

## 2010 Stewardship FAQ



Pledge packets were sent out in mid-December. Here are some answers to the some frequently asked questions:

### ***Why are Capital Appeal pledges being co-mingled with Operating pledges?***

First, a clarification. "Capital Appeal" pledges since the 2004 campaign have been used ONLY for paying our monthly mortgage payments. (As well as fulfilling our benevolence commitments which were made at the time of the Appeal.)

These dollars are *not* used to aggressively pay down principal to eliminate the debt - they are used to pay the basic monthly mortgage bill (which is approximately \$28,000 per month).

The reason we are bringing the mortgage payments under the umbrella of the Operating Budget is so that we will be able to continue to make these monthly payments. Our Capital Appeal Reserve Fund is rapidly dwindling, due to the lack of widespread participation in both the 2007 and 2009 Capital Appeal extensions.

We have relied on the dollars in the Reserve Fund to help make up the shortfall we experience each year between the amount we receive from Capital Appeal pledges and the amount we actually need to pay for our mortgage payment.

Our mortgage is a fixed expense - everything else on the Operating Budget can be controlled. Bringing the mortgage payment into the Operating Budget allows us to find a way to continue making our monthly mortgage payment based on the actual pledges we receive from our members.

### ***Are Capital Appeal pledges being combined with Operating Pledges to help balance the Operating Budget?***

No - in fact, it's just the opposite. For the past two years, the council has presented to the congregation a balanced Operating Budget and has seen those budgets successfully carry our operating expenses through to the end of each year.

Remember, **our mortgage payment is not part of our Operating Budget.** The "Capital Appeal" pledge dollars raised since 2004 have ONLY been used to make the regular monthly mortgage payment.

### ***What if I can't afford to contribute to the mortgage payment? I've never participated in a Capital Appeal for this reason.***

We only ask that St. Stephen members give what they can. If adding to your pledge will be a strain on your family finances, then our hope is that you will only pledge what you can comfortably afford.

However, if you feel that you could afford to add even a small amount your pledge, we welcome you to do so. Even just a couple of dollars a week adds up to hundreds of dollars per year to help us make our mortgage payments.

There is no such thing as a "too small" pledge. Whether you can afford to give \$1 per week or \$100 per week, every pledge is important to the church.

### ***How is this going to work with the offering envelopes?***

For 2010, our offering envelopes will have one line. There will *not* be two lines for separate "Operating" and "Capital" giving.

***So how do we plan to pay off our mortgage if we struggle to make our monthly payments?***

Once we can comfortably afford to pay our mortgage from the annual pledge dollars we receive from our members, we can begin to implement new strategies for aggressive pay-down of our mortgage debt.

We have members who are enthusiastic about finding ways to do this, and we plan to begin communicating these ideas with the congregation as soon as our Annual Meeting.

***We spend too much money around here! We could afford to make our mortgage payment if we cut back on the extras.***

Our mortgage payment is the single biggest expense at St. Stephen. It constitutes nearly one-third of our overall annual spending. While the council absolutely agrees that it's important to be mindful of the dollars we spend on everyday expenses, the bottom line is that all of our ministry expenses pale in comparison to the mortgage expense.

***How much was spent on the coffee cups and pizza cutters for the pledge drive? I don't need a gift to motivate me to turn in my pledge.***

Good question! The coffee cups and pizza cutters were **no extra cost** to St. Stephen. The idea to distribute them came up last Saturday afternoon as we were busily stuffing envelopes so we could hand out as many pledge cards as possible on Sunday morning (to save on postage). There were some extra cups and cutters *left over from the 50th Anniversary sale*, which had already been paid for out of the profits from that sale.

The idea wasn't to motivate people to turn in their pledges; the idea was to use items we already had on hand to give a good will gesture of "thanks" to our members for being patient with us as we try to make our way through this new process.

***Why did you hire a consultant to help with our annual Stewardship Drive? We've never needed help before. Is this a waste of our money?***

We hired a consultant for a modest contract fee for this effort because our most sincere hope is that we will not have to pay a much larger (tens of thousands of dollars) consulting fee to run another Capital Appeal campaign. In addition, we sought out Jim Pence to assist St. Stephen in the development and implementation of a new vision for stewardship ministry that will be achieved through emphasis on four outcomes:

1. *Transforming the Culture* -- The primary outcome is to introduce into the culture of St. Stephen a strong cultural value that stewardship is about living generous lives as faithful people
2. *Connecting with the Congregation's Vision and Strategic Plan* -- An important process outcome is to connect the new vision for stewardship ministry to the congregation's vision and strategic plan, with a special focus on a multiple-year strategy to eliminate or radically reduce the debt.
3. *Developing Best Practices* - A corollary outcome is to equip St. Stephen leaders to conduct an effective annual stewardship appeal in 2009 using best practices, including systems for inviting and tracking pledges, acknowledging donors, training stewardship leaders, and implementing ongoing stewardship education. This is what is happening now.
4. *Set the table for a Major Mortgage Appeal* - We are presently working with a group of key leaders from St. Stephen hoping to implement the first phase of a multiple-year strategy to link eliminate or radically reduce our mortgage and reallocate precious resources to ministry initiatives set forth in the strategic plan.

We have attempted to be transparent over these past months about this process both through the “Connect and Serve” moments at worship, the newsletter and other communications. The learning curve has been dramatic. Keep asking questions!

We plan to continue this effort of clear communication around our Mission, Vision and Ministry plans both present and emerging, budget projections & financial data related to mortgage debt and of course, an invitation to give or ourselves and pledge to this vision of God’s work here at St. Stephen. Our last two Capital Appeals both fell far short of the needed dollars to make our mortgage payments. We need to find a better way to pay our mortgage, and bringing a consultant on board was the best way to get to a solution.

### ***What’s the bottom line?***

The bottom line is this: Our last two Capital Appeals both fell far short of the needed dollars to make our mortgage payments. We need to find a better way to pay our mortgage. As with any household or business, we need to fulfill our debt obligations. St. Stephen has a large mortgage that carries a large monthly mortgage payment. We need to be able to see on an annual basis that we will receive enough pledge dollars to cover this mortgage payment. We simply can’t rely on a series of expensive three-year capital campaigns to continue to raise money just to make our minimal commitment. If we do this, we truly will carry this debt for the next 20 years and pay all of the interest that goes along with it.

Once we get the monthly payments integrated into our Operating Budget, and once we are able to ensure that we can make our monthly payments as well as continue our ministries and missions, we can then work together to start aggressively paying down the principal.

I think it is everybody’s hope that we can rid ourselves of debt sooner rather than later. If we work together, if we communicate clearly, and if we plan responsibly, we will absolutely be able to do this.