

All-Church Budget Meeting

April 7, 2025

Rev. Leslie opened the meeting with prayer.

Charlie Bouchard reviewed the purpose of this meeting: We are spending more money than we are taking in, and we can't sustain this. We may need to reduce pastors to one, and no one wants for Rev. Lee to leave. We have to decide if we are a one-pastor church, a one-and-a-half pastor church or something else. And pastors' salaries have to be voted on at the October 12 Charge Conference.

Handouts were distributed showing our four buckets of money and a pie chart showing where our money is spent. Approximately 2/3 of our income pays pastors and staff. We are ~ \$120K short, budget v expected income. Our reserves will be gone in less than three years if we cannot raise more money OR reduce staff.

A significant issue is that we have the money, but most of it is tied up in our Foundation and the 57th St property proceeds. We cannot use that money for operating expenses and salaries, only for capital expense. And the Foundation is 'endowed,' which means that we cannot touch the principle, only the interest.

Charlie asked for questions...

- Regarding budgeted revenues—do we know pledged income plus loose plate offering? [We have fairly accurate estimates.]
- With our million-dollar endowment can we increase the deductible and lower our insurance payment? [We can look into that, but even if our building burned down (which was the purpose for setting up the Foundation), we could only access the interest earned, not the principle. We have had conversations about how to 'un-endow,' but we have to find the descendants of the original endowment.]
- Who sets the rules that say we can't use property funds for operating expenses? [the Conference] Can we talk to the Conference about using some of the funds differently? [If the church is in SERIOUS trouble, we can petition for use of funds. Even if we can do this, it is a short-term fix, we will still be spending our savings.]
- Is the \$81K tithe to the Conference a requirement? [Yes.]
- Does Union Ministry have its own facility? [Union is functioning with grant money and trying to become self-sufficient. FUMC and Trinity UMC agreed to make our facilities available to them.]
- Is Union contributing financially, especially since they use our facility? [not much, if any, but we agreed to let them use our space.]
- Year over year, are we always spending more than we take in? [some years more than other; COVID had an effect.]

- Why aren't we bringing in more money? [We have lost members to death and to transfers. Some of our largest supporters have died.]
- Why aren't we growing? [We recognize that some churches are growing; the majority in the US are losing membership. For the first time in the US, church membership has dropped below 50% of the US population. Studies estimate that as many as four to five churches (protestant, evangelical and Catholic) are closing every day across the US.]
- Can we send a group to Resurrection (Adam Hamilton's church in KS) to see how they are growing? They are creating satellite churches. [That is a possibility.]
- Could we look at churches in NOCO that *are* growing and find out what they are doing? [Lee said that our first thought is always that we need more people; we have invested time in looking at church trends. We need to think about church differently, we can't go back to the way church used to be.]
- Leslie pointed out that many/most of the churches in the area that seem to be in growth mode have a very different worship model than FUMC's. They offer praise bands and a more concert-type experience. When asked if that is the sort of model that would help FUMC to grow, how many would be willing to adopt that kind of service, only about three people raised their hands.
- It is past time to talk about combining with Trinity. There is a sense of urgency. [It may come to this, but the Conference would have to agree and it would take time to plan. There is some pushback at the idea of the bigger church subsuming the smaller one. FYI – Trinity used to be a United Brethren church.]
- A 'merger' would be sustainable. More bodies = a more vibrant church. [We have had, and will continue to have conversations about combining ministries.]
- How much money will come in from the preschool (LPS)? [We came in right at budget on costs of renovation. LPS paid almost half of the cost. We will take in \$22K/year, \$2,200/month from Aug. – May.]
- Do we know the effect of online worship? [Finance can't see who gives what, but Cindy Utley said that there is money coming in regularly from online participants.]
- Matthew noted that research shows his age group is the largest demographic segment in Loveland, and this demographic is NOT interested in 'typical' Sunday morning worship. Nothing we could change about our Sunday worship would attract these young people to our church. This demographic is not church shopping, but they are interested in worship, just not traditional worship. Worship and church need to be seen as bigger than Sunday morning. For this group, the best style of worship is through missional connection and service to the community.
- Could we rotate bands and individuals to perform? That would provide more 'jazz' in worship.
- Have you invited anyone to church? We can do that.

- I don't like online church; it doesn't provide fellowship and should only be for those who cannot attend.
- SPRC has to step up and decide whether one pastor could shepherd this church well.
- We need to let people in the community know who we are—make the presence of FUMC known.
- What were our pre-COVID revenues? [~\$800ishK. The difference between this year and last is a drop of \$35 K in giving. There has been a steady decline in giving, and there is not likely a magic bullet. It will take a combination of ideas.]
- Why isn't our rental house on the market? [The rental brings in revenue---~\$18K/year. If we sold it (maybe ~\$300K), we still couldn't use the funds for operating expenses. We could change how the house is used and maybe realize more income.]

Comments

- This is not a leadership issue, but a congregational issue.
- Our spending is not out of hand. Expenses are flat; it is a revenue issue.
- Most of these ideas are long-term and we have an immediate need.

Ideas

- Share our facility.
- Merge with Trinity. [We have had and will continue having conversations.]
- SPRC needs to decide if this is a one-pastor church or a two-pastor church.
- Increase monthly giving; if 100 people could increase giving by \$100/month (or \$25/week), it would make a huge difference, almost eliminating our deficit. That level of giving would have to continue beyond this year in order to be a long-term solution instead of a stop-gap solution for this year.
- We could ask for a '13th month gift.'
- Pray TOGETHER so that we can solve this problem.

Leslie reminded us this is HARD, but there is opportunity in this dilemma. God has something in mind, we have to listen and find out.

This meeting was closed as we held hands in a circle and shared our own personal prayers.

The next meeting will be on April 27 immediately after church service.