

St. John's Parish: Early Creative Financing

In the early days, St. John's Parish in Columbia found itself with a very large debt. When Columbia was first founded, religious planners originally assumed that there would be a number of different churches of varying denominations in the villages throughout the new town, and the Archdiocese expected there would be Catholic parishes among them. But as Columbia developed, circumstances led to the establishment of interfaith centers. The initial planning for interfaith centers was done by Protestant denominations, and in 1966 they established the Columbia Religious Facilities Corporation (CRFC) to begin planning for joint ecumenical development of interfaith sites. In January 1968 CRFC was re-structured and the Archdiocese joined the venture, authorizing an \$820,000 loan to CRFC to help fund the joint ventures. The Archdiocese had decided it was better, more ecumenical, less costly, and more efficient to join other religious communities in these centers rather than go it alone in parish plant-building programs on the outskirts of Columbia. This was especially true as there were, in the beginning, so few Catholics in the new town area who could support these ventures. Fr. John Walsh led CRFC in its negotiations with the Rouse Company for acreage and other matters when the Wilde Lake Interfaith Center land was being developed.

The initial construction draw on that first loan for Wilde Lake was about \$300,000; other draws followed as the building progressed. Soon after Wilde Lake's completion in 1970, plans and construction began for the Oakland Mills Interfaith Center which opened in 1975. St. John's Parish was a part of that project also and when the construction dust settled, the debt of the Archdiocese was \$780,000. However, it is the policy of the Archdiocese that each parish finance its own building program, so the full CRFC pledge was turned over to St. John's. The parish was not yet large enough to handle such a debt, plus operating expenses, so consequently the parish ran a large deficit each year. To add to the problem, this was the time of sky-high interest rates and the parish was paying over 10% interest on its loans. Consolidations and major expense reductions for the growing parish helped little (for example, the parish sold its rectory on Green Mountain Circle and a convent for the nuns from the School Sisters of Notre Dame on Faulkner Ridge Circle.) Clearly something needed to be done.

At a meeting of the finance committee, the associate pastor at the time, Fr. Joe Schaefer, mentioned that his former parish in Bel Air had begun to handle a large parish debt with a Parish Bond Program, borrowing money interest free from parishioners to pay principle on the debt. Fr. George Cora and the finance committee, headed by parishioners Jay Whitney, Dick Bush and Tom Murphy, sensed a way out and put together the "Campaign for Growth" in 1975: Parishioners were asked to loan interest-free money to the parish. The initial request was for a \$1,000 bond, which the parish promised to pay back over a period of 10 years. By the end of the first year the program took in \$296,000 which was used to reduce the debt principle; this in turn reduced interest expense by more than \$24,000 a year. Over a period of four years the bond program sold about 350 bonds for debt reduction.

A second fund-raising program, "Operation Independence" was instituted in 1979. It was geared to get parishioners to increase monthly giving. At the time only about 200 of the 600 regular giving parishioners contributed over \$30 a month, yet the parish's bank debt still amounted to \$337,500, and Archdiocesan loans and bond holders also needed to be repaid. A secondary goal of Operation Independence was to get 50 additional families to purchase interest-free bonds.

The term of the "Campaign for Growth" \$1,000 bond program ended in 1985. A big part of the success of the bond program was that many parishioners ultimately forgave the \$1,000 loan, not asking for the money back but treating it as a donation.