

January 20, 2008

# UPDATE

## *Our Journey Into The Future . . . Together*



### **Capital Campaign Highlights**

*Inside this flyer, you will find more details on...*

#### **Progress:**

- ◆ \$5.66 million\* in pledges; \$3.5 million in payments

\*Pledge detail:

\$4,886,000	Pledges
264,000	Investment gifts (i.e., annuities, stocks, charitable remainder trusts, etc.) (Note that these gifts are “fluid.” Actual amounts that will be realized by the Parish will not be known until the deaths of the individual donors.)
510,000	Donation of home to the Parish that is now the rectory (This amount reflects current market value)
<b>\$5,660,000</b>	<b>TOTAL</b>

#### **Accomplishments:**

- ◆ Paying down our present debt from \$795,000 to \$531,000
- ◆ \$589,000 purchase price & \$52,000 in improvements for five additional acres of land to guarantee sufficient Parish parking and playfields for the future school
- ◆ \$122,000 for the Secondary Education Initiative, specifically for Pax Christi, the future North County Catholic High School

#### **Approval to move forward :**

- ◆ \$8.5 million needed for the church, bell tower, memorial gardens, and daily chapel, starting with hiring an architect and an interior design consultant,
- ◆ Drawing up all the construction documents and obtaining the permits required to start construction (an 18-24 month process)

#### **Next steps:**

- ◆ Maintaining our operating income, renewing and paying our pledges so that there will be sufficient funds on deposit when we seek permission from the Diocese to break ground when our permits are ready

As chairperson of the Capital Campaign, I have promised that I would provide our parishioners with regular updates to keep everyone current on developments as our Capital Campaign moves forward.

Our last update was November 2006. Most of what is contained in this report is good news!

I am happy to note that our Capital Campaign, ***"Our Journey Into The Future . . . Together,"*** continues to exceed financial projections at this time.

As of January 1, 2008, we have pledges and gifts that total \$5.66 million, of which we have collected \$3.5 million. The building fund monies we collect are deposited in the Parish and School Deposit and Loan Trust (PSDL) with the Diocese.

This tremendous support amounts to 77% of Parish households who have made a pledge, and 90% of Parish households who have financially supported the campaign in a variety of ways.

As a reminder, our ultimate goal of this campaign is to raise \$12.4 million dollars which is directed toward the church, daily chapel, memorial gardens, bell tower, Parish offices, youth center, paying off our original debt, and fulfilling our pledge to the Secondary Education Initiative. All of these items are elements of this campaign that has been under way for the past three years.

This past year we began making payments toward our \$1 million pledge for the creation of Pax

Christi Catholic High School here in North County. Bishop Brom, in his recent visit to St. Thomas More, has assured us that the Parish money we raise is designated for the Pax Christi High School only. At this point we have \$122,000 collected for the Secondary Education Initiative.

Additionally, we are now secure in owning enough property for our eventual build out with the five-acre parcel adjacent to our property which was purchased and paid for last year. We were able to purchase this land for \$589,000 and have paid \$52,000 in the last two years for property improvements and fencing this land to keep it secure. This five-acre parcel will ensure that we have enough parking for future growth, and that there will be proper playfields for our future grade school.

Also, we are paying off our original interest-free loan from the Diocese. Four years ago when Fr. Mike arrived in the Parish, the debt was \$795,000. Two years ago we began paying down the debt at \$11,000 per month, and our present balance is \$531,000.

It is important to note that, while the Capital Campaign is progressing nicely, our Parish Finance Council, together with our Pastor and the Bishop, will not allow St. Thomas More to move forward with the new church unless and until everyone is comfortable that we have the financial means to maintain the space we currently occupy.

As you know, our operating budget has been a challenge the last two years. As Parish leadership, that is the Development, Finance, and Pastoral Councils, we have responded to this challenge in several ways. We have trimmed expenses as best we can and still maintain all the ministries that our Pastor, with consultation from these three councils, has determined is necessary to continue the mission and ministry of Jesus for this time and this place.

In the last two years, a special campaign, **"Did You Know?"** has begun to inform Parishioners about the cost of continuing the mission and ministry of Jesus at



St. Thomas More. You have heard the call and have responded. In 2007, this special campaign raised \$42,739 for our operating budget. A special thank you for your enthusiastic response to this important campaign is in order.

At the same time, our Parish has responded with renewed enthusiasm in weekly donations and combined with special fundraising efforts such as the annual golf tournament, which raises some \$40,000 for the annual operating budget, we have been able to operate with a balanced budget.

I cannot stress enough how important it is that we continue to demonstrate to the Bishop and the Diocese that we are capable of securing enough funds in our weekly offerings to support our current mission. Again, thanks to all of you for your continued support.

In his last visit, Bishop Brom announced his support for us to move forward with our next step in the process, which is the hiring of an architect and interior design consultant and to begin obtaining all the permits necessary to move forward with construction. This entire process will take 18-24 months to complete.

At the same time, our Parish leadership committee has held meetings to determine exactly what to include in the next phase of construction. Following consultation with our current architect, and assessing our current financial situation, it was decided that the church and bell tower be constructed and, as well, the shell for the daily chapel, at a cost of \$8.2 million. For reasons of structural integrity, the shell for the daily chapel needs to be constructed as part of the church building. The majority of cost associated with the daily chapel will be interior finish and can be completed at a later date if we do not have sufficient funds at the time we are ready to build. We will also commission the architect to design the Parish offices and youth center and create the necessary construction documents at the same time in order to save further design costs.



Now, perhaps, the most important part of our discussion involves the coming together of what we call the time line and the fund line.

The time line involves the lead time we need from a planning perspective, including architects and designers and especially the permitting process from various city agencies prior to beginning actual construction. Equally important, it includes consultation with the Diocese as to the availability of funds to borrow to begin construction. The Diocese will be looking carefully to be assured we have the proper amount of funds on hand to meet the established criteria for borrowing that all projects must meet, while at the same time not compromising the mission of our Parish financially.

The fund line involves the overall pledge commitments and more specifically the amount of funds collected toward the project at a given time.

The simple fact is that for this \$8.2 million dollar project, under current diocesan policies and with our current financial situation, we would qualify for a \$2.1 million loan, which would be limited to monthly debt payments that cannot exceed more than 25% of our operating income.

This means that when we are ready to seek our **new loan**, our current debt must be paid off and we will need to have at least one-third of the project cost on deposit to meet Diocesan policy and demonstrate our fiscal responsibility.

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Presently we are on track to meet all of these requirements, when the architectural and design work and the permit process will be complete.

So what needs to happen is that the time line and the fund line must meet in order to proceed with the actual construction of the church. The length of time involved in this actual planning process is substantial.

With all of that said, we are now in control of our own destiny. The time line planning will take care of itself. The question for all of us now is: "will we be ready with the fund line?" So far we have exceeded our goal, but in order to be ready, we will need to continue on that path.

It is critical to our mission that our pledges be renewed as they expire and that we indeed attract new parishioners and new pledges. After a lengthy period, we are making progress toward our goal of the new church. If your pledge has been completed, **please** renew it for another one, two, or three years.

If you have not yet made a pledge, now is the time to do so. We need you to be as enthusiastic as all our other pledge donors, many of whom have already renewed their three-year pledges!

We are on the edge and ready to move forward.

Again, for those of you who have been so generous in your support of our goal, your continued support is very much appreciated.

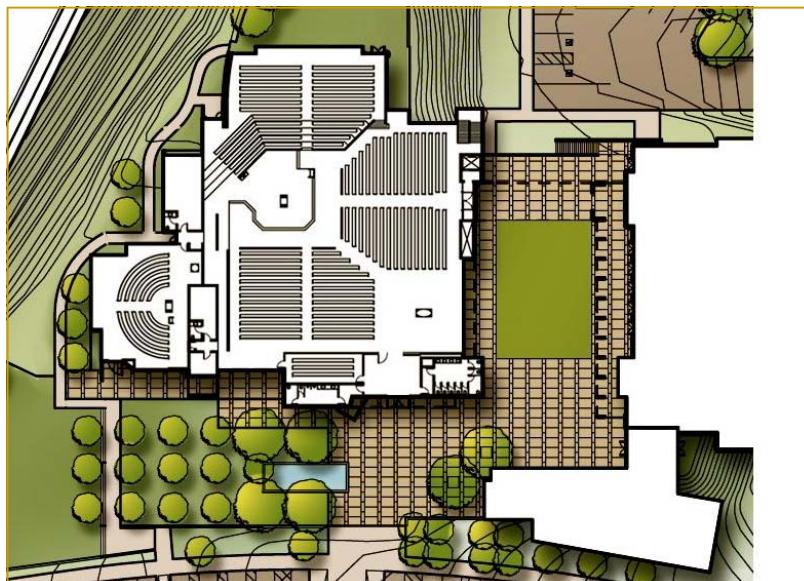
For all that has been—"Thank You!"

For all that will be—"Yes!"

Please continue to pray for our success and please continue to support the mission and ministry of Jesus for this time and this place in St. Thomas More Parish.

May the Lord who has begun this good work in us bring it to fulfillment!

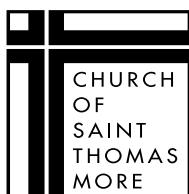
*—Mr. Bill Ipsen, Capital Campaign Chairperson*



*To view the entire collection of architectural sketches,  
visit the Parish website ([www.stmoside.org](http://www.stmoside.org)), then  
click on "Our New Church"*

If you have any questions or would like more information,  
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