

# Questions & Answers

## **Why do we owe \$300,000 in past-due Assessment to the Archdiocese?**

The assessment is the Archdiocesan “tax” or “fee” charged on parish revenue to fund downtown offices and services. In order to pay more on the principal of the building loan in the late 1990s and early 2000s, the parish did not pay its annual assessment to the Archdiocese. At the time, the Archdiocese was not charging interest on the unpaid assessment balances each year. That changed in 2006 when the Archdiocese began putting unpaid assessment balances into interest bearing notes. Not wanting to incur any further interest charges, the parish began budgeting to pay its annual assessment charges each year going forward.

## **Is the Archdiocese requiring that we conduct a debt reduction campaign?**

No. The Archdiocese has never come to us and said, “You must conduct a debt reduction campaign.” They are offering the “Assessment Exemption” incentive to all parishes that have debt throughout the Archdiocese. The decision to move forward with conducting the Annual Fund Drive to reduce our debt was made by the members of our Parish Pastoral Council.

## **What were the results of last year’s Annual Fund Drive campaign to reduce the debt?**

Last year, a total of \$340,000 was pledged to the Annual Fund Drive — to date, a total of just over \$200,000 has been received in pledge payments. Many families chose a two-year pledge period when making their commitment to the campaign. Whether you are still fulfilling your commitment made during last year’s campaign, or making a gift for the first time this year, contributions and/or pledges to the Annual Fund Drive can be fulfilled between now and June 30, 2010.

*For more information about the Annual Fund Drive, contact our Development Director, David Kissell, at 385 - 8010 ext. 119.*

## **St. John the Baptist Parish**

5361 Dry Ridge Road  
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(513) 385 - 8010



[www.stjohns-dr.org](http://www.stjohns-dr.org)

Gifts to the Annual Fund Drive are tax deductible to the extent permitted by law.

For more information about this year’s campaign, visit our website at:

[www.stjohns-dr.org/annual\\_fund.htm](http://www.stjohns-dr.org/annual_fund.htm)



**St. John the Baptist  
Catholic Parish**

*Leading the Way...*

**For the Next  
150 Years**

**Annual Fund Drive  
2009-2010**

*Campaign to Reduce the Debt*

# Meeting the Challenges of Today for the Next 150 Years & Beyond...

**W**e are in the midst of a historical moment here at St. John's — the celebration of our 150th parish anniversary. This is a great opportunity to reflect on our past and celebrate our history as a parish community. In addition, it is important that we look ahead and direct our focus on meeting the challenges of today in order to secure a bright future for the next 150 years and beyond.

A key challenge we continue to address is paying down our debt the Archdiocese. The debt stems from building the new church and school addition in the undercroft in the late 1990s.

## Today's Opportunity

The Archdiocese has presented us with the opportunity to pay down the debt and save money in the process. Between now and June 30, 2010, all funds raised for debt reduction will not be charged the Archdiocesan Annual Assessment of 8% (*the assessment is applied to all parish revenue and helps to fund the Archdiocesan Downtown Offices*).

To take advantage of this opportunity, all funds raised through the Annual Fund Drive last year (2008/2009) and this year (2009/2010) will be applied to our parish debt.

A successful annual fund drive this year will enable the parish to:

- Shorten the time frame for paying off the debt
- Apply "assessment-free" dollars to the debt.
- Energize the parish community as we continue to celebrate our 150<sup>th</sup> anniversary.
- Realize greater flexibility in pursuing future church ministries, services, and building projects.

## Last Year's Results

This debt reduction effort got off to a great start last year with 375 families making a gift for a **total of \$340,000 pledged to the campaign — of that amount, just over \$200,000 has actually been received in payments. With the Archdiocesan Assessment Exemption, the parish saved \$17,000.**

The success of last year's effort enabled the parish to make an additional \$50,000 payment towards the debt last spring. Overall, for the 2-year effort to reduce the debt, our goal remains to raise \$1 million by June 30, 2010. To reach this goal, we need the support of every parish family at St. John's.

## Our Vision...the next 150 years

Looking ahead to our future, we continue to work towards the day of being debt free. By paying down the debt, parish leaders will be able to pave the way for the next 150 years without the challenges and limitations currently in place due to the debt.

With this year's effort, parish families are once again invited to consider three gifts to the campaign: ***a gift of prayer, a gift of involvement, and a gift of financial participation.*** Whether your family is able to commit to one, two, or all three of the above gifts, we invite you to join us on this journey and support this important effort for the future of St. John's Parish.

Just as our parish patron, St. John the Baptist, challenged the people to prepare for the coming of Christ many years ago, we are challenged to make significant progress on our debt payments today. Reducing our debt will help to ensure a better tomorrow where we can continue to serve and minister as a vibrant, parish community.

## Our Parish Financial Situation

### New Church & School Addition

With 1100 families registered in the parish in the early 1990s, leaders of St. John's realized the need to expand. The parish had outgrown its facilities as weekend Masses were being held in the Parish Center and the school had an admissions waiting list. To address the situation, the parish embarked on a journey to build a new church and school addition.

To fund the building project, the parish conducted two capital campaign fund drives, Renaissance I & Renaissance II, between 1993 and 1999. The two campaigns raised a total of \$1.7 million. The church and school addition was completed in 1997 at a final cost of \$4.3 million. **The remaining \$2.6 million needed to fund the project was borrowed from the Archdiocese—thus the debt was born.**

### Details of the Parish Debt

#### New Church and School Addition Project:

Total Cost of the Project	\$4.3 million
Renaissance I & II Fund Drives Raise	\$1.7 million
Amount Borrowed from Archdiocese	\$2.6 million

#### Where the debt stands (as of August 1, 2009):

Building Loan Principal	\$721,124
Accrued Unpaid Interest	\$1,641,181
Unpaid Assessment Charges	\$300,000

**Total Debt to the Archdiocese \$2,662,305**

#### Current Payment Plan:

- Annual Payment of \$130,000 (Payments only being applied to the principal).
- Additional payments made over the \$130,000 each year are applied 50% to the Principal and 50% to the Unpaid Interest.
- Last year, due to the success of the annual fund drive, an additional \$50,000 payment was made.
- Under the current payment plan, the debt will be completely retired in the year 2031.