



2022 Bethlehem Lutheran Church Capital Campaign

“Everything You Always Wanted To Know”

Essential Questions & Answers

Why is Bethlehem doing another capital campaign?

- The original 2013 mortgage of **\$2,055,604 + interest** was established to pay for the major renovation of the church building.
- As a result of two professional capital campaigns, one pledge extension campaign and additional principal payments during the past 9 years, the mortgage **balance** as of February 28, 2022 has been reduced to **\$1,121,310**. Your generosity is much appreciated!!
- Our monthly payments are **\$8,187** reflecting a current 4% interest rate. The maturity date to pay off the mortgage is January 1, 2039.
- The church has **\$116,138.99** in its Mission Investment Fund that is used to make the monthly payments. This balance is sufficient to make **14 future** monthly payments which carries us from March 2022 through April 2023 and further reduces the principal balance.
- So, we need a new infusion of **giving** to produce approximately **\$1,060,000** to pay off the mortgage & save significant dollars in interest.
- Without a capital campaign**, we would need to budget annually \$8,187 x 188 months (May 2023 – January 1, 2039) = **\$1,539,156**

Why are we hiring someone when we could save money and do it ourselves?

- We, as a congregation, lack the expertise, experience, knowledge and time required to shape and guide a \$1 million+ campaign.
- Professional capital campaign companies are far more successful in generating congregational contributions as evidenced below:
 - The 2 previous professional campaigns in 2013 (Building on Blessings) and 2016 (Blessings & Beyond) generated **\$1,208,835** and **\$638,939** respectively in actual pledges.
 - The 2019-22 campaign, done on our own with no professional assistance, to extend previous pledges produced **\$154,482**.
- Our annual fall stewardship campaign will be professionally assisted with the goal of generating more annual pledges for 2023.

Why is GSB Fundraising recommended by the Council?

The Stewardship Board solicited written proposals from 4 professional capital campaign companies. 3 firms actually responded. Two companies – GSB Fundraising and Walsh & Associates – were interviewed to provide additional clarification of company details. GSB was unanimously recommended by the Stewardship Board to the Council. The Council, at its March 15 meeting, unanimously approved a recommendation of GSB to the congregation for discussion and approval at the April 10 semi-annual meeting. The GSB proposal is recommended for the following reasons:

- Operations: GSB has been operating for 45 years & works exclusively with congregations and synods. Based in Rochester, MN.
- Successes: GSB has a solid financial giving record & portrays a genuine image in motivating the **generosity** of church members.
- History: GSB coordinated our 2016 “Building on Blessings” mortgage reduction campaign with positive results.
- Fee: GSB will charge a reasonable \$45,500 for their services based on 4% of a \$1.1 million goal.
- Mission: GSB will focus on the Bethlehem mission beyond debt reduction: What would be the result of having no debt? What could we do now for our mission?
- Activities: GSB will conduct a pre-campaign study to develop campaign support by detailing the \$ goal and projects involved; testing that \$ goal with members; prioritizing projects; conducting 10 in-person leader and member interviews, an all-member survey and a potential town hall over a 2-month period.
- Volunteers: GSB emphasizes active involvement of Bethlehem volunteers & connects them to the BLC ministry with leadership provided by Information, Inspiration and Invitation teams. Volunteers will receive essential training to carry out assigned tasks.
- Coordinated Campaign: GSB ensures that the capital campaign & the annual stewardship drive will be coordinated to produce maximum benefits for both efforts.
- Annual Giving: GSB projects a 4-7% increase in annual stewardship giving for 2023.

How would another capital campaign benefit Bethlehem?

Paying off the mortgage would produce both immediate and long-term benefits:

- An immediate need of the congregation could be identified and paid for as part of the capital appeal. This could address, for example, such needs as enhanced sanctuary technology or outside “green space” for our children, families & neighborhood or a community outreach project. This is an opportunity to “think outside the box” and provide immediate positive benefits for all.
- The congregation would be able to address future mission and ministry priorities without the financial burden of mortgage payments for another 15 years.

What would be the timeline for the campaign?

June – August	Planning by GSB & Bethlehem leadership. Pre-campaign study & analysis. Leadership teams formed.
September – October	Leadership & congregational group events. Lead gifts. Personal every-member visits.
November	Completion and celebration of campaign

What will be the pledge period?

We will seek financial pledges from Bethlehem members for a 3-year period from January 1, 2023 to December 31, 2025.