

Where is the Relief from our Mortgage Payoffs?

For years, we paid more than \$17,000 each month on our mortgages for the church and the Corpus Christi Center. We eagerly looked forward to the day when these mortgages would be behind us. The Windfall Club helped generate extra funds that allowed us to retire our church mortgage in December 2011. We were elated! That reduced our monthly mortgage payments to \$6,100. The *Growing our Faith* Capital Stewardship Campaign enabled us to complete the payoff of our Corpus Christi Center mortgage in March 2013. But now that our mortgages are retired, why aren't we feeling more relief? Aside from our offertory shortfall, three factors contribute to this outcome.

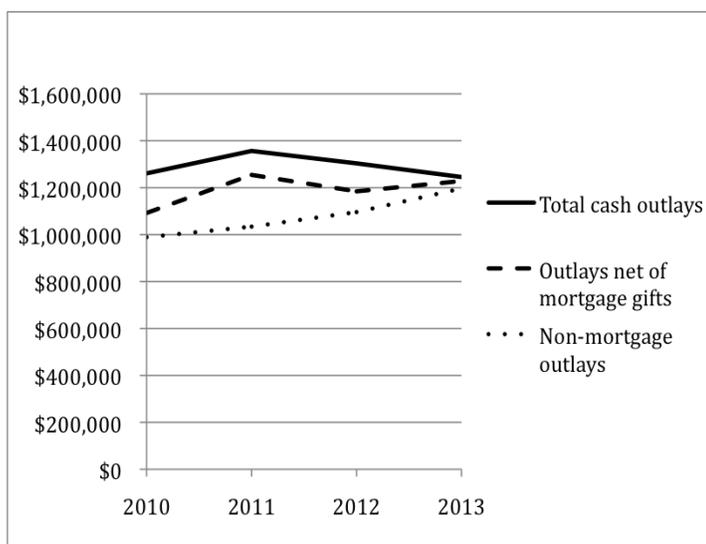
Most importantly, by the time we managed to retire our mortgages, our building and equipment had become "mature." That is, our church building and the equipment therein now need much more maintenance and updating than when they were new. So, just when one huge burden was going away, other substantial needs arose. Thank goodness for the capital campaign.

Second, generous donations directed to the mortgages considerably lightened the burden imposed on the parish by the mortgages. So, ironically, now that the mortgages are gone, we are feeling "only" the relief of that reduced burden.

The top curve in the graph shows our cash outlays, including our mortgage payments in fiscal years 2010 – 2013. The middle curve shows the cash outlays, net of the gifts directed toward the mortgages. The distance between the top and middle curves is the mortgage burden covered by the special donations.

The bottom curve shows our non-mortgage cash outlays. The distance between the middle and bottom curves is the remaining

mortgage burden borne by the parish. These curves show that the portion of the mortgages paid by special donations was considerable. (To keep the years comparable, FY 2013 outlays exclude those related to the capital campaign.)



Finally, we were comfortable with using our savings to reduce our mortgage principal, since doing so eliminated debt. Using savings to fund operations, though, is unsustainable.

These three reasons combined explain why we haven't felt the anticipated tremendous relief we expected from the retirement of our mortgages. But if anyone questions the value of having our mortgages paid off, just imagine the predicament we'd be in now, if we were still faced with those hefty mortgage payments.