
Capital Fund FAQ

EDUCATION

What is the Capital Fund?

Our facility is over 40 years old and in need of several capital-intensive repairs. These repairs are extraordinary and expensive, such as repairing our leaking dome, replacing our failing heating system, and restoring water-damaged icons in the dome. Discussion and rumor in recent years of possibly moving St. Clement further West contributed to delaying some of these projects.

The Capital Fund program was established last year when the decision to remain indefinitely in our present location was made. Since these are one-time, costly renovation projects, we have separated them from the general operating budget and put them outside the scope of the Pledge program. The Capital Fund is a separate fund to pay for these capital-intensive projects over a three-year time frame. It is not a replacement or alternative to making a pledge and donating to the general fund—it is an additional appeal for your financial support.

Simply put, the Capital Fund asks each parishioner to donate \$400 per year (\$100 per quarter) for three consecutive years (from 2006-2008 inclusive). This money will be held in the separate capital fund account and used exclusively to finance these extraordinary, capital-intensive projects.

Why a separate Capital Fund?

Because these capital-intensive projects tend to be expensive, rare and each taking multiple months to complete, it is difficult to manage cash flow and financing for these along with all the other daily/weekly/monthly expenses. It is too easy to let worry about “paying the bills” force delays in starting these capital projects—most of which (like the dome) have been delayed too long already.

The Capital Fund allows us to focus on managing and executing these projects, with a clear view and specific policies around paying for them without getting lost in the mix of general fund obligations. The Capital Fund monies are restricted and cannot be used for anything other than the projects identified.

Where does the money donated to the Capital Fund go?

Donations for the capital fund go to a special, separate capital fund account. These funds are ONLY for the capital fund projects and cannot be used for paying routine church operating expenses.

What are the Capital Fund goals for 2007?

The main goal of the Capital Fund is to accumulate \$450,000 over a three year period to pay for all these projects. The specific goal is to have each parishioner support this fund with \$1,200 over three years (\$100 per quarter).

Due to the severe leaking of our domes, we were forced to secure a \$125,000 construction line of credit last summer to seal our domes and prevent any further interior water damage. This line of credit will be reverted into a conventional interest loan on July 1, 2006, which we now must make monthly minimum payments to reduce.

How does it work?

1. Parishioners fill out a Capital Fund enrollment form. The forms are at the donation table near the candle stand. The goal is for each parishioner to contribute \$400 per year (\$100 per quarter) for a total of \$1,200 over the three year life of the program.
2. Turn in your Capital Fund enrollment form and first donation at the donation table, or the church office. Again for convenience, donations can be made in cash, check (indicate "Capital Fund" in the memo) or even credit card.
3. To meet our short-term goal of paying-down our construction line of credit, we ask you to consider advancing donations as much as possible before July 1.

What is the list of projects and how much do they each cost?

1. Three Domes Exterior Repair	\$125,000 (completed, need to pay for)
2. Roof Repairs	\$15,000
3. Main Dome Interior Restoration	\$28,000
4. Painting of Church Interior Areas	\$20,000
4. Repair of Church Doors and Frames	\$4,500
5. Chandelier Cleaning	\$7,000
6. Boiler Replacement	\$50,000
7. Hot Water Tank	\$8,500 (installed last year)
8. Air Conditioner Replacement	\$25,000
9. Offices and Lavatories Renovation	\$35,000
10. Plumbing and Electrical Repairs	\$30,000
11. Dishwasher Replacement	\$9,000
12. Stainless Range Hood (health code)	\$12,000
13. Triple-compartment Stainless Sink	\$6,000
14. Walk-In Freezer (for Festival)	\$15,000
15. Storage Room Shelving & Cabinets	\$5,000
16. Kitchen/Storage Lighting	\$320
17. Interest payments on loan (half year)	\$4,900
18. Contingency Fund	\$100,000
(e.g. parking lot, hall carpets, sidewalks, etc.)	

Who or where did the list of projects and cost estimates come from?

The project list and cost estimates were developed by the Hall Manager and Assistant Hall Manager, reviewed and approved by the Church Committee. The goal was to prioritize the necessary projects with practical, realistic cost estimates. The dome repairs, followed by the interior dome restoration project, are the top two priorities.

Do all my donations count toward the Capital Fund?

Generally speaking, no. If you've made a Pledge or just donate money to "St. Clement", your donation will count toward your pledge and go into the "general fund". The "general fund" is used to pay all the routine and regular expenses like utilities, payroll, cleaning, insurance, supplies, etc.

Since the Capital Fund is a separate, unique fund, you need to indicate which donations you want credited to the capital fund. For example, writing "capital fund" in the memo section of a check will make this clear.

It is important to emphasize that in this extraordinary year, we are asking parishioners to please generously support *both* the capital fund and the Pledge program (the "general fund").

OBJECTIONS

Costs: How do I know these project costs are realistic and that we're not paying too much?

The Church Committee policy is to get a minimum of three bids for any substantial contractor jobs. We also utilize parishioners whom we know have related expertise in these things to consult with us and advise us. We are confident that this approach results in selecting the best contractor at the best possible price to do only the work that should be done—and doing it right.

Costs: I know “So-n-So” does this work—why didn't you get him to donate?

We try and publicize our needs and projects to the whole church community so folks like “So-n-So” will be aware and, if interested, offer to help. Not all parishioners are comfortable mixing their business work with their church. But we obviously don't know everything about what everybody does, so thank you for alerting me to this. We will follow-up.

Pledge Program: I already made a pledge—why support the Capital Fund too?

First, thank you for making a pledge. As you know, we need pledge commitments to support the general fund and “keep the doors open” every week.

Supporting the Capital Fund is critical now too. With the decision to remain in our building indefinitely, it is now time to put things in proper order. There just isn't enough money in the general fund, which has struggled to cover operating costs, to tackle any of these expensive projects. But we can't keep waiting-- we need to complete these critical updates and renovations as soon as possible. Doing so will not only enhance our facility, but it will lower our operating costs thanks to increased efficiency. The Capital Fund also gives us leverage to secure more attractive, lower interest financing options, saving the church (and ultimately, all of us) money. It is critical for our future that both the Capital Fund and Pledge program achieve their goals this year. With your support of both programs, we will make it happen!

Why enroll in the Capital Fund—what are the benefits to the church and to me?

- *Your enrollment underscores your commitment to God and your church*
- *These donations will help us tackle critical, capital-intensive projects like the dome, which in some cases, have already been put-off too long and will only worsen*
- *You will see visible benefits all around our church and halls over the next three years, with the prospect of lower expenses by modernizing our aging facility*
- *Your Capital Fund contributions, like all church donations, are tax deductible*

Contact the church (email: office@stclementchurch.net) with questions and to enroll!