

CAPITAL CAMPAIGN DETAILS



Answering Our Call Of The Lord

CHERISH OUR BUILDING
ONE CHURCH, MULTIPLE LOCATIONS
TITHE TO WORLD MISSIONS
LOAN RETIREMENT

Therefore, brothers and sisters, be eager to confirm your call and election. Do this and you will never ever be lost. In this way you will receive a rich welcome into the everlasting kingdom of our Lord and savior Jesus Christ.

Peter 1:10-11



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What is our *Call*?

Church of the Lakes is embarking on a bold endeavor to increase our impact for Christ in our community and update our facilities. This campaign addresses four key areas that need financial support totaling \$1,500,000 over three years.

****The areas of focus are detailed in this brochure. They are not listed in order of priority or financial need, but simply arranged to form the acrostic *COTL* as an aid to remember the projects involved in this campaign. In the campaign logo, the font size of each area is not an indication of priority or financial need, but allows for the four areas to be the same width. ****

Our church leadership will prioritize the distribution of funds based on needs. Just as you trust them to make decisions on how the general fund is distributed, we ask that you entrust them to disperse the money raised through the Capital campaign in a similar manner.

CHERISH OUR BUILDING

Estimated Costs to be approximately \$200,000

Why do we need to address the infrastructure needs now?

In order to maintain the integrity of our Church, we need to repair those items, visible or not, to keep the building safe and updated. Although maintenance is part of our general fund, the costs for these large infrastructure projects exceed our normal annual budget.

- The Bell Tower was fixed with a short-term solution in order to avoid any danger. Properly repairing it will provide long-term structural safety, value and use.
- Similar to the carpet we just replaced, HVAC units are nearing end-of-service-life (20 years). Replacing them now will reduce the chance of costly emergency repairs or replacement as well as lower ongoing costs through reduced maintenance requirements and improved operating efficiency.
- Our original sanctuary pews from 1964 have had a lot of wear over the years; while the interior of our building needs a fresh coat of paint. It is time to put new life into our building.



Following church protocol, quotes will be obtained from multiple vendors and implementation plans will be established by the Trustees.

ONE CHURCH, MULTIPLE LOCATIONS

Raise \$100,000 - to be matched by East Ohio Conference

What is a multisite, and why should we expand this way?

A multisite church is one church that meets at multiple locations.

- In 1990, there were 10 multisite churches.
- By August 2012, there were more than 5,000 multisite churches in North America.

The campus ministry solution leverages centralized ministry vision, leadership and support teams to establish intimate location sites where people can worship and grow as a faith family. We will take advantage of our successful worship model to proliferate our mission to *Know Christ and Make Christ Known* in different communities in our area. This new outreach requires seed money to renovate structures, and provide the proper audio/visual systems. The East Ohio Annual Conference has provided the commitment of matching dollars for this vision.

TITHE TO WORLD MISSIONS

Tithe of \$150,000 if we reach our fund raising goal

Why are we giving a tithe as part of the capital campaign?

God offers us a different perspective on giving. It is not one of last resort and compounded with guilt, but one filled with abundance, freedom, and joy. It is the Biblical practice of setting aside the first 10% of monies for God. Tithing can help us take a step toward achieving a God-honoring balance with our financial resources. We are beyond blessed in our community and being able to help God's Kingdom in Sierra Leone is one way we are able to be Christ's Light for All. Funds will be directed to hospitals in the Bo and Freetown regions of Sierra Leone.



LOAN RETIREMENT

Need approximately \$1,050,000 to retire this debt

Why is it important to pay off our outstanding loan?

Retiring our debt will enable us to direct nearly an additional \$125,000 annually to ministry, mission and outreach initiatives. Habitat for Humanity, Royal Family Kids Camp, Canton Calvary Mission and youth & adult mission trips are just several current outreach initiatives at Church of the Lakes. We want to continue to expand our ministry efforts exponentially! Reaching out to support the local community via outreach enables our ability to grow the Kingdom of God.

What is our current rate and debt structure?

Our current interest rate is 4.5%. The loan renewal date is August 2019 and the interest rate will change to the prime rate on this date. The prime rate today is 4.5%. If we did nothing, and the rate remains the same, the loan will be retired in November 2028. Our monthly payments include an additional 20% paid towards the principal, but we still currently pay approximately \$50,000 in interest every year.

UNDERSTANDING CHURCH OF THE LAKES MONETARY FUNDS

General Fund

The budget for each year is established based on each member's annual commitment covenant pledge. The 2018 budget is based on a contribution amount of approximately \$1,300,000. These funds enable the execution of day-to-day church operations including these four major areas of ministry: worship/prayer, discipleship/fellowship, service to local & worldwide community, infrastructure/debt service.

Memorial Fund

These funds have been designated for specific ministries within the church that are not included in the General Fund categories. These funds fluctuate as monies are used and/or donated and are carried over from year to year.

Endowment Fund

The purpose of this fund is to establish a long-term foundation to benefit the missions and ministries of our church. Each year, an annual distribution is generated to provide funds to designated areas which are not generally part of the church's ordinary expenses: new ministries to share the good news of Jesus Christ, new missions to support basic needs in food and housing, infrastructure and building, and discretionary funding for emerging needs.

FREQUENTLY ASKED QUESTIONS

Are my gifts to this campaign tax deductible?

Yes, gifts are tax deductible.

How can I make my capital campaign gifts?

You can choose to make your gifts on a weekly, monthly or annual basis. Larger initial gifts can help us retire the debt early thereby saving interest costs. As with our annual commitments, you will be given the opportunity to sign up with EFT (electronic funds transfer).

How much should I consider contributing?

Giving begins with a listening heart. Pray about it and ask God what you should do. Talk it over with those you love and trust. Asking these three questions will help focus your response:

- 1) What can I afford to give?
- 2) What am I willing to sacrifice in order to give?
- 3) Does my gift reflect the blessings God has given me?

It is common in a congregation capital campaign that the total amount given over three years equals twice the offerings for a given year. However, as a starting point, prayerfully consider matching (doubling) your current giving over the next three years. For instance if you are contributing \$50/week (\$2600/year) we ask that you consider giving an additional \$50/week to the capital campaign for a three-year commitment of \$7800.

What if I can't give as much as someone else or my gift seems insignificant?

Your giving is between you and God. Giving to this campaign is based not on equal gifts but equal sacrifice. There is a role in this capital campaign for every church member and each contribution enables our success. You will not be pressured or told what you should give, but rather encouraged to pray to discern God's will for your giving.

Do I have to give?

This is an opportunity to give, not an obligation to give. No one will ever manipulate or pressure you into giving. Church of the Lakes is launching into a great adventure of faith. You are invited to join your faith family on this worthwhile journey. If you choose to pledge, your progress will be reflected in Capital Campaign giving statements and can be viewed in your Breeze account.

CREATIVE STRATEGIES IN GIVING

Gifts Other than Cash

What are gifts other than cash?

- Gifts other than cash include stocks, bonds, annuities, property, and other assets.

What assets could I give?

- Appreciated assets held more than one year, such as publicly traded stocks, mutual funds, bonds, real estate, collectables and other readily marketable property often provide tax advantages.
- Personal property such as automobiles, jewelry and other items may also be given. There may be no capital gains tax benefits to these gifts, but the financial and spiritual benefits can be tremendous.

Why contribute gifts other than cash?

- The tax code is very generous toward this form of giving. Giving the asset directly to the church allows the church to sell the asset, thereby eliminating potential capital gains taxes to the donor. This also results in a larger gift to the church.

How does the tax benefit work?

- Itemized Deduction: Include 100% of the market value of most such assets as charitable contributions for tax purposes if held more than one year.
- Because of its tax-exempt status, the church will receive the full market value, less transaction costs, at the time of sale without paying capital gains taxes.

What if I sell first then give the cash?

- You may be subject to capital gains taxes, thereby reducing the after-tax proceeds from the sale:

	Market Value	Cost Basis	Gain	Tax (25%*)	Church Receives
Sell First	\$20,000	-10,000	10,000	2,500	\$17,500
Give to Church	\$20,000	-10,000	10,000	0	\$20,000

*Federal and State tax estimate

How do I give assets, such as stocks, bonds, and mutual funds to the church?

Asset transfer instructions:

1. Contact the church office. We will provide you with the transfer instructions.
2. Contact your broker and request the transfer. You will be provided with stock powers or transfer papers to complete the transfer.

In many cases your denominational foundation can handle asset transfers at no cost.

When you have completed the transfer, please notify the church office.

Other Giving Strategies

Cash flow gifts

By giving small amounts at higher frequencies (weekly, semi-monthly, or monthly) large gifts can be reached in smaller steps. You may want to take advantage of the simplicity of electronic funds transfers for this giving option.

Diverted funds gifts

Freeing up funds that are currently going to other areas of spending allows a person to increase giving to God's work. Diverting funds from entertainment, dining out, dues, subscriptions, gifts, allowances, utilities, or transportation, offers lifestyle adjustments that impact one's giving.

Delayed expenditures

Postponing major expenditures such as automobiles, boats, clothing, or trips provides substantial giving opportunities.

Income producing assets

Interest income, payments from rental properties, or income from other assets provide a source for increased giving.

Sale of assets

Sale of major assets, such as a house, car, land, or business provides available income for giving.

Raises/bonuses

Contributing raises and bonuses can allow you to increase giving.

Freedom from debt

Looking ahead to the next three years, you may discover that debt obligations will be fulfilled. This frees up revenue for additional giving.

Unique skills income

Some people have marketable hobbies or skills that enable them to give from those new profits.

Charitable giving resources

Reviewing all of one's charitable donations in light of their impact on the kingdom of God affords a resource for significant giving.

Savings and annuities

Savings for special projects, retirement or a "rainy day" may offer a resource for increased giving. Often we realize that a portion of our savings may safely be given to the work of God's kingdom through our church.

Corporate gifts

Business owners may be able to provide gifts-in-kind that result in significant savings to the church and may have tax benefits to the business owner.

*All gifts other than cash are subject to our Planned Gift Acceptance Policy. Please see the church office for more details.

Special tax-free IRA gifts

For those aged 70 ½ or older, it is now possible to make tax-favored charitable gifts from traditional and Roth IRA accounts. A total of up to \$100,000 per year can be transferred directly from traditional or Roth IRAs to one or more qualified charities such as our church free from federal income tax. There may also be state income tax savings. Donations given in this way count toward required IRA minimum withdrawal amounts for the year of the gift. To donate from a Roth or traditional IRA, it is important to make the donation directly from the IRA to the church. For those with check writing privileges on their accounts, this may be the most efficient way to make gifts directly from an IRA. Contact the church office or your tax advisor for more information.

Not equal giving, but equal sacrifice

There is a role in this capital funding campaign for every member of the church and each contribution enables our success regardless of the amount. You will not be pressured or told what you should give, but rather encouraged to pray to discern God's will for your giving. We ask everyone to pray the campaign prayer:

Lord, what do You want to do through me?

A look at one family's strategy to increase giving:

Activity	Week	Year	3 years
Eliminate a family meal out	\$30	\$1,560	\$4,680
Reduce Christmas budget		500	1,500
Reduce vacation budget		250	750
Delay car purchase for six months		3,000	3,000
Eliminate 3 dates nights		170	510
Eliminate 2 cups of coffee	10	520	1,560
THREE YEAR TOTAL			\$12,000

"In addition, we will continue to support the annual budget and the mission programs."

Each of you must give as you have made up your mind, not reluctantly or under compulsion, for God loves a cheerful giver.

II Corinthians 9:7 NRSV

NOTE: Any discussion of tax treatment is not intended and should not be considered as tax advice. Consult your personal tax professional for advice on your tax position.