



**St. John the Baptist, Beach**

In 2010 the Church of St. John the Baptist broke ground on a project that now features a new entrance and gathering space, a new adoration chapel, and an enhanced sanctuary, all complete with full handicap accessibility, including new bathrooms. These improvements became possible with the assistance of their parishioners and low-cost funds from the Diocese of Bismarck Expansion Fund.

"The use of the Expansion Fund has greatly benefited our parish through the building of our gathering space! This is a win-win for everyone; we gain interest on what we have invested and other parishes can use our money at a low interest rate for their projects. It is always our money, but we can continue to help others also!"

-Wendy Ekre, Business Manager  
Church of St. John the Baptist (Beach)



**St. Anthony, Mandaree**

With the assistance of support from the Bismarck Diocese Expansion Fund, Construction is currently underway in Mandaree to build four housing units (with 10-14 beds per unit) for the Christian Life Youth Camp held at the parish in addition to a new fellowship hall. This planned facility will replace their aged camp facility and provide the parish (and the camp) with a hall for parish and camp activities. The project is estimated to be complete later this year.

"The Expansion Fund has been a tremendous blessing. We were able to receive a loan through the Expansion Fund at a low interest rate, which has enabled us to build a much-needed fellowship hall as well as new buildings for our summertime Christian Life Youth Camp. Without the loan through the Expansion Fund, we would have been unable to proceed with our plans."

-Fr. Paul Eberle, Pastor  
Churches of St. Anthony (Mandaree) and St. Joseph (Twin Buttes)

# Helping parishes EXPAND

Expansion Fund serves as catalyst for investment, construction and renovation across the diocese

The Expansion Fund of the Diocese of Bismarck is a nonprofit organization that provides a centralized depository and lending program for the benefit of the parishes and related entities of the Diocese of Bismarck. The Expansion Fund is separately incorporated under the laws of the state of North Dakota.

Under diocesan policy, the parishes are required to deposit all funds in excess of normal operating needs in the fund. The fund provides an instrument for the excess parish funds to be pooled and safely and professionally invested while affording the resources for loans to parishes for capital projects at competitive rates and terms. The fund provides several options for the parishes' investment in fixed term CD's along

with an option to redirect the funds back to the respective parishes' community financial institutions.

The following annual report provides a glimpse of ways the Expansion Fund continues to benefit parishes in the Diocese of Bismarck.

**Statements of financial position and activities**

As of June 30, 2013, the Expansion Fund had net assets of \$850,229, which was an increase of \$12,985 from the same period

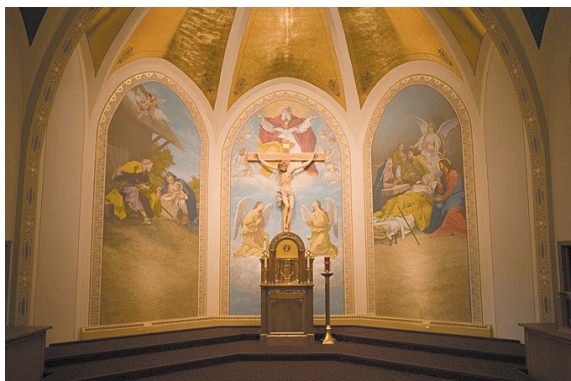
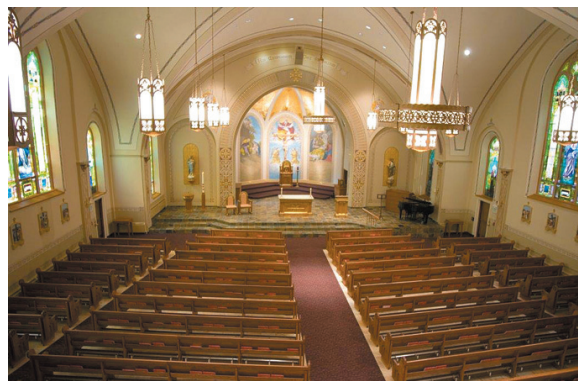
ended the previous year. The slight increase is attributable to increased investments offset by increased notes payable and decreased notes receivable.

• **Increased investments** – Since the deposits made by the parishes represent parish excess operating funds, the security of the principal is critical; therefore, funds are primarily invested in fixed securities. Investments are reported at the market value at the date of the financial statements. Approximately \$718,000 of the deposits represent parish redirected CD's to local

financial institutions.

• **Increased notes payable** – Notes payable represents the amount the parishes have deposited with the fund. The increase of \$1.9 million is attributable to additional deposits made by the parishes.

• **Decreased notes receivable** – Notes receivable represents the amounts loaned to the parishes for capital improvements. Five loans were outstanding at the beginning of the fiscal year with a balance of approximately \$2.3 million. At the end of the fiscal year, two of those loans were paid in full, leaving a balance of \$1.5 million on the remaining three loans. As of June 30, 2013, three additional loan requests totaling \$1.6 million had been approved by the board, however, they had not yet been funded.



**St. Joseph, Mandan**

In 2011, the Church of St. Joseph in Mandan completed a renovation of the church interior. The new space was designed to inspire and guide visitors and worshippers to more fully experience the Catholic faith and deepen their relationship with Christ. The proscenium arch inscription proclaims: "Ad Majorem Dei Gloriam," which translates into "For the Greater Glory of God." The Expansion Fund was used as a source to help complete the project.

**Other recent projects assisted by Expansion Fund loans**

- Church of St. Joseph (Dickinson) - Pine Room Parish Hall\*
- Church of St. Patrick (Dickinson) - Garvin Parish Hall\*
- Church of St. Joseph (Killdeer) - Gathering Space addition
- Church of St. Leo (Minot) - Exterior renovation

\* These spaces are now providing temporary classrooms for the students displaced by the Dickinson Trinity High School fire.

**Expansion Fund Board of Directors**

The Expansion Fund board members serve in their respective areas of expertise to assist the diocese in providing a valuable service to the parishes of western North Dakota. They are committed to the financial benefit of each parish and institution in the Bismarck Diocese.

- **Most Rev. David Kagan, D.D., P.A., J.C.L.** (diocesan bishop), president
- **Rev. Msgr. Gene Lindemann, J.C.L.** (diocesan vicar general), vice president
- **Dale Eberle** (diocesan chancellor), secretary
- **Laura Huber, CPA** (diocesan finance officer), treasurer
- **Tim Hennessy** (regional president, U.S. Bank)
- **Peter G. Jahner** (president, Kirkwood Bank and Trust)
- **Deacon James J. Wosepka, CPA** (James J. Wosepka, P.C.)
- **Molly M. M. Barnes** (vice president/equipment manager, Northern Improvement Co.)
- **Belinda Vollmer** (office manager, Preferred Restaurant Group, Inc.)
- **Gail Rowan** (recording secretary)

**EXPANSION FUND OF THE DIOCESE OF BISMARCK  
STATEMENTS OF FINANCIAL POSITION  
JUNE 30, 2013 AND 2012**

	2013	2012
<b>ASSETS</b>		
Cash and cash equivalents	\$249,439	\$248,592
Notes receivable, net of allowance for doubtful accounts	1,544,382	2,311,846
Interest receivable	39,775	37,700
Investments	7,576,240	4,876,530
Total assets	\$9,409,836	\$7,474,668
<b>LIABILITIES AND NET ASSETS</b>		
<b>LIABILITIES</b>		
Due to related party	\$100,000	\$100,000
Interest payable	56,316	60,969
Notes payable	8,403,291	6,476,455
Total liabilities	8,559,607	6,637,424
<b>NET ASSETS</b>		
Unrestricted	850,229	837,244
Total liabilities and net assets	\$9,409,836	\$7,474,668

**EXPANSION FUND OF THE DIOCESE OF BISMARCK  
STATEMENTS OF ACTIVITIES  
FOR THE YEARS ENDED JUNE 30, 2013 AND 2012**

	2013	2012
<b>SUPPORT AND REVENUE</b>		
Investment and interest income	\$350,860	\$303,418
Realized and unrealized gain (loss) on investments	(184,981)	24,318
Total support and revenue	165,879	327,736
<b>EXPENSES</b>		
Interest expense	93,731	100,001
Other	59,163	56,343
Total expenses	152,894	156,344
<b>INCREASE IN NET ASSETS</b>	12,985	171,392
<b>UNRESTRICTED NET ASSETS, BEGINNING OF YEAR</b>	837,244	665,852
<b>UNRESTRICTED NET ASSETS, END OF YEAR</b>	\$850,229	\$837,244