



Commonly Asked Questions about our Campaign

Version 1.3, June 26

How long will the parish be involved in the campaign?

The active phase of the campaign will run for three months during which time gifts and pledges will be made by parishioners and members of the community.

Planning for our future. Is the picture clear yet?

How we reach out to the community is a work in progress. We want to listen to what the Spirit is saying to us and plan our future together. We know we need to reach out to our community, that it is urgent to do so, and that having funds set aside for this mission will bring hope and energy to that planning.

How will funds be allocated?

Recall that donations to the Capital Campaign are in addition to the annual donations you make to support existing worship and activities at St. Philip's.

Funds from the Capital Campaign will be allocated to:

- **Building Maintenance.** To cover significant maintenance over the next 10-15 years; work that could not be carried out with the operating budget alone. The Trustees will allocate funds to protect our buildings, keep them functional, and make them more inviting to parishioners and the wider community.
- **Growth of the Parish.** Growth of the parish serves to protect what we have. The portion of the funds from the Capital Campaign not required for Building Maintenance, will be available for initiatives to grow the parish. The types of projects considered will be shaped by parish-wide conversations and allocations will be made by the Trustees based on the best ideas for connecting with the local community.

What are the Building Maintenance costs and timeline?

You may recall the Property Committee hired **awqs consulting** in 2017 to perform a Buildings Condition Assessment (**BCA**) and provide multi-year costs for our buildings and equipment. The report states:

“The BCA report describes the building components condition, providing current and future replacement costs of each component. The projected replacement cost estimates serve to be the basis for financial forecasting model which guide the board

management in their financial planning. The BCA report is an extensive document prepared based on site observations, interviews and financial analyses.”

The report and multi-year maintenance plan are available here:

<https://www.stphilipsdunbar.com/news/2017-building-assessment-and-capital-plan>

At a high level the costs are as follows, noting that:

- Estimates are based on 2017 prices, use 2% annual inflation for costs in future years.
- Actual costs will vary from estimates

Years	Estimated Costs	Running Total
1-5	333,367	333,367
6-10	455,035	788,402
11-15	219,367	1,007,769

Why haven't funds been set aside each year for building maintenance?

There has not been a regular surplus available to set aside for maintenance, meaning this has not been an option. Occasionally, when a gift or bequest is made and was not required to balance the budget, the surplus has been used to grow one of the two endowment funds, so that revenue generated from these endowments is available to support our operating budget or support small special projects going forward.

People have also given generously when emergencies arise; an example is the stucco that required replacement on the office. Having funds from a Capital Campaign will make these events less impactful to our giving and the parishes financial planning. The funds will also support preventative maintenance.

Why don't we just use our Endowment Funds?

St. Philip's has two endowment funds that have been grown over many years from targeted donations as well from planned giving. As of December 2018, the capital of these funds stand at:

Endowment Fund: \$ 1,022,995

Income Fund: \$ 573,100

Generally the capital of these funds is protected while a portion of the income generated can be used to supplement our income or support special projects, but the income from these endowments is not sufficient to meet the goals of the capital campaign and the desire is to protect the capital of these endowments so that it can continue to support our income and special projects.

How income from these funds is used is determined by their governance documents and the Endowment Committee. The Committee considers requests for funds from the Trustees and ensures that successful requests honour the terms of reference for each fund.

What if we raise more than \$1.5 Million?

That would be a wonderful problem to have! Any funds in excess of \$1.5 Million would present us with additional choices. Careful consideration would be given to how we might apply any additional donations. Some possibilities include:

- Adding to our Endowments, noting that Endowment income is used to supplement our annual budget and support special programs.
- Continue funding growth initiatives.

How will parishioners be invited to make their gifts and pledges?

Home visits by parishioner volunteers will be the key component of the campaign. This will allow for a thorough conversation about where God is leading our church, how the campaign will help us plan for our future, and will give everyone the opportunity to provide input and ask questions about the campaign.

Is it possible to Donate Investments?

Yes. If you prefer to donate securities to the campaign, please use the Diocesan form and coordinate with your Broker or Investment institution. The form is available in the “Donation of Securities” section of: www.stphilipsdunbar.com/campaign-2019.

The advantage of this approach is that in Canada, making your gift by donating listed securities or mutual funds to charitable organizations can eliminate the capital gains tax you would have to pay if you first sell the securities and then donate the proceeds from the sale.

Note that securities donated in this way are sold upon receipt and the Diocesan Office sets the proceeds aside for our Capital Campaign.

Overhead:

- There are no fees for mutual funds.
- For securities donated in this way, the minimum fee is \$100 and the maximum fee is \$300 for larger donations.
- Fees, where applicable, are deducted from the proceeds of the sale, after the security is received and sold.

How can I contribute to the campaign without someone contacting me?

I.E. I am interested in supporting the campaign; however, I do not want a phone call or home visit.

Our goal through the campaign is to engage every household with a conversation about what we need to do in order to grow the parish and to be sustainable in the years to come. Your input is very important to the future of the parish and we hope you will welcome a conversation about this. If you would prefer not to talk about making a gift to the campaign then that will be honoured.

How much am I expected to give?

The success of the campaign relies on the generosity of every single member of St. Philip’s Anglican Church. We ask that each parishioner thoughtfully consider the needs of St. Philip’s

to protect what we have and to provide options for growth. Our campaign seeks equal sacrifices, not equal gifts.

Why am I asked to make a pledge instead of a one-time gift?

The success of the campaign rests on pledges payable over a period of time. By making a pledge, you might be able to contribute more than would be possible in a one-time gift.

What happens if I can't fulfil my pledge?

Should your life circumstances change we understand you may wish to increase, decrease or cancel your pledge.

How can I be sure that my pledge/gift amount is treated with confidentiality?

In accordance with all financial contributions given to the parish, our normal procedures ensure confidentiality of all gifts and pledges made throughout the campaign and pledge fulfilment period.

Will I need to maintain my weekly contributions?

Yes. It is vital that any contribution made to the campaign is over and above the weekly offertory or pledge to the parish's operations. The weekly offertory is used for the normal operating expenses of St. Philip's.

Can I make a gift other than cash?

Yes. Gifts of stocks, securities, gifts-in-kind, real estate, and other financial vehicles are welcomed and encouraged. We have information available on how to maximize your tax savings when making a gift. We also have a professional Gift Planner who is available to meet with our parishioners and provide a cost-free and confidential consultation.

What happens to the money I give if we do not reach the needed \$1.5 million goal?

All gifts to the campaign will be held in the Capital Campaign Designated Fund, to be used for maintenance and growth. Should the \$1.5 million financial goal not be met by the end of the campaign, then a discussion will be required to determine how best to use the funds available to protect our buildings and grow our parish.

When will maintenance work begin?

Maintenance work, such as repairing our roof, will begin this year as funds become available.

Can I honour a loved one through my campaign pledge?

Yes. A list of Commemorative Gift Opportunities will be developed for the campaign. This allows you to make a gift in recognition or memory of your family or a loved one. Contact the church office for additional information.

Why is a professional firm helping us with the Capital Campaign?

The benefits of a fundraising firm not only include the wisdom and experience of experts, but also the support services and training that helps us to more easily and successfully raise the

required funds to care for our church. Research on this issue showed that there is an increased probability of being successful with our campaign when we use a consultant to guide us.

What are our Sources of Income?

The 2019 Annual Budgeted Income is forecast at \$439,000 and 84% of parish income comes from 3 sources:

- Donations from Identified Givers (56% of income)
- Rent (16% of income)
- Special Donations (12% of income)

The Capital Campaign is in addition to these donations. It is hoped that we can grow donations by engaging more people from the local community, adding programs that align with our values and with what the community is seeking.

How is input being gathered regarding Worship Space configuration?

In April, Church Committee formed the “Re-ordering Working Group” and gave that group the following mandate:

- That there be a group to organize and run a consultation process for the parish to re-image a renewed Church Space and provide a report and recommendations to Church Committee and the Trustees.

Group members to include the Rector, Brian Mix, Ursula Bell, Erin McDougall, Derek Simpkins, Michael Murray, Sarah Ruddle. Note that other suggestions for members are welcome.

Are there ways “I” can engage?

Absolutely! Let Craig or Brian know if someone would like to be a visitor or to help out with non-confidential administration aspects of the Campaign.

What are the Annual Costs of Running St. Philip's?

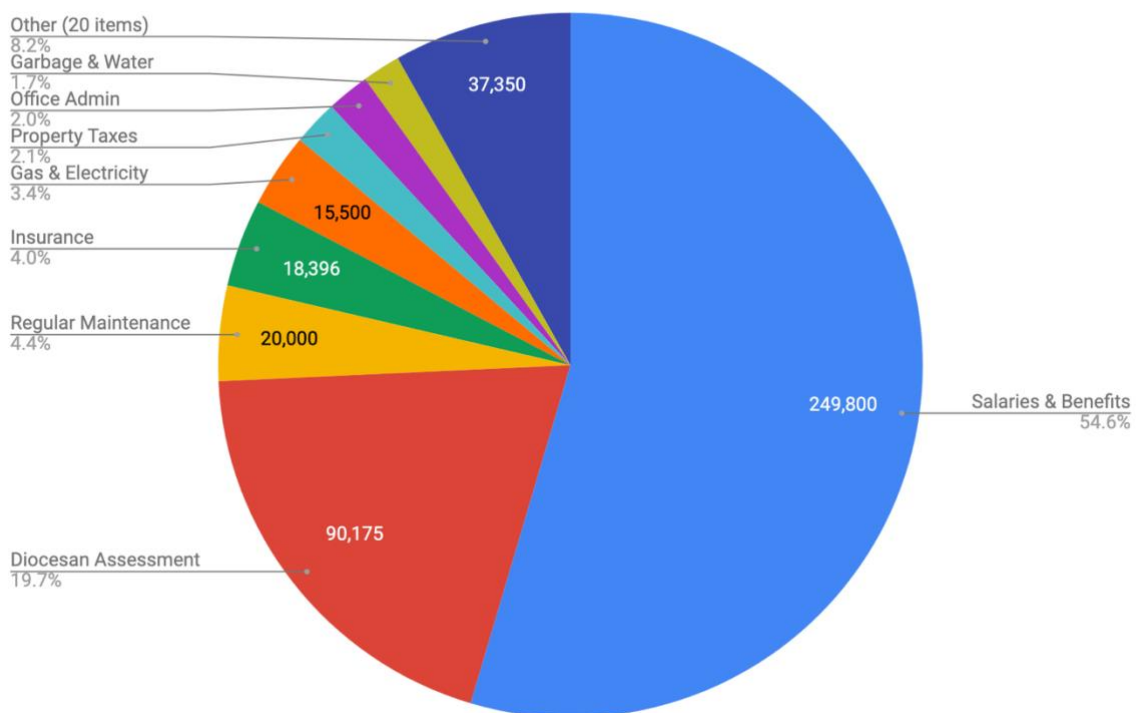
2019 Annual expenses are forecast at roughly \$458,000 and illustrates why we want to maintain regular giving.

Another way to think of this is in terms of the costs per month or day, which for 2019 are:

- Cost per month: \$38,167
- Cost per day: \$1,255

Viewing all of our expenses as a pie chart illustrates that the majority of our expenses fall into a small number of categories:

2019 Expenses: \$457,721



Almost 75% of our expenses consists of the two items:

1. Salaries & Benefits – as guided by the Anglican Church of Canada as well as Labour Standards.
2. The Diocesan Assessment - which is determined by the Dioceses according to a formula applicable to all parishes and based on our Income over several years. The Diocesan Assessment supports the office of the Archbishop, our Payroll and Benefits administration, financial management of our Endowment Funds and various support services.

The remaining 26% of our expenses are where leadership focuses their efforts to keep costs as low as possible while continuing to deliver the programs of the parish.

Will the funds raised increase our Diocesan Assessment?

No. The Diocese has confirmed this and notes that we just need to:

“Identify and segregate the incoming funds that are pertaining to the capital campaign. These funds are not assessable in the assessment formula. The funds are only assessable when taken into the general operations to fund ongoing parish ministry.”

Are we thinking about sustainability?

We are always thinking of sustainability, through the reduction of costs, seeking additional rentals opportunities, protecting and growing our Endowment Funds, attracting people to join and consider themselves part of this community, and now exploring new ways to connect with our local community to share in our culture of faith and action. The capital campaign will give us the financial flexibility to make this exploration.

Longer term there can be other approaches to consider. Such as developing plans for the office and gym portions of our property that would generate more usable space for revenue generation and support of the Church, staffing and programs. Seeking partners with similar goals that would share costs. Also, planning for future capital campaign.

There may be parishioners skilled in long term planning that may want to offer a ‘gift in kind’ to work on sustainability planning.

What is Music for the Soul?

One idea is to expand our music presentations, primarily outside our worship service, to attract a wider audience. Examples could include performances from folk to flamenco.

What is Messy Church?

Outside regular worship times, to engage people in new ways while preserving our current worship services, we are looking at exploring additional services such as Messy Church, Soul Space and Celtic Spirituality.

Messy Church is aimed at parents of young children, Messy Church has become a staple for mission and evangelism. While the children play and do activities, parents come together to find friendship, form community, and discuss faith. These parents may be looking for daytime activities that allow them to come to church, to be together with other parents and experience child-friendly worship.

What is Soul Space?

Outside regular worship times, to engage people in new ways while preserving our current worship services, we are looking at exploring additional services such as Messy Church, Soul Space and Celtic Spirituality.

Soul Space is aimed at those who would call themselves spiritual, but not religious, particularly young people, students and the younger of heart! This ‘service’ draws inspiration from a wide range of spiritual practices, like Christian meditation and mindfulness. This could happen on Sunday evenings each month.