



Financial Freedom Campaign

Frequently Asked Questions

Where did this debt come from?

This debt is from our Phase II building project, completed in 2006. At that time we borrowed \$2.75 million. This debt is not a result of cost overruns; debt was always part of the plan. In fact, we were able to borrow less than the original projected amount of up to \$3.4 million.

What was the Growing in Faith campaign?

In the early to mid-2000's the Archdiocese of St. Paul & Minneapolis kicked off its Growing in Faith campaign to fund a variety of long-term needs of the Archdiocese. A fundraising goal was established for each parish and each parish was expected to contribute that amount. Our goal was \$1,020,840 and we did in fact pay that amount to the Archdiocese. Because this campaign was running concurrently with our Phase II campaign, we rolled its total into our campaign total.

Why have we been paying interest-only for four years?

The terms of our loan have allowed us to pay interest-only at 5%. The loan comes due this fall, and the parish will need to renegotiate terms for a new loan. We have paid more than interest, however. Our current balance today, which does not include any additional debt we may yet take to improve our school building, is \$2.38 million. This means we have paid more than \$370,000 towards the principal since 2006. The funds to pay this principal have come from the continued generosity of donors to the Building Fund from 2006 to today.

Is this the right time for a campaign?

Since the completion of Phase II, the Finance Council has known that at some point the parish would have to address this debt. With the loan coming due this fall, it made good sense to initiate a plan to begin significantly reducing the principal balance in order to save the parish interest. No one really knows what interest rates will be in the fall, and the possibility that rates could rise makes it prudent to both reduce principal and come up with a solid plan to service the debt until it is down to zero. For these reasons the Finance Council chose this spring as the time to conduct the campaign. Certainly the Council is mindful of the economy and the difficult situation people may find themselves in as a result. Nonetheless the need is there, and our parishioners would be asked to be generous regardless of the campaign's timing.

Financial Summary of Phase II	
Source of Funds	
Contributions and Bequests	3,352,637
Vermillion State Bank loan	2,755,635
Guardian Angels sale assigned to project	126,815
Interest earned on contributions	59,802
Total Source of Funds	\$ 6,294,889
Use of Funds	
Architect, construction & furnishings	5,146,328
Growing In Faith payments to Archdiocese	1,020,840
Capital campaign & misc.	127,721
Total Use of Funds	\$ 6,294,889

Is Phase III next?

It has long been the plan of this parish community to have all of our facilities and ministries at one location. In 2009 the Phase III Task Force recommended moving ahead with plans for Phase III (our Education Center on our main campus), but the Finance and Parish Councils deferred the project for up to ten years. Our existing debt was a factor, as was the Archdiocese's moratorium on building projects. In addition, the fundraising goal for a Phase III project would be considerably higher than our current campaign's goal of \$2.5 million. All of these factors put serious planning for a Phase III project into the future. Ultimately, whether or not Phase III is next is up to our parish leadership—our Parish and Finance Councils and our School Advisory Committee.



What if I am currently giving to the Building Fund?

Thank you! Your generosity has brought us this far in servicing our debt. Your continued generosity will go far to reducing and eventually eliminating our debt! Please prayerfully consider continuing your generosity to the Financial Freedom campaign, which is now taking the place of the Building Fund.



For more information, contact one of the Council members or Stewardship Commission members below.

St. Elizabeth Ann Seton Parish Council

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St. Elizabeth Ann Seton Finance Council

Tony Jurgens, Chair	651-459-7160
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St. Elizabeth Ann Seton Stewardship Commission

Tony Mailhot, Chair	651-437-4286
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You may also contact Mark Dittman, Parish Administrator; or Faith Siebenaler, Stewardship & Communications, at the parish office, 651-437-4254.