News



by Peter Feuerherd

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Updated April 19, 2018, at 3:16 p.m. CDT. *Updates two previous stories: La Crosse Diocese to end pension payments with lump-sum payout and Expert in diocesan finances has 'never seen' pension move like La Crosse's.*

A Diocese of La Crosse, Wisconsin, plan to rescind employees' pensions will not take effect, according to an April 18 press release.

Bishop William Patrick Callahan announced in a Feb. 27 letter to hundreds of retirees, including former parish workers, teachers and maintenance workers, that the diocese would terminate their pension plans this spring and replace them with a lump sum payment worth about 90 percent of their appraised value.

The statement from the diocese said the proposed plan is being placed on hold. Until a final decision is made, the statement said, the current pension plan will continue.

The statement from the diocese said that it "regrets that an announcement of this importance was made before all of the proper questions were asked or answered, and for this we are truly sorry. The Diocese of La Crosse is committed to figuring out how to best provide future benefits for all plan participants, and values the many sacrifices, and dedicated services from all its employees."

The decision comes after nearly two months of pushback from diocesan retirees unhappy with the proposed changes, which would have taken away full pensions ranging from $200 to $800 per month, based upon years of service and salary.

Jack Ruhl, an accountancy professor at Western Michigan University, told NCR that he had never seen such a plan implemented. If the pension plan changes had been done by a secular corporation it would have violated federal laws regulating pensions, he said.

[Peter Feuerherd is a correspondent for NCR's Field Hospital series on parish life and is a professor of journalism at St. John's University, New York.]

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A version of this story appeared in the **May 4-17, 2018** print issue under the headline: Wisconsin diocese calls off plan to rescind pensions.