



## Celebrating Our Past – Strengthening Our Future St. Edward Catholic Church • Minneota, Minnesota

### Our Treasured Home

We know St. Edward Catholic Church is no more defined by buildings than a family is defined by a home. Yet both need a place to live that is welcoming, functional and accessible, a place where the light of home can shine. Here in that light, miracles can happen, as they have happened at St. Edward's Church for the past 115 years.

As every homeowner understands, we must provide the space to shelter our community and the ministries to feed those who consider this their spiritual home. At this important moment in our history, we must work together to provide the financial resources that will repair and improve our facilities.

The decision we choose regarding our campaign commitment will testify to our determination to pass on what we have received here: the gift of community wherever you are on your journey of faith. It is up to each of us to help protect and grow these good things for ourselves and for generations to come.

**Our capital campaign creates an ambitious but attainable \$1,396,750 goal. Reaching it requires four things:**

**Participation.** St. Edward Catholic Church belongs to all of us. For this reason, every member will be invited to offer a significant financial commitment over 36 months (four tax years).

**Commitment.** The commitment should be in addition to what is contributed through the regular weekly collection that supports our annual operating programs and ministries and tuition/fees for our education programs. Our annual operating budget needs ongoing financial stability while we raise the funds required to complete the proposed facility repairs and improvements.

**Trust.** We are all called to offer what we can share based on our financial capacity, trusting that God will provide for our needs as we offer our commitment in faith.

**Hope.** We must be hopeful that we can reach our goal and each do our part to help achieve it.

Now is the time for each of us to pray, hope, and have the courage to act in faith that God will look after our needs. Let us start with the question – **What does God want me to contribute to our campaign, rather than what can I spare?**

If we can each answer that question, then our campaign commitment will be a true blessing for our parish and for our family. Thank you for your prayers, encouragement and financial support as we move forward.



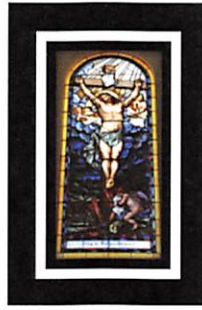
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### Capital Campaign Objectives

<b>PRIORITY ORDER OF PROJECTS</b>	<b>PROJECTED COST</b>
• Repair church roof and replace gutters	\$161,000
• Repair rectory roof and windows	\$29,000
• Tuckpoint/repair church steps	\$8,000
• Repair leaks in the school/add gabled roof	\$65,000
• Replace downspouts/gutters – original school building	\$30,000
• Insulate school attic	\$7,500
• Resurface parking lot	\$50,000
• Replace sacristy windows	\$5,000
• Repair exterior window trim	\$15,000
• Refurbish front exterior school doors	\$18,000
• Update Knights Hall exterior	\$11,000
• Update school security	\$3,000
• Replace siding – east side of the middle school wing	\$5,000
• Renovate the church interior	\$671,000
• Air condition the church	\$50,000-\$80,000
• Refinish the church pews and repair kneelers	\$15,000
• Move the organ baffles	\$4,000
• Create a ramp to the school entrance	\$40,000
• Landscape church and school campus	<u>\$25,000</u>
<b>TOTAL OF ALL PROPOSED IMPROVEMENTS</b>	<b>\$1,242,500</b>

#### Capital Campaign Summary

Total of All Proposed Improvements	\$1,242,500
10% Contingency from Cost Estimates to Bids	\$124,250
Capital Campaign Fees and Communication	<u>\$30,000</u>
<b>CAPITAL CAMPAIGN FINANCIAL GOAL</b>	<b>\$1,396,750</b>



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## Gifts Needed to Reach Our \$1,396,750 Capital Campaign Goal

- ❖ Our capital campaign is structured on well-tested fundraising principles and strategies.
- ❖ The commitment of several major supporters offered early in the campaign, provide the foundation and inspiration that will enable us to invite all other members to help us reach our ambitious, but achievable, goal.
- ❖ The following gift chart demonstrates the pattern of gifts needed to complete our building project.
- ❖ The chart invites you to consider a 10% down payment at the time you offer your commitment. The remaining 90% of your commitment can be contributed weekly, monthly or annually over the next 36 months (four tax years).
- ❖ As you determine your financial commitment, consider the possibility of combining your decision with your children's and grandchildren's, to offer a larger, multi-generational, family commitment.

<b>Total Gift for 36 Months</b>	<b>– Initial 10% Payment</b>	<b>= 156 Weekly Payments</b>	<b>= 36 Monthly Payments</b>	<b>= 3 Annual Payments</b>
<b>\$150,000</b>	\$15,000	\$865	\$3,750	\$45,000
<b>\$100,000</b>	\$10,000	\$577	\$2,500	\$30,000
<b>\$50,000</b>	\$5,000	\$288	\$1,250	\$15,000
<b>\$30,000</b>	\$3,000	\$173	\$750	\$9,000
<b>\$20,000</b>	\$2,000	\$115	\$500	\$6,000
<b>\$10,000</b>	\$1,000	\$58	\$250	\$3,000
<b>\$5,000</b>	\$500	\$29	\$125	\$1,500
<b>\$3,600</b>	\$360	\$21	\$90	\$1,080
<b>\$2,700</b>	\$270	\$16	\$68	\$810

This chart represents the average size of gifts that we need to reach our financial goal. It is a flexible instrument and the relationship between each level can be adjusted. If the top gifts cannot be secured, then the emphasis will need to shift to other levels and the number of gifts needed at each lower level must increase accordingly.





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## **How Can You Offer Your Financial or Professional Support?**

### **Cash Gifts**

A contribution of cash or check given immediately or committed during the three-year pledge term (April 1, 2020 through March 31, 2023) is the simplest way to offer a financial commitment from your assets or income. If you choose to itemize deductions, your commitment to St. Edward Catholic Church could be included each year.

### **Online Payment of Your Commitment**

Online Giving allows you to support our church without writing checks or worrying about cash contributions. The parish website will connect you to online giving and will let you set up your financial commitment for the capital campaign, the automatic contributions to pay the commitment, and change the timing or the amount of your support at any time.

### **Appreciated Property**

You may find that a gift of common stock, bonds, mutual funds, other securities, appreciated property, donor advised funds, real estate holdings, a personal residence, a second home, or other land, could offer a significant tax savings. You may be able to avoid the tax on your gains and deduct the value as a charitable contribution.

### **Age 72 or Older – IRA Charitable Gifting – Required Minimum Distribution**

Anyone age 72 or older who has a traditional Individual Retirement Account (IRA) or Roth IRA must take a required minimum distribution from their fund each year. If you are in that situation, you may directly transfer your IRA funds to St. Edward Catholic Church and save taxes. Specifically, a donor may offer a direct/outright gift each year (in any amount up to \$100,000 for individuals and \$200,000 for couples) from his/her/their IRA account, and the distribution will be excluded from gross income for tax purposes. ***Those who are 70.5 and older may be eligible to make qualified charitable contributions up to \$100,000.***

### **Commodities**

For some farmers, offering a charitable contribution of grain, livestock or dairy, can increase the tax benefit of their gift. The tax consequences of the gift may differ, depending on whether the donor is an active farmer or a landlord.

### **Contributed Labor and/or Materials**

If you are a licensed and bonded contractor, building supplier or a skilled laborer in the construction trades, you may wish to contribute a portion or all of your labor and/or materials to help reduce the total cost of the proposed projects. This can also help reduce the amount of financial pledges needed to complete the project.

### **Good Counsel Is Essential**

The information presented is not intended to be legal advice. **Your contribution may or may not be tax deductible, depending on how the newly enacted tax law impacts your circumstances.** We encourage you to seek the counsel of your financial planner and/or tax advisor. He/she can help you to determine the most tax-wise method of offering your commitment to our capital campaign, while satisfying your financial planning needs. The parish reserves the right to decline any gift if it would not be in the best interests of St. Edward Catholic Church to accept it.



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### **Gifting Appreciated Stock**

Consider the following examples for illustration purposes only. Be sure to consult with your tax advisor to discuss your own personal circumstances.

**Illustration “A” – YOU MAY NOT HAVE TO PAY TAXES ON THE CAPITAL GAINS**

- Gift 300 shares of stock to St. Edward Catholic Church at a price of \$100/share that you bought at \$50/share.
- Receive a charitable deduction of \$30,000 on Schedule A of IRS Form 1040.
- Since the stock was gifted to St. Edward, you may NOT have to pay taxes on the \$15,000 of appreciated value.

**Illustration “B” – YOU MAY HAVE TO PAY TAXES ON THE CAPITAL GAINS**

- Sell 300 shares of stock at a price of \$100/share that you bought at \$50/share, yielding \$30,000.
- Gift the \$30,000 proceeds in cash to St. Edward Catholic Church.
- Receive a charitable deduction of \$30,000 on Schedule A of IRS Form 1040.
- Since you sold the stock and contributed the proceeds, you MAY have to pay tax on the \$15,000 of appreciated value.

**Use the following process to maximize your tax savings!**

1. Decide the number of stock shares to gift to St. Edward Catholic Church. Note your desire to contribute stock on your Commitment Form. After receiving your form, the parish office will contact you to make the necessary arrangements.
2. Call your broker and tell him/her to transfer the stock directly to the St. Edward Catholic Church account. Your broker may request written instruction from you.
3. Be certain to instruct your broker to transfer the shares of stock directly to St. Edward Catholic Church. Please do not sell the stock and then transfer the proceeds to the parish.
4. The average of the high and low price on the day your stock is received by the St. Edward Catholic Church brokerage firm will be used to establish the value of your gift. You will be mailed a written receipt for your gift of stock as required by the IRS.
5. If you have questions about offering a gift of stock or securities, please contact Austin DeMuth, at Edward Jones in Marshall (507-532-0011) or [austin.demuth@edwardjones.com](mailto:austin.demuth@edwardjones.com). He will be pleased to assist you with the process in a professional and timely manner.





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## **Are You Age 72 or Older? – Consider A Tax Free Gift From Your IRA**

Anyone age 72 or older who has a traditional Individual Retirement Account (IRA) or Roth IRA must take a required minimum distribution from their fund each year. If you are in that situation, you may directly transfer your IRA funds to St. Edward Catholic Church and save taxes.

The transfer may be any amount up to \$100,000 per taxpayer (\$200,000 per couple). Specifically, you may offer a direct, outright gift to St. Edward Catholic Church from your IRA account or 401(k) plan, and the distribution will be excluded from your gross income for tax purposes. However, you will not receive an income tax charitable deduction for the gift.

### **Limitations and Restrictions**

1. You must be at least 72 years of age.
2. The distribution must go directly from your IRA trustee to St. Edward Catholic Church.
3. There is a \$100,000 per taxpayer (\$200,000 per couple), per year limit on the contribution.
4. You may receive no economic benefit for having made the contribution.

**NOTE:** *Those who are 70.5 and older may be eligible to make qualified charitable contributions up to \$100,000.*

### **Frequently Asked Questions**

- Q. *Suppose my retirement plan assets are not in an IRA but in another type of qualified plan. Can I still take advantage of this opportunity?*
- A. Yes. Let's assume, for example, that you have assets in a 401(k) plan that you'd like to contribute. What you will want to do is roll over the amount you want to contribute from your 401(k) to your IRA (or, if you don't already have an IRA, to a newly created IRA). Thereafter, you will request that your IRA trustee/administrator transfer directly to St. Edward Catholic Church the amount you wish to contribute.
- Q. *Suppose I would like to offer a commitment to St. Edward Catholic Church for my capital campaign gift. Under the new law can I pay my commitment from my IRA or 401(k)?*
- A. Yes. The new law gives you the opportunity to use IRA or 401(k) funds to pay the commitment up to \$100,000 without having to pay income tax on the IRA or 401(k) distributions. It is an ideal way for you to pay a financial commitment from IRA funds that you would not have otherwise been able to use tax-free before the new law was enacted.

If you are interested in offering a financial commitment from your IRA distribution, please contact Austin DeMuth, at Edward Jones in Marshall (507-532-0011) or [austin.demuth@edwardjones.com](mailto:austin.demuth@edwardjones.com). He will be pleased to assist you with the process in a professional and timely manner.



## Celebrating Our Past – Strengthening Our Future

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## How Can You Contribute Commodities Like Grain, Livestock or Dairy?

For some farmers, offering a charitable contribution of grain, livestock or dairy, can increase the tax benefit of their gift. The tax consequences of the gift may differ, depending on whether the donor is an active farmer or a landlord. Cash method farm proprietors potentially achieve a number of advantages with the contribution of farm commodities to St. Edward Catholic Church.

The standard deduction has eliminated the tax advantage of charitable contributions for many farmers. A charitable contribution of unsold inventory removes the income before recognition and avoids the need to claim a charitable contribution as an itemized deduction.

There are also savings with self-employed social security tax. Self-employment tax decreases if unsold inventory is contributed and the Schedule F net income is below the self-employment tax maximum.

## What Are the Tax Saving Steps for Contributing Raised Commodities?

**The most crucial step to follow is to transfer the commodity to St. Edward Catholic Church rather than convey the proceeds to the parish after the sale.** The parish has established a policy to immediately sell all contributed commodities, at the time they are received.

- The first step is to gift the commodity to St. Edward Catholic Church, providing documented evidence that the title to the commodity was transferred to St. Edward Catholic Church.
- If you transfer the commodity to a **public storage** facility, the commodity should be delivered to the elevator, sale barn or dairy with a storage receipt made out to St. Edward Catholic Church.
- The receipt should be delivered to St. Edward Catholic Church with a letter from the donor indicating the commodity belongs to St. Edward's.
- The elevator, sale barn, or dairy should refrain from issuing a check to St. Edward Catholic Church, without specific instructions from the parish to sell the commodity.

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## Celebrating Our Past – Strengthening Our Future

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### Why Us?

Grateful for the blessings of yesterday and today, and the hope and promise of tomorrow.

*Can you think of a more fitting place than St. Edward's to offer your resources, and your faith in its future?*

### Why Now?

We can shape the future of St. Edward Catholic Church today by:

- Relieving the challenges we face with the deferred repairs and improvements that need our attention.
- Solidifying our presence in Minneota and the surrounding area we serve for years to come.

*Your financial **commitment** will send a message of confidence, challenging all other St. Edward Catholic Church members and visitors who will be invited to offer their financial support.*

### What Are We Inviting You To Do?

- Reflect on the blessings you have received, and the capacity you have to respond with your assets or income.
- Consider offering the largest financial **commitment** you have ever given to St. Edward Catholic Church or any charitable organization.
- Share your decision with those you love (children, parents and grandchildren) as an example to them as they continue their faith journey.
- Discuss the possibility of combining your blessings with those of your children and grandchildren to offer a larger, multi-generational, financial commitment.
- Step forward in faith with your generous financial **commitment** now, and complete the payment of that commitment between April 1, 2020 and March 31, 2023.

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## A Worksheet To Help You Prayerfully Plan Your Financial Commitment

*“The troubles they have been through have tried them hard, yet in all of this they have been so exuberantly happy that, from the depths of their poverty, they have shown themselves lavishly open-handed.” 2 Corinthians 8:2*

The decision you will make regarding your financial commitment is a very personal one. God can help you in the process if you ask for guidance as you pray and consider your decision. Listen for the response as you ask the following questions:

- Will this financial commitment allow me to invest myself/my family in St. Edward Catholic Church?
- Am I thinking about a financial commitment that represents what I am truly capable of giving?
- Should I consider a lifestyle change to accomplish it?
- Have I accumulated (cash, stock, an IRA, commodities or real estate) that could be contributed?
- Above my regular collection support, what portion of my assets or income over the next 36 months could be contributed weekly/monthly/annually to help St. Edward Catholic Church repair and improve its facilities?

<b>A Planned and Proportionate Commitment</b>	<b>Amount</b>	<b>Source of Funds</b>
Initial Payment (at the time of your commitment)	\$	
April 1, 2020 – March 31, 2021	\$	
April 1, 2021 – March 31, 2022	\$	
April 1, 2022 – March 31, 2023	\$	
<b>Total 36 month financial commitment</b>	<b>\$</b>	

Having reached your decision, **please complete the enclosed commitment form and return it to Father Craig in the parish office within the next 10-14 days** using the self-addressed, CONFIDENTIAL envelope. You may also place the sealed CONFIDENTIAL envelope in the collection basket. Thank you for your generous support as we work together to strengthen the future of St. Edward Catholic Church.



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### My/Our Commitment In Faith

I/We wish to help shape the future of St. Edward Catholic Church by providing my/our financial support for the capital campaign.

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

From April 1, 2020 to March 31, 2023, I/we commit and agree to pay (in cash/other assets):

TOTAL COMMITMENT: \$ \_\_\_\_\_

NOW ENCLOSED: \$ \_\_\_\_\_ (please consider a 10% initial payment)

LEAVING A BALANCE OF: \$ \_\_\_\_\_

OR: I/we wish to give stock, securities, property or contributed construction labor/materials (describe).

I/we plan to offer my/our commitment: ☐ Weekly ☐ Monthly ☐ Annually

☐ Please call me/us to arrange for automatic payment of my/our commitment.

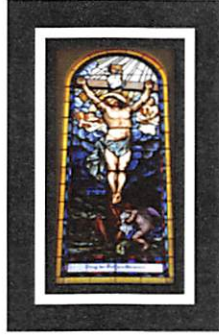
☐ Please call me/us to discuss a transfer of stock or securities.

☐ Please call me/us to discuss a contribution of construction labor and/or materials.

Signature (s) \_\_\_\_\_ Date \_\_\_\_\_

- Your commitment is a declaration of intention and not legally binding.
  - Your contribution may or may not be tax deductible, depending on how the newly enacted tax law impacts your circumstances.
  - Make checks payable to: **St. Edward's Catholic Church Projects Fund.**
  - Please complete this commitment form and return it in the confidential envelope.
- You may also place the sealed envelope in the collection basket when you attend weekend Mass.

Thank you for your financial commitment to help strengthen the future of St. Edward Catholic Church



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**Commitment of Commodities**

Name \_\_\_\_\_

Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

Phone \_\_\_\_\_ Email \_\_\_\_\_

I hereby contribute the following commodity to the St. Edward Catholic Church Capital Campaign:

\_\_\_\_\_ Bushels of Grain

\_\_\_\_\_ Head of Livestock

\_\_\_\_\_ Pounds of Milk

\_\_\_\_\_ Other

The commodity has been transferred to St. Edward Catholic Church, Minneota, Minnesota.

The commodity has been delivered to: \_\_\_\_\_  
*(Name of elevator, sale barn, dairy, business)*

Signature \_\_\_\_\_ Date \_\_\_\_\_

**Please attach a storage receipt made out to St. Edward Catholic Church, Minneota, Minnesota.**

Thank you for your financial commitment to help strengthen the future of our church and school.

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