

# Frequently asked questions about



## Our Journey Together

All Saints' Episcopal Church  
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**Q: Why is this capital campaign necessary?**

**A:** The debt on All Saints' \$4.4 million building currently stands at about \$2.25 million. The debt is paid in monthly installments with funds specifically given by parishioners for that purpose. Payments on pledges to All Saints' second capital campaign, with which the parish pays its monthly debt obligations, are nearly complete and will end later this year. In order to assure continued cash flow necessary to meet our loan obligations, the parish needs to secure commitments for the next five years now.

**Q: What is our ability to make loan payments now?**

**A:** After allowing for planned campaign expenses, All Saints' has about seven months of payments in reserve, enough to take us to close to the end of 2014. Pledge income from the last campaign will continue through 2014.

**Q: What is the minimum amount we need to raise in this campaign?**

**A:** Our loan with Renasant Bank requires payments of \$16,900 per month or about \$202,800 per year. Over five years this totals a little over \$1 million. Assuming normal attrition and setting aside several months' payments in reserve, we need about \$1.2 million in new and renewed pledges to satisfy these requirements.

**Q: Why is money held in reserve? Why not pay it all on the loan as soon as it is received?**

**A:** The parish does not receive payments every month in equal amounts. Very many are paid in December. Yet loan payments are due every month. Experience has shown that it is necessary to hold a reserve of pledge payments so that there will always be enough on hand to pay monthly loan installments. When the reserve grows to more than is needed, the excess can be paid on principal.

**Q: What happens if we fall short of our \$1.2 million minimum campaign goal?**

**A:** Falling short is not really an option. Practically speaking, we would be forced to refinance over a longer term, likely at higher interest rates, and a fourth capital campaign would be a certainty. Currently we have very favorable terms in our loan agreement. Our interest rate is 4.7% and payments are fixed through August 2019.

**Q: Is it important to exceed our minimum goal if we can?**

**A:** Raising substantially more than \$1.2 million, *especially through commitments that can be paid in full "up-front,"* should allow us to retire additional principal ahead of schedule, reducing interest expense and eventually creating the possibility of moving debt service into an expanded operating budget.

**Q: What will happen in 2019 when payments from this campaign end?**

**A:** It will be necessary to refinance our loan before August 2019. Raising only our minimum of \$1.2 million in pledges from this campaign will reduce our debt from its present \$2.25 million to about \$1.575 million in 2019. The more we can pay down over the next five years, the greater the possibility we can make our monthly debt payments from our operating fund and the more options All Saints' will have.

**Q: Will another campaign like this be necessary five years from now?**

**A:** Unless there is some combination of exceeding our campaign goal significantly, receiving substantial “up-front” payments on pledges in this campaign, and seeing major growth in our operating budget over the next five years, a fourth capital campaign in 2019 is likely.

**Q: Why have we enlisted the help of an outside consultant for our giving campaign?**

**A:** All Saints’ has conducted two successful capital campaigns utilizing the services of Rauchenstein Consulting Group. RCG’s campaign model works at All Saints’. Planning and executing a successful capital campaign is time-consuming and challenging. Having an expert consultant in residence throughout the campaign maximizes the likelihood of success and real progress toward reducing our debt.

**Q: When will I be asked to make a commitment to the campaign?**

**A:** Vestry members, campaign leaders, and other advance givers are asked to make their commitments during a preliminary phase prior to the Campaign Dinner scheduled for Shrove Tuesday, March 4. A second round of visits will begin immediately following the dinner and the broadest phase will commence on March 23 and continue through the middle of April.

**Q: How will I be approached to participate?**

**A:** A fellow parishioner will contact you at church or by phone to arrange a personal visit to share the campaign objectives with you more fully. These personal visits are essential to the success of the campaign, so we ask you to welcome campaign volunteers as they make their calls.

**Q: How much should I give?**

**A:** Only you can answer that question. It is hoped each All Saints’ household will consider a pledge in proportion to its income and resources being mindful of the challenge at hand. In order for the campaign to succeed, commitments that involve some sacrifice will be needed. Some may consider an amount equal to what they give to support the annual operating fund. Some may choose to continue their level of giving from the parish’s previous capital campaign. The gift chart included in campaign literature is usually helpful as you consider your pledge or gift. It is not the amount, but the level of sacrifice and commitment that is important.

**Q: What is the recommended pledge period?**

**A:** Though some may opt for a gift that is paid all at once, it is suggested you pay your pledge over a five-year period beginning in April 2014, or, if you participated in the previous campaign,

when your prior pledge is fulfilled. Pledges can be paid weekly, monthly, quarterly, annually or at a schedule of your choosing. It is **your** pledge.

**Q: Are stocks or property acceptable as gifts?**

**A:** Absolutely. These are excellent methods of giving because, when given **directly** to All Saints', the donor generally does not pay any capital gains tax and yet may claim the current market value of the stock or property as a deduction. Please consult your tax advisor for details. We can give you additional details on how to transfer stocks or property directly to the church.

**Q: Will my pledge be legally binding?**

**A: No.** However, your pledge to the capital campaign is considered as part of your commitment to the life and work of the community of All Saints', and the Vestry will rely upon your pledge when it attends to the financial affairs of the parish.

### Campaign Facts

Current Loan Balance .....\$2.25 million  
Interest Rate.....4.7%  
Payment .....\$16,900 / month, \$202,800 / year  
Refinance Date.....August 2019  
Minimum Campaign Goal.....\$1.2 million  
Remaining Debt to be refinanced in 2019  
    assuming Minimum Goal.....\$1.575 million  
Each additional \$100,000 pledged and paid  
    "up-front" saves.....\$29,000 in interest

## Planning Your Gift Over Five Years

<b>Per week for 260 weeks</b>	<b>Per month for 60 months</b>	<b>Per quarter for 20 quarters</b>	<b>Per year for 5 years</b>	<b>For a Total Gift of</b>
\$192.31	\$833	\$2,500	\$10,000	\$50,000
153.85	667	2,000	8,000	40,000
115.38	500	1,500	6,000	30,000
96.15	417	1,250	5,000	25,000
76.92	333	1,000	4,000	20,000
57.69	250	750	3,000	15,000
46.15	200	600	2,400	12,000
38.46	167	500	2,000	10,000
34.62	150	450	1,800	9,000
28.85	125	375	1,500	7,500
23.08	100	300	1,200	6,000
19.23	83	250	1,000	5,000
17.31	75	225	900	4,500
13.85	60	180	720	3,600
11.54	50	150	600	3,000
9.62	42	125	500	2,500
7.69	33	100	400	2,000
5.77	25	75	300	1,500
3.85	17	50	200	1,000
3.46	15	45	180	900
2.89	13	37.50	150	750
1.92	8	25	100	500