



The Church of the Little Flower

Case Statement

Below is a description of how we aim to address the purchase of a Priest Residence through a 2-year Capital Campaign here at The Church of the Little Flower. We wish to ask your perspectives regarding our capacity and ability to accomplish these goals with the hope that it will become the vision of every parishioner.

History and Background

For quite some time now our parish has not had a Priest Residence on our parish grounds. This dates back to the “land swap” our parish did with the town. The “land swap” resulted in our parish being able to successfully raise the Capital Campaign funds to build what is now our current worship space. It also resulted in giving back land to the town of Berkeley Heights, which the former rectory and school occupied. Thus, for the last number of years our pastors and parochial vicars have had to live off-site in different towns and neighboring parishes.

Challenge

This is a challenge for a few reasons. To better serve the Little Flower community it is important that the Pastor, Parochial Vicar, and any clergy on staff or in residence are closer to our physical church and parish community. This is important for our pastoral and ministerial roles as clergy. It is also necessary for the long-term vitality of our parish that we establish a local Priest Residence. Doing so maintains standards, Canon Law as well as best practices for our local church.

Goal and Property Type

As such, our goal is to purchase a local property and to establish it as the Priest Residence for the current and future clergy of Little Flower Parish. This decision was made in consultation with the Parish Finance Council and Archdiocesan Leadership. Our intention is to purchase property within Berkeley Heights, which would essentially be the property of our parish. It is also understood that there is limited inventory within our township. Every effort will be made to establish a Priest Residence in Berkeley Heights.

There are certain considerations given the type of use a property will have. This does add to the challenge of finding a suitable property within Berkeley Heights. These considerations include and are not limited to having adequate and appropriate bedroom and bathroom space, common areas and parking.

Financing

We aim to conduct a 2-year Capital Campaign with a total goal of \$750,000. Included in this goal are the projected Annual Appeal goals for 2025 and 2026. Also, included in this goal are the projected costs of conducting a Capital Campaign.

The projected Annual Appeal goals for 2025 and 2026 \$145,576 total (\$72,788 per year). Please know that these are estimations. Annual Appeal goals are established and finalized before the start of each Annual Appeal. Additionally, by making a pledge or gift to the Capital Campaign you are ultimately making a gift to the Annual Appeal. Thus, the parish is still eligible for the Annual Appeal incentives, which help our operating budget.

The projected cost of conducting a Capital Campaign is \$60,000. This includes conducting a Feasibility Study, implementing a Capital Campaign, all material and postage costs as well as pledge redemption. Our parish is working directly with the Archdiocese of Newark's Office of Development and Stewardship on this project. In doing so, this greatly reduces the typical costs of conducting a Capital Campaign as parishes normally hire a consulting firm for this type of work.

The estimated balance the parish will have after a 2-year Capital Campaign is \$544,424. Due to the fiscal prudence and oversight of our Parish Finance Council and the generosity of parishioners our parish is fortunate to have an operating surplus as well as parish reserves, totaling \$300,000. The combined use of the remaining Capital Campaign funds and the parish reserves provide an estimated \$844,424 for the parish to purchase a local property to serve as a Priest Residence.

For projected use only, below is a detail summary:

Revenue	
Capital Campaign	\$750,000
Parish Reserve	\$300,000
Subtotal	\$1,050,000
Expenses	
2025 & 2026 Annual Appeal	\$145,576
Feasibility Study	\$10,000
Capital Campaign	\$40,000
Pledge Redemption	\$10,000
Subtotal	\$205,576
Total Projected Funds for a Priest Residence	\$844,424

What if We Identify a Property Before All of the Capital Campaign Funds are Raised and Collected?

Ideally, we aim to purchase a property using the Capital Campaign funds and the parish reserves. This way, our parish owns property outright, without any debt. Although, if we identify a property before the completion of the 2-year Capital Campaign, the combination of parish reserves and a mortgage from the Archdiocese of Newark will be used to purchase a property. The details of a mortgage, such as interest and terms will be based on the current banking rates. However, we anticipate a 12-month term and an interest rate below what the banking rate is, at that time. If a mortgage is needed, then our campaign funds will be used to eliminate the mortgage. Our parish can only accept a mortgage from the Archdiocese of Newark and not from an outside lender or bank.

Operating Expenses

Our Parish Finance Council analyzed the annual operating expenses post purchase. These expenses include and are not limited to maintenance, insurance, utilities, water, sewer, internet/cable, cleaning, landscaping, and snow removal. Currently, the parish is spending \$12,000 per year in rent for two priests. The annual estimated expenses of a property purchase are \$18,720 – \$20,720 which is only an additional cost of about \$6,000 – \$8,000 per year.

Total Estimated Capital Campaign Goal: \$750,000