselves accountable to all the elements of the Dallas Charter and the demands of our archdiocesan Safe Environment protocols.

Thank you for your prayers, concern and support over the last several years. With the end of this process now in sight, we can devote our full attention and resources to our ministries.

At the Archdiocesan Synod, I talked about our Church being filled with the Holy Spirit and that for us in the Archdiocese of Milwaukee it would be a new Pentecost. Turning the page from this chapter of our archdiocesan history allows us to focus more fully on our mission – to proclaim Christ and make disciples through the sacramental life of the Church. We will do so, remembering those who have been harmed; holding them up in prayer; supporting them through therapy and healing; promising never to forget the evil that was done; and working diligently to ensure this evil never happens again.

We also turn that page by rededicating ourselves to the spiritual, educational and charitable mission of the Church – igniting our enthusiasm in our parishes and schools; renewing our commitment to Jesus Christ and His Church; and energizing ourselves and others in our prayer and ministry. And in all these ways, we respond to Jesus' call to LOVE ONE ANOTHER.

Sincerely Yours in Christ,

Most Reverend Jerome E. Listecki

Archbishop of Milwaukee