

Aldersgate United Methodist Church

Comprehensive Campaign for 2023

“Shepherding for the Future”

FREQUENTLY ASKED QUESTIONS

1. What is a comprehensive campaign?

A comprehensive campaign is a fundraising effort that addresses more than one campaign. In this case, the comprehensive campaign for Aldersgate combines the Stewardship Campaign, the Capital Campaign and Legacy Giving.

2. Why are we combining the Stewardship and Capital Campaigns this year?

- The Stewardship Campaign supports the operating budget for 2023.
- The Capital Campaign supports the reduction of debt for the construction of Shepherd Hall.
- The current Capital Campaign for Shepherd Hall ends in March 2023. The new campaign will span the period from April 2023 to March 2026.
- Since both campaigns will begin close together in 2023, combining the campaigns is more efficient than running two campaigns within months of each other. This decision was based on the following:
 - We are asking for both gifts at one time rather than asking twice.
 - Understanding the differences in the campaign purposes is made clearer to the congregation.
 - The number of personal visits and personal contacts required for the asking is reduced.

3. What is the difference between the normal annual stewardship campaign and a Capital campaign?

- The annual Stewardship Campaign is the fundraising effort to secure unrestricted gifts that can be used to fund Aldersgate annual operating budget.
- A Capital Campaign is a fundraising effort for a specific project, usually a building project or one to make major capital improvements to an existing building. In this case, the Capital Campaign is specifically to pay down the mortgage that was incurred in borrowing money for the building of Shepherd Hall.

4. What is Legacy Giving?

Legacy Giving is making a gift now that will not come to Aldersgate at a later date. We sometimes say it is like planting a tree under which you will never sit. It is making a gift for the future ministry of Aldersgate UMC.

You can make a Legacy Gift by making Aldersgate the beneficiary of all or part of a retirement plan, a life insurance policy, or a donor-advised fund. Or by including Aldersgate as a beneficiary in your will or living trust.

Some gifts may be made that will pay you income for life with the actual gift coming to Aldersgate when you pass away. An estate attorney or financial advisor can assist you with these life income gifts.

You can find information about Legacy Giving on the Aldersgate website. Just click on “GIVE” on the horizontal menu at the top of the home page.

5. Why should I make a pledge?

Pledges give the church a baseline of information needed for future planning of expenditures both in terms of the annual budget and in paying down the loan for Shepherd Hall. Without this basic information, budget preparation and execution are only a best guess. God made a commitment to us and we can respond to what God has given us by making a commitment to the church.

6. Why should I make my gifts online?

- Pledging online allows you to select the amount you wish to give and the timing of your gift (weekly/monthly/quarterly/annually).
- The church can plan better if the timing of expected revenue is known.
- Online giving provides the church with a more consistent revenue stream. Giving continues online even though you are on vacation or are not attending church due to illness or other reasons. If pledges are not paid online, a decline in income will be experienced especially in the summer months when people are on vacation.

7. Do I need to contribute to both the stewardship and capital campaign pieces of the comprehensive campaign, or can I just make one overall pledge and the church can decide where the funds are most needed?

- We are asking you to contribute to both pieces of the campaign.
 - If you make an unrestricted gift, or an “overall” pledge, it would be used for the Stewardship Campaign.
 - To support the Capital Campaign and the debt reduction of the Shepherd Hall mortgage, we ask that you designate your gift for that purpose by giving it to the Capital Campaign portion of the effort.
- You may make a single gift and designate how you wish your gift to be split between the stewardship campaign and the Shepherd Hall Campaign. Aldersgate is suggesting that you choose a 80(stewardship) – 20 (Shepherd Hall) split.

8. How do I sign up for online giving?

The church website (www.aldersgate.net) provides instructions on how to give online. The website has two giving portals. The GIVE NOW at the top of the page takes you directly to the online giving page. On the horizontal menu at the top of the page, you will find the GIVE portal where you can make an online gift and can also find information on making a Qualified

Charitable Distribution from your IRA if you are 70 ½ or older, on making a gift of stocks that are publicly traded, and making a Legacy gift through your estate plan.

9. How can I track the status of my giving?

The church provides a quarterly statement of your giving history and, at any time, you can access your giving history by accessing the church website and going to your Realm account and clicking on “Giving.”

10. I currently have a campaign pledge that goes through March 2023. Will I be asked to start paying a new pledge before I finish my current pledge?

No, you will be able to start paying your new pledge the month following the final payment of your current pledge. On your pledge form, indicate that you want your capital campaign pledge for 2023 – 2026 to begin in April 2023.

11. When does my Stewardship Pledge begin?

January 1, 2023

12. What is the current membership and how many are currently giving?

Membership is approximately 1250 Active Family Units and the total number giving for annual support (Stewardship Campaign) and/or for the Capital Campaign is 450. The percentage of giving is about 36%.

13. I am not a member of this church – are you asking me to contribute, too?

We are inviting anyone with an interest in Aldersgate United Methodist Church to consider participating in the comprehensive campaign. Giving is an act of commitment to the ministry of Aldersgate to make disciples for Christ. Giving to the church is sharing what God has given you with others. Giving helps all of us to “courageously live God’s unconditional love.”

14. I would like to contribute funds for a very specific thing (e.g., carpet replacement) – Can I specify that in my pledge/giving?

- We encourage you to make unrestricted gifts so that the church has the flexibility to use your gift wherever needed. The annual budget goes through a process to determine the greatest needs for the year ahead and to allocate dollars accordingly. Therefore, by supporting the Stewardship Campaign, you are giving to keep the church functioning and to fund those needs identified through the budget process.
- A restricted gift takes money away from the overall budget for a purpose which may not be deemed of highest need.
- If you give to the Capital Campaign portion of the Comprehensive Campaign, you are supporting the debt relief effort for the Shepherd Hall mortgage.

15. What are the key expenditure categories in the operating budget, which is supported through the Stewardship Campaign?

- Apportionments 13%
- Mission Expenses 5%

- Administration 11%
- Facilities 33%
- Staff 38%

(Based on current 2022 budget of \$1.5M)

NOTE: The amount for missions is more than 5% because most of the mission work through Aldersgate is done by groups within the church and by members of the congregation. A part of apportionments also support missions.

16. Can I access the church’s annual budget?

Yes, you can see the church’s budget on the Aldersgate website www.aldersgate.net – Under “Welcome,” you will find “Our Leadership Team,” where you will find the minutes of the Leadership Team’s monthly meetings along with the Monthly Financial Statement.

17. What are apportionments?

Apportionments is the main way that we support the ministries of the larger United Methodist Church. Apportionments is a method of giving that proportionally allocates the church-wide budget to conferences and local churches. For example, the apportionments dollars that Aldersgate gives toward Global Missions and other organizations within the United Methodist Church help those in need in Ukraine. Apportionments are often viewed as “dues” we pay to the United Methodist Church that supports the work and administration of the denomination at the district, conference, national and global levels. Aldersgate United Methodist Church receives no funding from the district, conference, or global church.

18. Does Aldersgate receive funding from the District, the Conference, or the United Methodist Church, i.e., the broader denomination?

No, Aldersgate does not receive any funding from the district, the conference or the global United Methodist Church. In fact, the opposite is true. We pay “apportionments” to support the United Methodist Church at the district, conference, national and global levels. We receive services from these entities. However, Aldersgate pays for these services and for the missions conducted by the broader denomination.

Apportionments are 13% of the 2022 Operating Budget. Apportionments in 2023 (\$184,080) will be \$16,476 less than apportionments in 2022 (\$200,556), based on the budget of Aldersgate United Methodist Church.

19. Is the Capital Campaign portion of the Comprehensive Campaign only to pay off the Shepherd Hall mortgage?

Yes, the only use of the funds donated through the capital campaign portion of the Comprehensive Campaign is to pay down the mortgage for Shepherd Hall, which is currently \$2.2 million.

20. What is the status of the Shepherd Hall Loan?

- Original loan was granted by BB&T in September 2002.
- Loan value was \$3,420,128. Interest rate was 5.99% Monthly payments were \$22,188.
- Sanctuary HVAC renovation was needed in 2005. Cost was \$226,675.

- HVAC costs were assimilated into the BB&T loan. Loan value increased to approximately \$3.6 M.
- Loan was refinanced in March 2020 with AUB. Loan value was \$2,418,000.
- Current Interest rate is 3.99%. Monthly payments are \$12,826.
- AUB loan ends in February 2025. Loan has balloon payment requirements. Thus, final payment is due at that time.
- Current loan balance as of October 1, 2022 is \$2,124,676. Mortgage May reduced the principal by \$61K. NOTE: Some church members shifted their “stewardship” support to the mortgage rather than making an additional gift and “stewardship” budget support was down in May.

21. What impact will the campaign have on the balance of the loan?

- If the campaign goal of \$1.1 million is achieved or exceeded, Aldersgate will be able to reduce the mortgage principal by approximately \$800,000 over the next three years and the remaining balance will be approximately \$1.3 million by December 31, 2025.

22. Why did Aldersgate get a loan from a bank rather than get a loan through the Virginia United Methodist Foundation?

- When the loan was refinanced, consideration was given to getting the loan through the Virginia United Methodist Foundation. However, the interest rate being offered by the Foundation was higher than the rate being offered by AUB.

23. What is the plan for refinancing the Shepherd Hall loan by February 2025?

- We will maintain the current loan with AUB through February 2025 unless we can secure a loan with a better interest rate than the current one which is 3.999%.
- We will start to review alternatives for refinancing commencing in February 2023 when requirements for prepayment penalties are lifted with the current AUB loan.
- The Virginia United Methodist Foundation will be considered along with other options when the current loan is refinanced.

24. Is Aldersgate planning another capital campaign in the future for another project?

No plans are being made for another capital campaign for any future projects at this time.

25. Are gifts to Aldersgate United Methodist Church tax-deductible?

Yes, Aldersgate United Methodist Church is a 501(c) (3) organization and contributions are tax-deductible. You should seek guidance from your financial advisor on the tax deductibility of your donations.

26. What about my commitment of time and talent to Aldersgate?

- Your commitment of time and talent is important.
- To keep the multi-faceted giving process this year as simple as possible, we will be waiting until January to get your commitment of time and talent for 2023.