

# LOAN REQUEST

Parish Information	Number	#536																											
	Name	Holy Family Parish – Prairie du Chien																											
	Pastor	Rev. Msgr. Charles D. Stoetzel																											
Amount	\$ 103,595.97																												
Purpose	Payment to contractor for past work done on addition/parish hall.																												
Reason(s)	<p>In 2013 our parish launched an approved \$2.4 million Capital Campaign to build a Fellowship Hall at St. John's Church and a Gymnasium/Daycare addition to our Prairie Catholic School. A portion of the funds raised (estimated \$700k) in the Capital Campaign came via a donation of a residence located in our Prairie du Chien Country Club subdivision; however, the donor reserved a life estate for his wife as part of the transfer. The legal work to transfer the property has all been done and his widow, who will be 92 on June 8, 2023, continues to reside there. With the documentation in place, the parish received permission to borrow from the Diocese to proceed with the construction projects and this resulting debt is detailed by 2 loans described below.</p> <p>In January 2022 a local HVAC/plumbing contractor presented our parish with a collection of older invoices that he asserted were due. Since that time, we have researched this matter thoroughly and conclude invoices totaling \$103,595.97 are, in fact, owed. During the process we have worked with Jessica Kirchner to determine our legal standing yet are not wanting to drag the matter involving a parishioner in to court. Complicating our review was the fact our Pastor, Fr. James Weighner, had been transferred; Rose Ziel, the bookkeeper handling payments of Capital Campaign funds, had left our employ; and Lana Gratace, the Parish Secretary had passed away. We have discussed the lateness of the billings with Fr. Weighner and he backs up the contractor's statement that he was not going to deliver invoices until all his work was completed.</p>																												
Repay Plan	The parish will continue to pay interest monthly on these loans and anticipates retiring the principal when the residence is sold upon termination of the life estate.																												
SAFS Relationship	<table border="1"> <thead> <tr> <th colspan="2">Deposit Accounts</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>DP536000</td> <td>St Gabriel Trust- General Acct (formerly 71-53500)</td> <td>86.93</td> </tr> <tr> <td>DP536051</td> <td>St Gabriel Cemetery Operating (formerly 71-53551)</td> <td>13,365.86</td> </tr> <tr> <td>DP536100</td> <td>Inspired by the Spirit Capital Campaign</td> <td>106,307.02</td> </tr> <tr> <td colspan="2"><b>Total Deposits</b></td> <td><b>\$119,759.81</b></td> </tr> </tbody> </table> <table border="1"> <thead> <tr> <th colspan="2">Loan Accounts</th> <th>Balance</th> </tr> </thead> <tbody> <tr> <td>LN536000</td> <td>HOLY FAMILY PARISH (536)</td> <td>293,549.58</td> </tr> <tr> <td>LN536001</td> <td>HOLY FAMILY PARISH (536)</td> <td>94,195.62</td> </tr> <tr> <td colspan="2"><b>Total Loans</b></td> <td><b>\$387,745.20</b></td> </tr> </tbody> </table>		Deposit Accounts		Balance	DP536000	St Gabriel Trust- General Acct (formerly 71-53500)	86.93	DP536051	St Gabriel Cemetery Operating (formerly 71-53551)	13,365.86	DP536100	Inspired by the Spirit Capital Campaign	106,307.02	<b>Total Deposits</b>		<b>\$119,759.81</b>	Loan Accounts		Balance	LN536000	HOLY FAMILY PARISH (536)	293,549.58	LN536001	HOLY FAMILY PARISH (536)	94,195.62	<b>Total Loans</b>		<b>\$387,745.20</b>
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Diocese Relationship	All accounts are current																												
Additional Information	The existing loans were established at a rate tied to the 3-month Treasury Bill rate and are currently at a considerably higher interest rate (LN536000 @ 5.60% and LN536001 @ 7.60%) vs the current rate @ 3.35%. If possible, we would like to consolidate this additional request and the 2 outstanding loans into one loan and continue to pay interest monthly until the property is sold.																												
Terms	<p><i>The Loan shall be paid with payments of accrued interest on or before the fifteenth (15th) day of each month and a single payment of principal and accrued unpaid interest on demand or as provided by borrower. Payments are applied first to interest and then to principal. The outstanding principal may be prepaid at any time.</i></p> <p><i>The Applicable Interest Rate will a per annum interest rate equal to a floating rate based on the Bond Fund Current Yield of the St. Ambrose Financial Services, Inc. Investment Fund with U.S. Bank Private Wealth Management (US Bank Bond Fund Yield) as published in the quarterly report (January, April, July &amp; October) from U.S. Bank Private Wealth Management Relationship Review plus a margin of 0.25%. <u>Current pricing as of the date of this request is 3.35%.</u></i></p>																												