

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 15-30125

The Archdiocese of Saint Paul and
Minneapolis,

Chapter 11

Debtor.

AFFIDAVIT OF JAMES FITZPATRICK

STATE OF MINNESOTA)
) ss.
COUNTY OF WASHINGTON)

1. My name is James Fitzpatrick. I was a priest in the Diocese of Winona from 1963 to 1973, and I served as a Parish Administrator in four different parishes in the Archdiocese of St. Paul and Minneapolis from 1977 to 2002.
2. I served as Parish Administrator for Guardian Angels Catholic Church in Oakdale, Minnesota from 1977 to 1986.
3. I served as Parish Administrator for Saint Alphonsus Catholic Church in Brooklyn Center, Minnesota from 1986 to 1993.
4. I served as Parish Administrator for the Church of Saint Joseph in West Saint Paul, Minnesota from 1993 to 1997.
5. I served as Parish Administrator for Saint Richard's Catholic Church of Richfield, Minnesota from 1997 to 2002.
6. In each instance, my position as Parish Administrator required me to play a central role in virtually all operational and ecclesiastical functions of the parish that I served. I was aware of, and involved in nearly all financial and operational aspects of parish

administration in each parish that I served during the entire period that I served each parish.

7. I was never aware of any meeting of the corporate board of any parish that I served.
8. The Archdiocese routinely guaranteed loans for parishes. The Archdiocese guaranteed loans for two of the parishes where I served as Parish Administrator – the Church of Saint Joseph in West Saint Paul and Saint Richard's Catholic Church of Richfield. The other two parishes where I served as Parish Administrator did not have loan debt during my service.
9. The Archdiocese also renegotiated a loan on behalf of Saint Richard's Catholic Church of Richfield.
10. The Archdiocese – primarily through the Archbishop and the Vicar General – exercised control over the parishes I served (and, to my knowledge, all of the other parishes within the Archdiocese) in many ways.
 - a. The Archbishop served as President of each parish board.
 - b. The Vicar General sat on the board of each parish.
 - c. The parish chose the lay trustees (2) who served on the parish board.
 - d. The Archdiocese had control over every priest within the Archdiocese by virtue of the fact that the Archbishop could remove or transfer any priest at any time at the Archbishop's sole discretion.
 - e. The Archdiocese alone set salaries and benefits for priests (despite the fact that the parishes were responsible for funding the salaries and benefits established by the Archdiocese).

- f. It was common knowledge that if a priest "rocked the boat" (in other words, if a priest did or said something inconsistent with the demands or desires of the Archbishop), that priest would likely be reassigned, demoted, or serve the rest of his career with a black mark on his record. In one instance while I was an administrator in the Archdiocese of St. Paul and Minneapolis, two nuns were threatened that they would never be able to work in the Archdiocese or any diocese again if they acted contrary to the Archbishop's instructions.
- g. The Archbishop controlled every major financial decision of every parish I served by requiring the parish to get his written consent (through a proxy) before the parish could buy or sell property or make any other significant expenditure.
- h. Direct control by the Archdiocese over the parishes increased when the parishes were separately incorporated because, at that point, the Archbishop and Vicar General of the Archdiocese formally became influential members of each parish's governance. In fact, it was my understanding (and my experience) that the parishes were separately incorporated to increase the Archdiocese's direct control over the parishes.
- i. By 2002, parishes had little or no discretion to change the curriculum taught in their schools, alter their employee benefits programs, create their own training programs for parish school principals and teachers, choose their own liability insurance, choose their own employee insurance programs, run their own background checks in connection with hiring lay

employees, train their own administrators, obtain loans, or choose their own lay trustees for service on the parish boards. Parishes either had to get the Archdiocese's approval in writing before doing any of these things, or they were not allowed to do them at all.

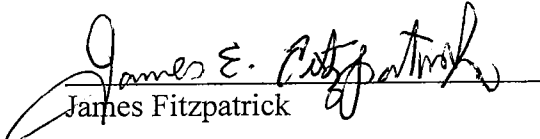
11. The Archdiocese required parishes to make a large and comprehensive financial report to the Archdiocese annually.
12. The Archdiocese exercised complete control of all training for priests.
13. The Archdiocese exercised complete control over the appointment, demotion, transfer, and discipline of priests. When I was Parish Administrator for Guardian Angels Catholic Church in Oakdale, we had an assistant pastor who was unwilling to work. Even though the parish paid his salary, we lacked authority over him and our only recourse was to appeal to the Archdiocese to remove him from our parish.
14. The Archdiocese trained parish school teachers, parish school principals, and parish administrators.
15. When I was Parish Administrator for Saint Alphonsus Catholic Church in Brooklyn Center, over the objection of many parishes (including objections that I personally voiced for my parish), the Archdiocese mandated that all parishes change their employee benefits insurance programs over to a specific program with a specific carrier. The change led to an immediate increase in the cost of employee insurance for Saint Alphonsus alone in the approximate amount of \$100,000 annually.
16. The Archdiocese unilaterally required all parishes to discontinue liability insurance programs and participate in the General Property and Liability Insurance Program despite

protest from many parishes. Parishes made premium payments on this policy and the health insurance policy payable to the Archdiocese.

17. The Archdiocese also required all parishes to change their pension program for lay employees over the objection of several parishes. This change also cost many parishes (including mine) additional money.
18. I am aware of only one parish – the Church of St. Agnes in St. Paul – that refused to implement the changes to its pension benefits programs that were imposed by the Archdiocese. Despite the Church of St. Agnes's failure to make the payments associated with the pension program, its employees still received the benefits.
19. In 1999, the Archdiocese required the parishes and many other entities in the Archdiocese to re-characterize the status of virtually all lay employees from "at will" employees to employees that could only be "terminated for cause." Many parishes strongly opposed this change, but the Archdiocese forced each entity that he deemed subject to the policy to make the change regardless of their objections.
20. In my time as a priest and a Parish Administrator, I never felt or believed that the parishes had control over their own assets and operations. The Bishop and Archbishop always maintained direct and ultimate control. It was as if the parishes were merely departments in the Diocese or Archdiocese organization, or as if the Bishop and Archbishop were Generals and the parishes were platoons serving the Generals' army.

FURTHER AFFIANT SAYETH NOT.

Dated: 5/23/16


James Fitzpatrick

Subscribed and sworn to before me
this 23rd day of May 2016

Wanda Raymond
Notary Public

