

All-Church Financial Meeting #2

April 27, 2025

Rev Lee opened with prayer asking that God give us a spark of hope; we are a faithful community that loves and wants to serve God.

Charlie reviewed the letter that was sent to the congregation explaining our struggling financial situation. The 2025 budget that was approved shows a ~120K deficit. We have budgeted money, cash on hand, money in a fund from the proceeds of the 57th St property sale, and money in our UM Foundation. We are spending more than we are taking in which means that we must reduce spending OR take in more money.

If used for current operating expenses, our cash reserves will be used up in two or three years. Even if we could access the property money or the Foundation money, after it is gone we would still be in financial distress. We need to be proactive, and we have time. Things are not hopeless.

In the 1950s, the church burned, and donors created an Endowed Foundation so that if it happened again we would be able to rebuild our church. We can use 4.5%/year of the interest on the principal, but the Foundation cannot be 'unendowed' without permission from the descendants of the original donors.

We have a new Mission Statement: **Loveland FUMC strives to bless and serve our local and world communities while living the teachings of Jesus Christ. We accept people as they are and strive to live in harmony with God and all of divine creation.**

What are we doing relative to that Mission Statement?

- We agreed to house Loveland Preschool. If we wouldn't have stepped up, they would have had to close the preschool. The construction was completed on time and within budget. The total cost was ~ \$48K, with LPS paying almost half of the costs. They will host an open house on Sat. May 3 from 11:00 – 1:00. Come and see what is going on!
- The Building Use Policy is being rewritten, and we will have more space for potential renters (Charlie walked the third floor with architect John Freeman to look at possibilities there). Rentals will serve the community –they can rent space at less the cost than elsewhere, and we receive rental funds to support our mission. We are looking hard at community needs and hope to have plans up and running by September.

What are your questions? (John Morgan handed out suggestion forms.)

- What is our current church membership? There are 700+ names on the membership rolls, and we are in the process of auditing those rolls. Attendance is 230-250 weekly including online worshippers. (Four years ago, there were ~890 members on the rolls. We have lost about 50 families in the last 4 – 5 years.)
- What is the average pledge? The pastors do not look at that information.
- Do we need to reduce the whole \$100K this year or could it be divided over two years? There would be the same financial impact. It would buy us time, but wouldn't solve the problem.

- On the pie chart, there is \$145K for the building. Can we use other funds for those expenses? That is the Trustees' account to pay for regular maintenance. The Foundation is tapped out, so we can't use that; and if we use the 57th St funds, we will eventually deplete those funds and our long-term problem is not solved.
- In the pie chart, do we have insurance and liability? Yes, it is part of the building fund (think it's about \$50K.)
- Thank you to the work Charlie, John and committees are doing for us. I hope we can raise enough money to keep both pastors. That is the main objective, and I hope we can increase revenue. As for building rental, can we ask for donations when we have people come for meetings and events? (Reference to the Bells Concert), we have excellent performance spaces—let's advertise for performance groups.
- There was a reference in notes from the first meeting to a 15% increase pledge drive. Has it been calculated that it would support our budget? That should be our first effort. Answer: Yes, it has been calculated, and it would work only if the increase was to continue in subsequent years. (James Clegern says that this would be the fast way to support our budget.) We have a number of folks on fixed incomes who are giving as much as they can. We realize that reduced staff means reduced services.
- James Clegern has created a spreadsheet with 'what if's' that can be plugged in to determine the impact on the budget.
- How do you define membership? Each person is one member, but giving is often done as a family unit.
- Could we have a capital-like campaign with funds used for operating expenses? Yes, but unless that increase is continued, it will just prolong the financial issues.
- Most foundations have a clause that says where the money goes if the organization dissolves. Where would the money from FUMC go? Conference property goes to the conference (our building, the rental house and the funds from the 57th St property). If the money is outside the conference, the BoD of the Foundation says where the money would go.
- I passed three churches this morning whose parking lots were full. Not so at FUMC. WE have gone from three services to one, and I think people are voting with their feet. Have we found out why people are leaving? The space we are trying to rent used to be filled with people/children.
- Can we merge with a smaller church? Yes, but both parties would have to agree, and right now that doesn't seem likely (like a hostile takeover or like the US merging with Canada, not a friendly merger). Trinity is in worse financial shape than FUMC. It might be possible to use one space for two separate churches and their worship services (like when Trinity was flooded and held their services at FUMC). It could work if Trinity agrees. (Not sure how that would affect operating expenses with two staffs...)
- Phyllis Wehrle read a statement from Matthew Utley. Matt said that conversations like this tend to look for blame and it is more complicated than that. There is no perfect worship service that is going to fix our financial problems. People in Matt's age group don't want a 'regular' Sunday service, they have lost trust in organized religion. FUMC's situation may not be ideal, but we are still above the median UMC attendance. We need to consider context and realize that growing churches are outliers. "It brings me hope to know that we are using our building to serve the community [LPS]." Our mission

statement—accepting people as they are—is important. Signs and symbols of acceptance in our church spaces would be a good start. And we should host community events without evangelizing.

- Barry Wehrle has had experience that says $1 + 1 = 1$ is not always the outcome of a merger. He knows of two churches that sold their buildings, built a new one and 'merged' in that new space. The way a church grows is IF A MEMBER INVITES A FRIEND.
- As far as the UM Foundation is concerned, there is a lot of money that is going to continue to grow. We should pursue whatever is necessary to free up those funds. Charlie noted that we would have to find descendants of the original donors to make that happen. Original donor intent has to be honored.
- James noted that the Foundation provides income from the investment; if we could 'unendow' it, it would just kick the financial can down the road, and we would lose that yearly income. It would be a temporary fix that wouldn't solve the problem.
- If we get to know LPS parents, they may become interested in our church. We could offer to help. Charlie asked Jen if they would like volunteers, and Jen said YES!!
- We need young families. Could we advertise events? Show up next Saturday and see what LPS is about!
- Talk to FUMC Ft Collins and find out how their preschool has grown church membership.
- We can look at churches that are flourishing and find out what they are doing. What are other churches doing that could inform us about what we could do better? 1st Presbyterian Ft Collins downsized to one senior pastor and had a cadre of retired pastors who stepped in. 1st UMC Ft Collins was also revitalized, but both churches took time.
- Our Mission Statement tells us who we are. We need a Vision Statement to say who we want to be and how we are going to get there.
- The goal of 'serving the community' shouldn't be all about getting new members.
- We need to PRAY—individually and as a congregation. A community that prays together can make a big difference.
- I stepped out of FUMC for a while and NO ONE reached out to me to find out why.
- Several people offered to increase their giving.
- Charlie mentioned a Lenten devotion of Rev Lee's that asked 'who hopes for what they already see?'
- Charlie reminded us that there ARE solutions and we are working to find them. Give this situation a thought and your prayers. There are lots of opportunities to help us serve our community, but we need lots of folks to step up and help!
- Thanks for coming and sharing thoughts and ideas.

Rev Lee closed with prayer that reiterated our trust in God as we feel God's spirit and seek God's guidance for our journey.