



HOPE FELLOWSHIP CAPITAL CAMPAIGN

For Hope Fellowship, the mission of a capital campaign is no different than the mission that has been at the core of the church from its beginning:

Our mission is to help people learn to know, love, serve, and share Jesus Christ while being a family beyond a family.

How does expanding our physical facilities accomplish this mission? It accomplishes this mission by expanding our capacity to reach more people, accommodate more activities, and expand ministries. This debt reduction and potential building expansion campaign will stretch our faith, help us grow together as a congregation, increase our vision for the future of the church, and firmly place our sights on Jesus Christ as the one in whom we have placed our faith and as the one to whom we strive to draw others towards.

THE TIME HAS COME

In April 2016, the Advisory Board made the recommendation to the church that a plan for building expansion should be considered. That recommendation was received with unanimous support. There were several specific reasons cited for the need to explore expansion. Those included:

- On Wednesday nights, every classroom and the Worship Center is filled with the activity of Awana and Adult Bible Study.
- During Sunday School and Adult Study on Sunday mornings, several children's classes are being combined and classrooms are almost filled. At times, every classroom as well as the Youth Pastor's office is filled on Sunday mornings.
- The number of young families in the community and at the church is growing. The demand for space to accommodate greater numbers of children and youth will continue to grow.
- The use of the Worship Center for multiple activities, including the set-up and tear down to accommodate those activities, is creating wear and tear on the sanctuary.
- A building expansion plan and capital campaign can take several years. Advanced planning and fundraising needs to occur now in order to turn a building into a reality in the near future.

“ May the God of hope fill you with all joy and peace as you trust in him, so that you may overflow with hope by the power of the Holy Spirit.

Romans 15:13

The time to move forward has come.

OUR GOAL

Our first and utmost goal is to glorify our Father and further His purposes here on Earth. This includes prayerfully considering every step, fulfilling our debts and obligations to lenders, and engaging the congregation in faith-stretching giving *beyond regular tithes and offerings*. To this end, it is the recommendation of the Capital Campaign Committee that Hope Fellowship Church prayerfully consider a 40-month capital campaign with total raised funds of \$400,000 by April 2020.¹

HOW THE MONEY WILL BE USED

Phase I: Debt Retirement & Seed Money

¹ Amount and timeline subject to change as further exploration is done and clearer estimates are provided for the cost of the proposed building. This could particularly impact phase 2 funding goals.

Hope Fellowship's current mortgage balance is approximately \$89,000. Regular mortgage payments of \$24,000 are budgeted for 2017. That leaves a balance of approximately \$65,000 on the mortgage. In an effort to pay current debt and better secure the financial footing of the church, it is the recommendation of the Capital Campaign Committee to pay off this balance in the first phase of our capital campaign. Regardless of how Phase 2 develops, paying off the church's current mortgage is necessary for improved financial positioning of Hope Fellowship Church and fulfills the biblical financial principle of carrying as little debt as possible.

In addition, in laying the foundation for possibly building a multipurpose building, it has been discovered that significant cash outlay is required for architect drawings, engineering services, testing, permits and more. This work would be required before breaking ground on a multipurpose building. It is the recommendation of the Capital Campaign Committee that we raise \$60,000 for the expenses related to pre-building processes. This will improve our cash flow position as major expenses arise in the early stages of a building project. Any unused funds from this phase would carry to phase 2 of the campaign, detailed below.

Recommendation of Phase I Fundraising Efforts: \$125,000

Time Frame: 15-Months (January 2017 - March 2018)

Phase 2: Multipurpose Building - TENTATIVE

For some time, Hope Fellowship has been operating at space capacity. Without expansion, Hope Fellowship will have some limitations on the future growth of its ministries. The envisioned multipurpose building would include a gym/multipurpose space, three classrooms, a kitchen area, restrooms with a shower, mechanical rooms and storage space.

Because we have yet to have architect drawings in hand and are not at the point of receiving contractor bids, the specific cost of this building is yet unknown. However, based on external analysis² of Hope Fellowship's financial position and its borrowing ability, it is the recommendation of the Capital Campaign Committee that we look at raising \$275,000 over the course of approximately two years. It should be noted that this amount may change once pre-work is completed and a clearer picture of actual costs is available. This phase is designed to raise a significant down payment on a future mortgage and/or building loan.

Recommendation of Phase 2 Fundraising Efforts: \$275,000*

Time Frame: 25-Months (April 2018 - April 2020)

** NOTE: There are still many unknowns regarding the possible expansion of a multipurpose building. This two-phase campaign will allow us to move forward with raising some needed funds, while continuing due diligence and exploration of the requirements for a building expansion. If, in the event, it is determined that an expansion cannot move forward or that the project will be delayed significantly due to complications, Phase 2 would be reconsidered and other options would be proposed for unused monies from Phase 1, such as rolling the campaign's balance into a capital improvements fund.*

² Following a financial analysis done by Dennison & Co. CPA, it was recommended that the church's campaign capacity based on current financial standing would be 1x to 3x the church's annual income. This was a guiding principle in the recommendation of amounts to be raised during the campaign. A \$400,000 campaign over 40-months is approximately 1.5x the church's annual income in 2015.

MULTIPLE GIVING OPPORTUNITIES

Online Giving

To facilitate ease of giving, the Advisory Board along with the Technology Committee will work towards enabling online giving through the church's website, www.hfc-kc.org. You could also check with your bank about automatic monthly withdrawals.

One-Time or Episodic Gifts

Contributions can be given in the form of one-time or occasional gifts of cash.

Pledges

For the financial planning of our membership and ease of making larger commitments, pledges will be payable through each phase of the campaign. It is requested that when turning in your pledge commitment cards that you consider putting a 10% down payment on your vow.

Non-Cash Gifts

We invite you to consider transferring securities-based gifts, such as stock and mutual funds, to Hope Fellowship. Such asset-based giving may enable you to avoid paying capital gains taxes while providing support to Hope Fellowship's campaign. Please consult your tax professional and then see Pastor Dewey regarding the option of using these assets toward your capital campaign pledge.

In addition, opportunities for episodic giving will be provided to other stakeholders in the life of Hope Fellowship Church, including families who love Hope Fellowship but have relocated elsewhere, and families who may not regularly attend worship services but take advantage of the ministries of Hope Fellowship Church. It is expected, however, that the bulk of the funds raised will be supported by those who regularly attend Hope Fellowship Church.

All gifts towards this campaign are tax-deductible.