

# advancing stewardship

estate planning and other news

Volume 2, Issue 3



June, 1999



## The pros and cons

by Corbin Andrews

There has been a major push to offer online banking services during the last couple of years. Banks that do not yet offer these services are moving as quickly as they can to catch up. Those who do not attempt to offer these services will not be able to remain competitive.

All six of the major banks -- Toronto Dominion Bank, CIBC, the Bank of Montreal, National Bank, Royal Bank and Scotiabank -- offer some form of online banking. Offerings range from full-fledged services that allow customers to pay bills and transfer funds to basic services that merely provide an opportunity to check your balance.

Regardless of the level of service offered, setting up your online banking services probably won't be as easy as advertised -- you may also need to install special software before you can take advantage of your bank's online services. You need to contact your bank to see what you need to set up your online service account. But here are a few basic pointers to get you started:

- If you bank with TD or the Bank of Montreal, you will require an Internet browser with 128-bit encryption. This is not the standard encryption in Canada and users may have to download a patch or an updated version of the browser from either Netscape or Microsoft.
- If you bank with Royal Bank or Canada Trust, you will be able to access your accounts without the aid of any extra software. They can support Apple operating systems because you

access their services through a browser.

- One of the most unique banks in Canada, Citizens Bank, is available only to Internet users. Citizens is the first branchless bank in Canada. However, the hype is a little misleading. Before customers can take advantage of Citizens Bank services, they must go through some traditional channels. Prospective Citizens Bank customers are required to download an account application form from the Citizens Bank Web site. The form must be completed and then faxed or mailed, along with two pieces of personal identification and a voided cheque, to the bank's offices. Once the application is approved, the account information will be sent to the client. After that, the account can be accessed right on the Net.

*Online banking can be a great convenience. The amount of time you will save is well worth the effort required to set up online services.*

Online banking can be a great convenience. It is also relatively safe. The encryption used for banking software is in the 128-bit range, which means that it is very difficult

for anyone to hack your personal information.

Online banking still has limitations. It cannot compare with all the services offered at your branch -- for the time being -- and many transactions must still be completed in-person at your branch. But it can be convenient for paying bills and checking your account balances.

And as long as you remember its limitations, online banking can save you time and money in most cases. Banking service charges are generally lower for online services and transactions are relatively painless.

## Development Conference a Success!

Saturday, May 8th, saw 44 people representing 19

---

## *CSS on the web!*

[www.cssservices.ca](http://www.cssservices.ca)

- Learn more about the work of CSS!
- Book a speaker for your event
- Estate & financial planning information
- Planned giving ideas and examples

---

Christian Schools from across Ontario gather for a day long Development Workshop at Hamilton District Christian High. The conference was a joint effort of the Ontario Alliance of Christian Schools and Christian Stewardship Services. Our thanks go out to Gary Reitsma and Bruce Dykstra, organizers of the conference. Well Done!

The day's featured speaker was Henry Contant, Development Co-ordinator for Society of Christian Schools BC (CSI District 12). Henry communicated his vision for development work as "friend-raising" and led participants through the process of evaluating their own development programs. SCSBC is a sponsor organization of CSS.

Jennie Das of Toronto District Christian High School spoke on brochure development and Bruce Dykstra of Hamilton District Christian High addressed the issue of visiting donors. Participants were also introduced to the opportunities for planned giving and the work of CSS by Willard VanderPloeg. Gary Reitsma, OACS's Financial Coordinator wrapped up the day by presenting some statistics and examples of fundraising activities of Ontario Christian Schools and many of these ideas were discussed.

Recognizing that Ontario Christian Schools need more resources in area of development, planned giving and fundraising, OACS plans a more in-depth, follow-up conference for Spring 2000.

## *Stewardship Program Partnership Moves Forward*

Henry Eygenraam

In the September 1998 issue of *Advancing Stewardship*, I mentioned that CSS was exploring a partnership in Stewardship Education with the CRC and RCA Churches. We've had some exciting progress in this area over the last few months that I wanted to share with our community.



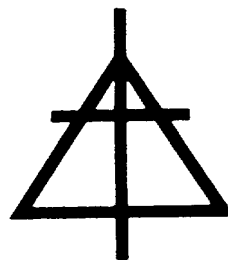
At the CSS annual membership meeting held May 7<sup>th</sup>, 1999, the Membership of CSS gave it's unanimous approval to a proposal put before it; that will see a program of stewardship education, consultation, and training offered to individual Church congregations in the Canadian Churches of the CRCNA and RCA. When it gets final approval from the CRC in June, we will move this program toward a launch in the summer of 2000.

---

***In a time where we hear of  
Win, Win agreements, this is a  
Win, Win, Win, Win, Win situation!***

---

It is a win for CSS. It will enable us to fulfil an important part of our mandate, and create more visibility and activity within the local congregations in Canada. Our 1976 Charter states: To promote, encourage and educate in the Christian principles of giving and stewardship. Because this will be a staffed position, CSS will be able to give stewardship education the attention it deserves.



It is a win for Churches. It will assist congregations with consultation, materials, and training to develop goals and strategies, to implement a program of biblical stewardship in their church.

It is a win for the people in the church. In a world that places ever-increasing, conflicting



demands on Christians in the area of lifestyle, we hope to develop an interactive program geared to their specific needs.

This is a win for the larger Christian community, which depends so heavily on the choices

that people make about the application of their finances, time and talents.

This is a win for the Lord. The development and implementation of effective stewardship education is clearly a response to our understanding of the mandate He gives to us as a whole Christian Community. It will be an expansion of our contribution to His work.

We covet your prayers and comments as we work to move this initiative forward.

Henry

## Charitable Remainder Trusts

*Give the tree but not the apples!*

Long popular in the United States, charitable remainder trusts are growing in use here in Canada as a way for donors to make a sizable deferred gift to a favorite charity while maintaining the use of their assets for the duration of their life or the term of the trust.

A donor gifts an asset to a favourite cause but continues to enjoy the income it generates, or its use for life or some other set term. In other words, the donor gives the tree, but keeps the apples.

Assets placed in the trust can include: cash, stocks, bonds, and other investments. The donor will receive a tax receipt for the present value of the assets which is calculated using the donor's life expectancy and prevailing discount rates at the time the trust is established.

### Sample Remainder Trusts

\* based on current actuarial tables

| Age | Value of Assets placed in trust | Value of tax receipt issued* | Income from trust       | Net gift to charity upon death of donor |
|-----|---------------------------------|------------------------------|-------------------------|---|
| 70  | \$200,000                       | \$89,586                     | negotiable with trustee | \$200,000                               |
| 75  | \$200,000                       | \$106,899                    | negotiable with trustee | \$200,000                               |

Remainder trusts can be arranged for both singles and couples. CSS always recommends that donors seek financial advice before entering into complex gifting arrangements like these.

Christian Stewardship Services will be pleased to provide you with more information on Remainder Trusts and can supply a no-obligation quote based on your age and circumstances.

## advancing stewardship

*The information provided comes from various sources believed to be reliable. Accuracy can not always be guaranteed. It is not intended to replace professional advice. Consult our staff or your other professional advisors to determine if the information applies to your particular circumstances. This newsletter is copyright but may be freely used in appropriate ways by sponsor organizations of CSS.*

### Christian Stewardship Services

600 Alden Road, Suite 315  
Markham, Ontario L3R 0E7

Toll-free in Canada: 1-800-267-8890  
Fax: (905) 947-9263  
Email: admin@cssservices.ca  
Website: www.cssservices.ca

A. Henry Eygenraam, CFP, CLU, CH.F.C.  
Executive Director

Willard VanderPloeg, BCS  
Representative & Editor



## Let CSS Distribute Your Estate Gifts!

Each year, many people are served by a representative of Christian Stewardship Services in making or reviewing their wills. More and more, these people consider including a gift to charity in their wills and often, CSS is the charity named to receive this gift.

People who do this then write a “letter of direction” to include in their file at Christian Stewardship Services. The letter instructs the staff at CSS which of the donor’s favourite causes to distribute the estate gift to and in what proportion. The benefits of this include:

- giving to several charities is simplified
- the ability to change beneficiaries without drafting new wills
- limits the number of organizations involved with your estate
- your estate receives maximum tax relief from gifts

Donors are free to name any Canadian registered charity in their letter and may revise it at any time. Christian Stewardship Services distributes estate gifts to its many sponsoring charities at no cost but does charge a 2% distribution fee to gifts distributed to other organizations. As the matter of these fees is currently under review, CSS welcomes your comments and input.

To find out more about CSS letters of direction or to provide feedback, please contact Christian Stewardship Services toll-free at 1-800-267-8890.

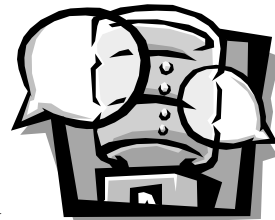
## Did you know?

Did you know that using an ABM machine in a bank, credit union or trust company other than your own carries extra charges? Always try to use machines at branches of your own financial institution.

You should avoid using ABMs at variety or grocery stores as much as possible. Many stores charge as much as \$2.00 per transaction OVER what your bank charges you – just for the “convenience” of using their machine. It’s a good idea to ask the store’s clerk exactly what the charges are first.

\* \* \*

It is possible both during your lifetime and at your death, to donate property such as securities, or real estate to a registered charity instead of cash. This type of donation is called a gift-in-kind.



Gifts-in-kind are typically evaluated at fair market value and a tax receipt is issued to the donor accordingly. To reduce the income generated by such an asset, some donors (or their estate trustees) elect a value somewhere between the fair market value and cost value to enjoy a reduction in income and tax normally triggered by a sale or gift. Such gifts often provide more tax savings than equivalent cash gifts!

For more information, please see our “Gifts of Appreciated Securities” leaflet or contact Christian Stewardship Services.

### Request for Information:

mail or fax to:

Christian Stewardship Services 600 Alden Road, Suite 315 Markham, Ontario L3R 0E7 Fax: (905) 947-9263

#### Please provide the following:

- |   |   |
|---|---|
| <input type="checkbox"/> More information on the work of CSS                        | <input type="checkbox"/> Information on Remainder Trusts    |
| <input type="checkbox"/> Information on making a will and a copy of your Will Guide | <input type="checkbox"/> Information on CSS Endowment Gifts |
| <input type="checkbox"/> Have a representative call to arrange a visit              |   |
| <input type="checkbox"/> Information on Charitable Gift Annuities                   |   |

Name (s) \_\_\_\_\_

Street \_\_\_\_\_

City \_\_\_\_\_ Prov. \_\_\_\_\_ Postal Code \_\_\_\_\_

Telephone \_\_\_\_\_