

Offerings



A Lutheran Planned Giving Newsletter

Winter 2004

Leading by Example

When Judy Baribeau came to Canada in 1966 as a new bride, she wasn't sure what to expect. "I'd never moved before that. Our new home was right across the street from the church, and it was the church that welcomed me and made me feel comfortable." That church was Advent Lutheran in north Toronto, a mission congregation that had been organized only a few years earlier. Today Judy is a leader in her church at the local, synodical and national level, and Advent is celebrating its fortieth anniversary in 2004.

Reading a list of Judy's church activities is exhausting. In 2005 she will complete her second term on National Church Council, and sixteen consecutive years of service to the ELCIC. At Advent she is a past president of the congregational council, longtime newsletter editor, committee member and assisting minister. Two years ago the Eastern Synod recognized her tireless service to the church with a Synod Leadership Award. She has served on the synodical communications committee and helped to produce the convention newsletter at the past five synod assemblies.

Since 1996 Judy has also been the secretary of the Toronto Campus Ministry Council. Her involvement began innocently enough, when she asked a question about campus ministry at a synod committee meeting. Soon she volunteered for the Council and found herself editing their newsletter too (Judy clearly has a way with the written word).

She finds campus ministry work particularly fulfilling. "One thing that interests me is that it's different than all the other work I do. It's rewarding to see that you've made an impression on someone's life." Judy remarks on the fact that so many church leaders she has met tell stories of their own student days, and the importance of a campus ministry community in the growth of their faith life.

Several years ago Judy decided to donate a life insurance policy to the Toronto Council. Her father bought the policy when she was a young girl, it had been paid up for years, and her father was still named as beneficiary even though he had died some time

before that. Knowing first-hand of the effects that budget cut-backs were having on campus ministry programs, she thought it would be a good way to use a policy that she had almost forgotten about. "I think it's

good. We don't have any children; where else are we going to leave our money? The church has been so good to me. This is an opportunity to give back some of what I've received."

As a church leader, she wishes more people would make planned gifts.

"Budgets are so tight that we can't do the ministry we'd like to", says Ms. Baribeau.



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A Gift in the Drawer?

Where do you keep your insurance policy documents? In a safety deposit box in the bank, or in a filing cabinet at home? Or, like many people, do you have them tucked away in a kitchen or dresser drawer? Did you ever imagine that your chest of drawers could yield a special gift to your church? No, we don't mean donating old clothes to the rummage sale. Read on to discover how you can turn an unneeded insurance policy into growth in your church's ministry.

Many people acquire life insurance when they're young. It makes sense to buy then, because that's when the need is the greatest and the cost is the lowest. When we're first starting a family we worry about what would happen if a bread-winner dies prematurely. There are children to educate, a mortgage to pay and numerous other expenses to cover. Life insurance is an appropriate way to provide peace of mind.

But as the years go by, circumstances change. The mortgage is eventually paid off; the house or farm may be traded in for an apartment or condominium. Bills and expenses are easier to manage. Perhaps most significant, the children have grown up, graduated and moved out (we hope). They may be making more money than Mom and Dad ever did. Consequently, the original need for life insurance may have disappeared.

And what about that old policy?

The \$5,000, \$10,000 or even \$25,000 death benefit is probably not the biggest asset in the estate, dwarfed as it is by the value of the family home or other investments. In these times when even an average estate can reach \$300,000 or more, a small life insurance policy is not a large percentage of the total value.



And the premium that stretched the budget thirty years ago may have lost its significance next to the cost of everything else.

A person or couple in this situation has several choices. The easiest is simply to keep paying the premiums and have the proceeds eventually go to the estate, spouse or kids. Another is to surrender the policy for its cash value, but that may not seem like much return for all the premiums that were paid over the years.

Here's a third option to consider. Why not use the policy, if it is no longer needed for its original

purpose, in a new and creative way? Why not make a special gift to your church? The death benefit may do more good in the hands of your congregation or another Lutheran ministry than in your estate. A \$10,000 policy may represent only 3% of your eventual estate, but it could be a huge addition to a church budget.

If you want to use an existing life insurance policy to make a planned gift, you have two choices:

Name the church as beneficiary

- Leaves all your future options open, since you retain the right to change the beneficiary in the future.
- Several beneficiaries can be named along with percentages, so policy proceeds can be split.
- All tax benefits are reserved until the death of the life insured. When the funds are received by the church, it will provide a donation receipt for the amount of the policy proceeds received. This will reduce income taxes payable in the final year of life or the year prior.

Name the church as owner

- Irrevocably transfers all rights to the policy to the church.
- The church provides an immediate receipt for the net cash value (if applicable).
- Each future year the church provides a receipt for the

annual premiums as they are paid.

- No tax benefit is received at the death of the life insured.


In either case you would continue to pay the premiums as you always have.

Instead of naming the church as beneficiary right on the policy, you have the option of naming your estate and then distributing the proceeds through your will. But using the policy beneficiary

mechanism instead of the will has several big advantages:

- ❖ you can make the change at no cost through your insurance representative, instead of paying lawyer's fees to change a will;
- ❖ the arrangement cannot be challenged by disgruntled family members, the way a will can;
- ❖ the proceeds are not subject to the payment of probate fees;

- ❖ the money will be paid to the beneficiary much quicker by the insurance company (usually a matter of weeks versus a year or more through a will).

To learn more about how you can make a planned gift from materials frequently found around the house, call Lutheran Planned Giving at 1-888-308-9461 or e-mail lpg@worldchat.com. 

New Privacy Policy

On January 1, 2004 a new federal law, the *Personal Information Protection and Electronic Documents Act* (PIPEDA), came into effect. The ELCIC has implemented its own Policy to Protect Personal Information in accordance with the Act.

Lutheran Planned Giving (LPG), a ministry of the ELCIC, maintains your name and mailing address in an electronic database so that we can mail you this newsletter 2-3 times per year. If you have notified LPG that you have

made a planned gift to the church, we will have additional information, which you have provided, on file.

We will not release your information to anyone without your consent.

Under the policy, you have the right to:

- review your information to ensure its accuracy;
- correct inaccurate information;
- have your information deleted from the database if you no longer consent to its use as described above.

To exercise any of these rights, contact:

Lutheran Planned Giving
385 Torrance Street
Burlington, ON
L7R 2R7
lpg@worldchat.com

For more information about the ELCIC's privacy policy, contact:

The ELCIC Privacy Officer
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Judy Baribeau

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"The National Church Council is overjoyed whenever we find out about a gift that we can earmark


for a project that we otherwise wouldn't be able to fund. People can even designate their gift if they have a favourite ministry area."

Judy Baribeau is a dedicated worker and leader in the ELCIC

who lets her example of service and generous commitment speak for her. "It's a lot of fun. The church has been important to me and I've enjoyed every one of my involvements." 

The Lighter Side

Did you know that . . .

- ◆ A chicken crossing the road is poultry in motion.
- ◆ Irma had a mean boyfriend with a wooden leg, so she broke it off.
- ◆ Leslie used to work in a blanket factory, but it folded.
- ◆ A newspaper headline reported: POLICE STATION TOILET STOLEN . . . Cops Have Nothing to Go On.
- ◆ Heck is where people go if they don't believe in Gosh.
- ◆ A will is always a dead giveaway.
- ◆ A man who fell into an upholstery machine is now fully recovered.
- ◆ A short fortune teller who escaped from prison was a small medium at large.
- ◆ Once over the hill, you pick up speed.
- ◆ Going to church doesn't make you a Christian any more than standing in a garage makes you a car.
- ◆ Bills travel through the mail at twice the speed of cheques.
- ◆ Middle age is when broadness of the mind and narrowness of the waist trade places.
- ◆ If you look like your passport picture, you probably need the trip.
- ◆ Time may be a great healer, but it's a lousy beautician.
- ◆ You're getting old when you get the same sensation from a rocking chair that you once got from a roller coaster. 



Let Us Know

If you:

- have a comment, question or quibble;
- need more information;
- want to share a story or tell us about your gift

You can reach us at:

Lutheran Planned Giving
1-888-308-9461
lpg@worldchat.com

If you received more than one copy of this newsletter, please pass a copy on to someone who might appreciate the opportunity to learn more about planned giving.