

Sharing the Light

Dear Members of the Faithful of the Archdiocese of Detroit:

Though it is among the least known elements of parish, school, and archdiocesan finances, the Archdiocese of Detroit's Loan Deposit Program (LDP) is an important part of the financial wherewithal of the Catholic Church in southeast Michigan.

Many dioceses nationwide have financial mechanisms like the LDP through which the monetary resources of the diocese, parishes, schools, and other Catholic entities are internally deposited, enabling these institutions to obtain loans at lower interest rates and with better terms than available from commercial sources.

Our LDP has about \$201 million in deposits, the majority of which are from parishes. The LDP has approximately \$196 million in loans to parishes, independent Catholic schools, and other organizations. Unfortunately, about 40 percent of these outstanding loans are unlikely to be paid in full.

For more than 70 years, the LDP has been a source of financial strength and stability for the Archdiocese, our parishes, schools, and other Catholic organizations. More recently, mainly because of overdue and uncollectible loans, the LDP has exacerbated the Archdiocese of Detroit's financial challenges.

Like other areas of archdiocesan finances, the LDP has been thoroughly scrutinized. Reforms to lending practices and interest rate adjustments are among several new policies, procedures, and oversight measures that are stabilizing the LDP.

Because all of the financial resources of our Archdiocese come as gifts from generous and faithful parishioners, I want to share with you information about this important component of our fiscal responsibilities.

Sincerely yours in Christ,

The Most Reverend Allen H. Vigneron
Archbishop of Detroit