

# Financial Reality Summary

NOVEMBER 2023



## RECOMMENDATION PROCESS

For the past two months a group of 8 parishioners have met weekly to discuss the financial reality of the parish projects that were part of the one by One Campaign. The professional background, skillsets, age, knowledge and experiences of these parishioners were a perfect combination for this group. Several factors were taken into consideration including; current financial state of the parish, amount of campaign pledges received and projected to be received, future needs of our growing parish, safety of our school and feedback from our parish family.

## SUMMARY

Our one by One Campaign goal was to raise **\$7 Million** in pledges to be able to fund the completion of a series of capital projects for our parish and school. We did not secure enough pledges to meet our goal and construction costs and interest rates have risen sharply over the past 2 years. Based on the work of the Campus Optimization Team and the feedback received from the parish, we will concentrate on the most impactful projects with the limited funds that will be available which is **\$2,250,000**. This amount represents that all pledges are fulfilled. The following is the recommendation for the Growing Forward Capital Improvement Plan (limited to two projects).

### Project #1

#### **Phase 1 - School Safety Renovation (move school office to Door #1 at front of building)**

Cost: \$250,000 (\* We currently have these funds so we can move forward immediately)



### Project #2

#### **Parish Center - (1st floor commons, 2nd floor offices, and parking lot renovations)**

Cost: \$5,600,000 (We will have \$2,000,000 from one by One Campaign current pledges.

Need to fund \$3,600,000)



We have the funds available to begin working with an architect to prepare final drawings and can also begin requesting bids.

\*Final Diocesan approval contingent upon 75% of funds acquired through contributions or approved loans.

# What

## Plan to raise the additional \$3,600,000

1. Parishioner Growing Forward Contributions are the ideal way to fund these projects.
2. Increase tithing from parish families.
3. Private Parishioner Loans (only for what is not funded from #1 and #2)
4. Commercial Loans (only if we do not receive enough from #1-3)

# How

## Parish Growing Forward Contributions

### 100% of all gifts go DIRECTLY to St. John's Parish!

- We ask those that have not given to the one by One Campaign to now contribute to our Growing Forward efforts.
- We ask that the parish families not currently giving anything to the parish to begin contributing to the parish and/or to the Growing Forward efforts.
- We ask those that have supported the one by One Campaign to fulfill their pledge and to discern supporting our Growing Forward efforts as well.

**Loan Options** - This option will only be utilized for the balance of anything needed after contributions are received.

- **Private Financing** - Our intent is to acquire enough private loan funding through our parish and local community members to assist us in completing our desired projects.
- **Bank Financing** - We contacted three financial institutions for information on their current interest rate and terms of a loan. We would only go this route if we did not obtain enough funds to do our desired projects.

Private Financing			
Maximum Loan Amount	Estimated Rate	Rate Term	Annual Payment (Interest Only) *
\$ 2,500,000	4.25%	5 Years	\$ 106,250

  

Bank Financing				
Maximum Loan Amount	Estimated Rate	Rate Term	Amortization	Annual Payment (Principle & Interest)
\$ 2,500,000	7.375%	5 years	25 years	\$ 219,240

\* Possible annual principle reduction payment of \$100,000 can be included.

Have a question or a comment?  
Scan the QR code below to give us your feedback.



## Next Steps

- **December 2023** - Compile information from Survey and document responses.
- **January 2024** - Communicate plan of action to Parish and start process.