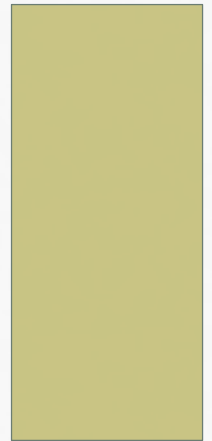




FINANCIAL PICTURE

AUGUST 2016 SPECIAL MEETING





WHERE DO YOU SEE YOURSELF IN 5 YEARS:

WHAT ARE YOUR GOALS?



AND THE CHURCH?

WHAT WILL IT LOOK LIKE IN 5 YEARS?



SUSTAINABILITY IS IN QUESTION

CAN WE AFFORD A FULL-TIME MINISTER?

FINANCIAL FACTS

- FCC income has not covered costs for years
- Pledged revenue is budgeted at 32% of annual spending
- Pledges do not even cover the cost of a full-time minister
- 2016 actual giving trails the pledged amount: only 40% collected in the first half of the year



BUT WHAT ABOUT THE ENDOWMENT?

ISN'T THIS A WEALTHY CONGREGATION?



ENDOWMENT HEALTH:

BEWARE OF SPENDING THE PRINCIPAL

ENDOWMENT

What Is it?

- Funds or property donated to the church to produce a stream of income
- Allows the church to make commitments and plans

Best Practices

- Take distributions from the income only (interest and dividends)
- Typically, that means 3% to 5% of the total
- Principal remains intact and provides a secure base from which the congregation can realize its vision and mission

FCC ENDOWMENT

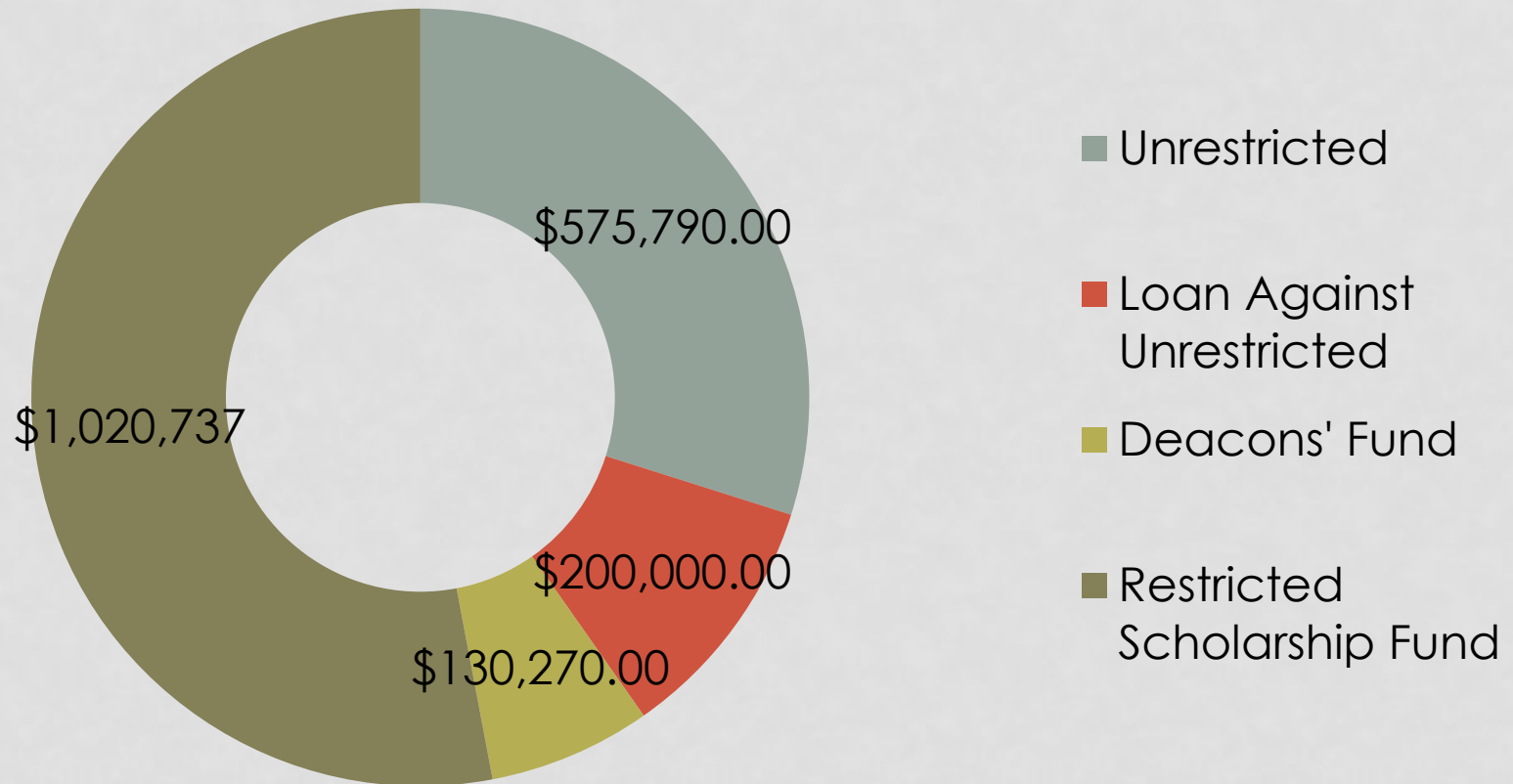
Restricted Funds

- Donors specify use
- Majority of endowment is restricted in use
 - scholarships and education
 - building upkeep
 - minister's residence

Unrestricted Funds

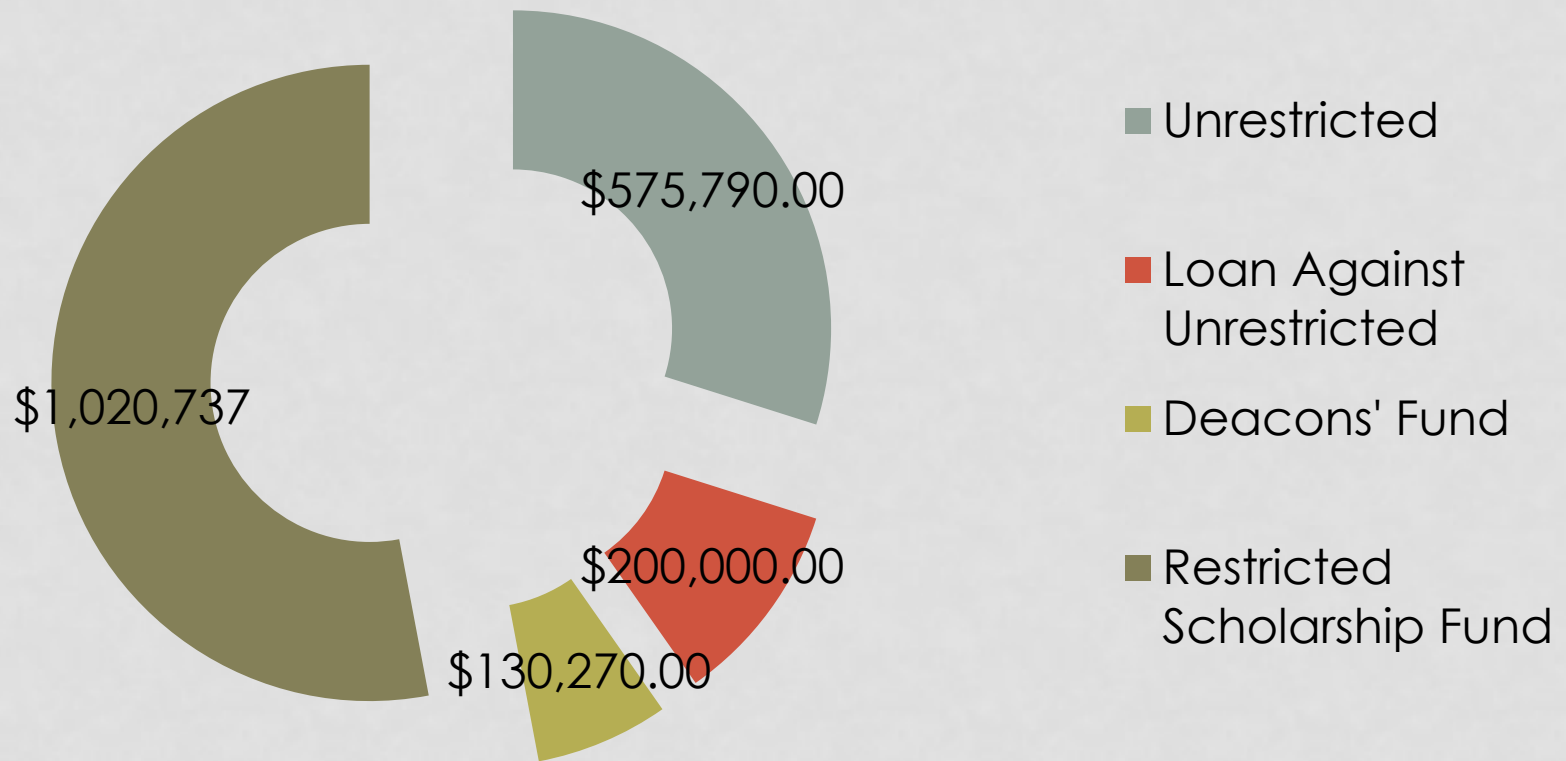
- For years, we pulled a reasonable sum from this part of the endowment for operating expenses
- More recently, spending has mounted for building repair and extraordinary pastoral expenditures

FCC ENDOWMENT



As of 6/30/2016

UNRESTRICTED FUND: \$775,790

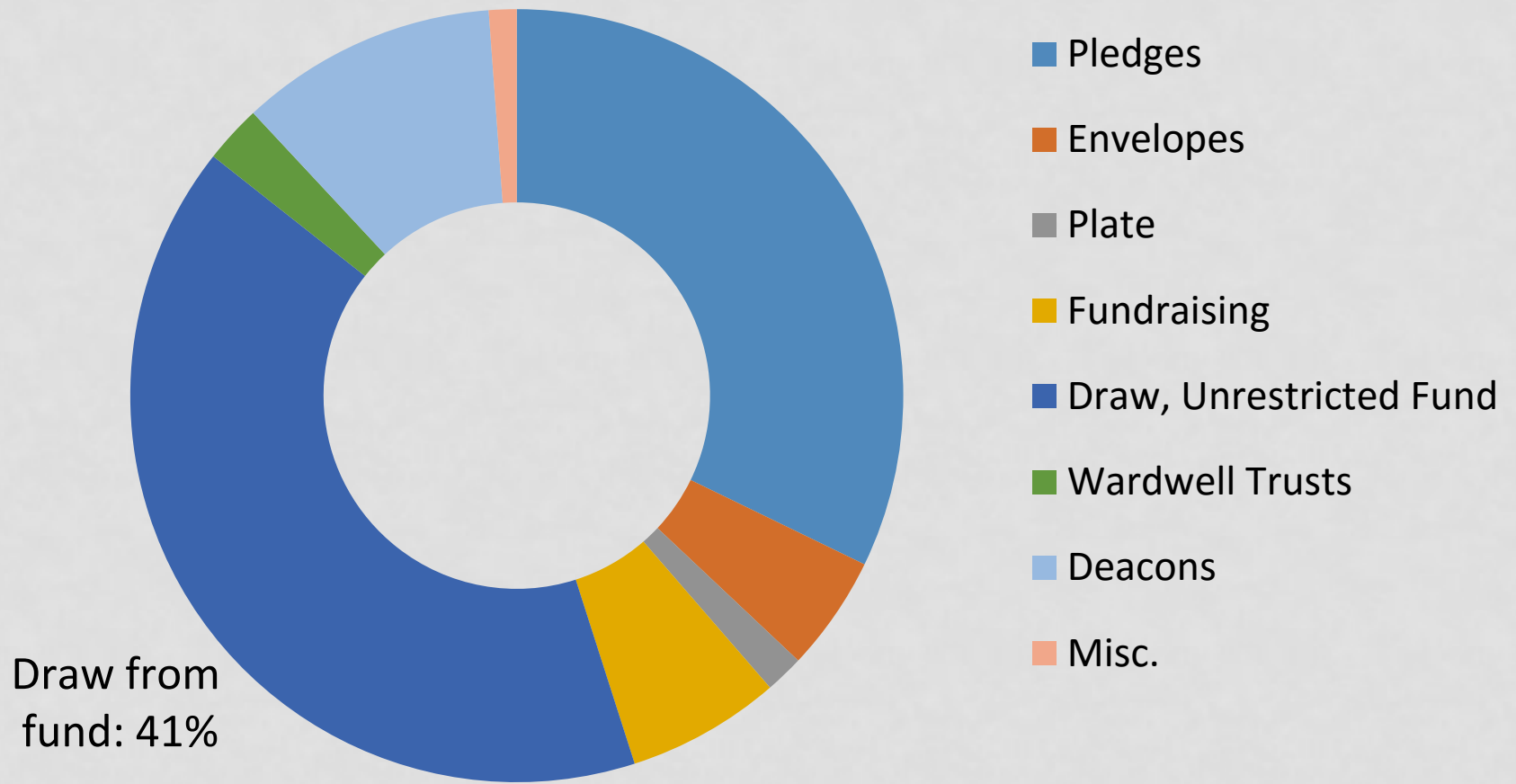


As of 6/30/2016

ENDOWMENT SPENDING

- FCC used to take 3-5% from the endowment per year
- February 2013: \$200,000 loan taken against unrestricted endowment fund; flex rate now 3.487%
- Annual draws to cover operating costs:
 - 2010: \$50,402 (deficit of \$5,829)
 - 2011: \$49,333 (deficit of \$29,285)
 - 2012: \$49,904 (surplus of \$24,027)
 - 2013: \$50,000 (deficit of \$49,362)
 - 2014: \$110,498 (surplus of \$3,465)
 - 2015: \$118,506 budgeted and withdrew \$225,575, with deficit of \$25,023
 - 2016: \$126,000

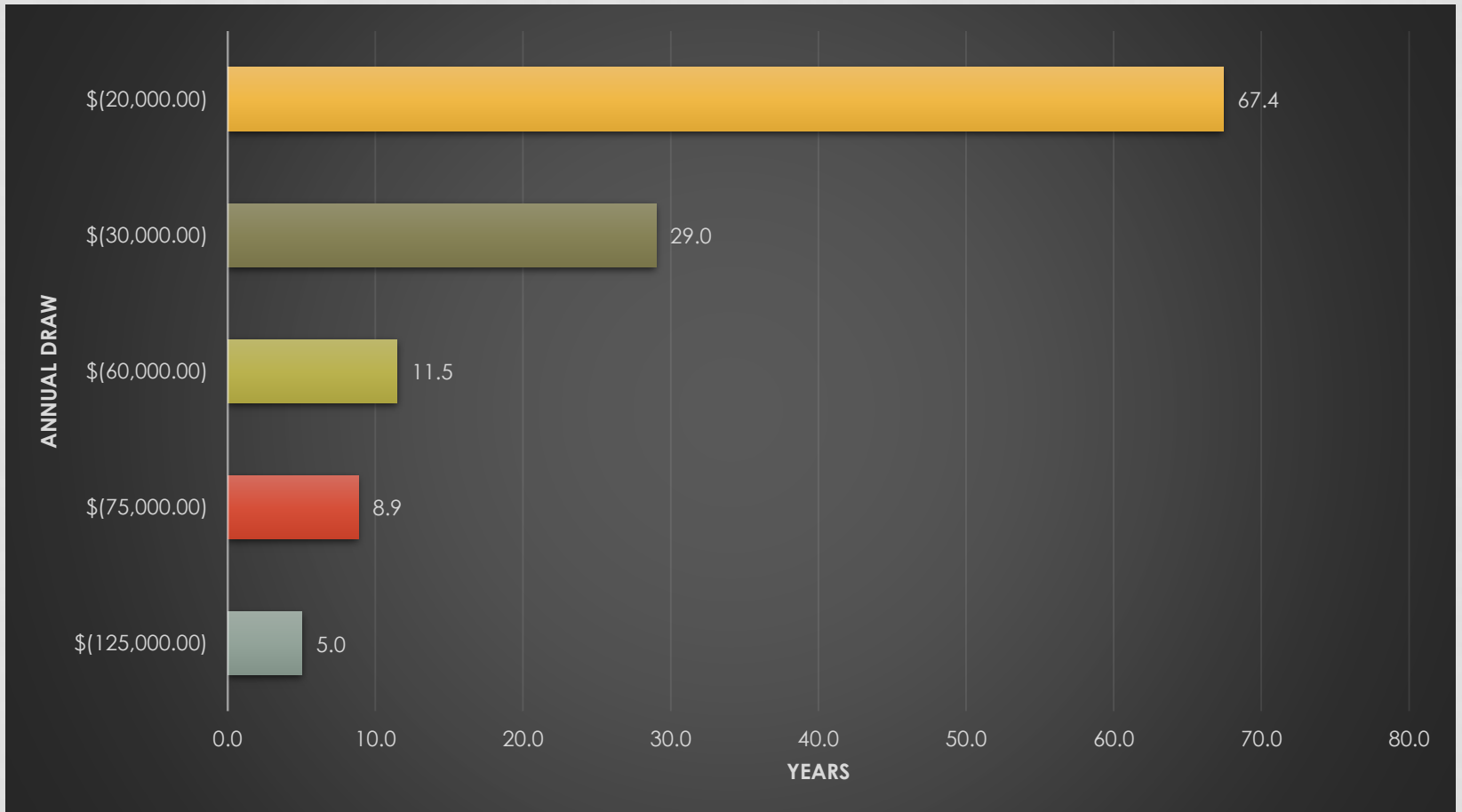
2016 BUDGET: INCOME





IN 5 YEARS OR LESS...

IF WE MAKE NO CHANGES, THE UNRESTRICTED FUND WILL
BE EXHAUSTED



YEARS UNTIL UNRESTRICTED FUND REACHES \$0 BALANCE

\$575,800 STARTING BALANCE; 3% RETURN

WE CAN STILL INFLUENCE THIS PICTURE

GIVEN PASTORAL SEARCH,
TIME IS OF THE ESSENCE

CAN WE AFFORD A FULL-TIME MINISTER?

CURRENT COST: \$114,173

- Salary \$45,500
- Housing 30,000
- Annuity 8,941
- FICA 5,776
- Medical 19,643
- Travel 1,500
- Life/Dis. 813
- Prof. costs 500
- Sub minister 1,500

BALANCE REVENUE & COSTS

- Budgetary Options
 - Call a part-time minister
 - Have a volunteer CE program with pastoral oversight
 - Volunteers take on additional tasks
 - Explore sharing a pastor with another church
- Revenue Options
 - Give more: 5% of income?
 - Grow the congregation
 - Sell Guiteras House
- Do Most of the Above



CREATING A GIVING CULTURE

- **Have you pledged?**
- **Are you able to increase your pledge?**
- 2016: 60 Pledges = \$100,000
- Average pledge: \$1,666
- 80 pledges at average of \$2,500 or 100 at \$2,000 would bridge the gap

PLEDGE AS % OF INCOME

INCOME	1%	2%	5%	10%
\$25,000	\$250	\$500	\$1,250	\$2,500
\$50,000	\$500	\$1,000	\$2,500	\$5,000
\$75,000	\$750	\$1,500	\$3,750	\$7,500
\$100,000	\$1,000	\$2,000	\$5,000	\$10,000
\$150,000	\$1,500	\$3,000	\$7,500	\$15,000
\$200,000	\$2,000	\$4,000	\$10,000	\$20,000

NEXT STEPS

FCC All-Member Finance Workshop

- **Saturday, September 10, 9 AM to Noon**
- Anthony Caromile,
Facilitator

Special Congregational Meeting

- **Sunday, October 23,
after church**





TOGETHER, ALL IS POSSIBLE

QUESTIONS?

