



An Overview of Church Finances

Why is our theme "Writing our Story: The Next Chapter?"

As you know, each year has a unique theme, or focus for the campaign. This year's theme is a little bit more encompassing than the previous years' themes. Instead of just focusing on this next calendar year, we're looking at our entire calling as a church. Our reenergization, our new administrative organization, and the fire in May have led us be ready to ask and answer the question, what's in the next chapter for Grace? It's time for us to write the next bit of our story as a church community. We are the writers, and it's time for us to plan out the next chapter of our story where we are loving our neighbor completely, and offering our prayers, our presence, our financial gifts, our service, and our witness.

When is commitment Sunday?

You are invited to prayerfully consider your financial contribution during this campaign and submit your estimate of giving on October 15th. You may also complete and deliver/mail it to the church office or complete an online form at grace4denver.org/stewardship. If you submit your estimate of giving before October 15th, we will have some prayer cards that you may offer during worship.

What is the goal of our 2024 stewardship campaign?

Our goal for this year's stewardship campaign is 55 estimates of giving for a total of \$140,000. As the impact of the pandemic is continuing to ease, we are making great strides in returning to the vibrant church that we were pre-pandemic. We are reopening ministries old and new, and we need the financial resources to reemerge as a vital part of this community. One added challenge to our financial situation is that our Permanent Endowment Fund is dependent on the current financial market. We receive a pay out from our endowment each year that supplements our operating expenses. Not only has the market been up and down, but we have chosen to remove up to \$200,000 for repairs, renovations, and upgrades to our worship space after the May fire. This will change the amount of money that comes to our operating budget from the Permanent Endowment Fund. While these are ambitious numbers, we believe these goals are achievable, considering how many of our members and friends give financially but do not usually make an Estimate of Giving. **We encourage all persons to make an estimate of giving and we appeal to those who have not made an estimate of giving in the past to prayerfully consider doing so this year.** And, as always, we celebrate that scripture teaches all of us to increase our giving each year to the point where we are tithing, giving 10% of our income to the ministry of the Church. If you/your family have not yet reached the goal of tithing, then we ask you to prayerfully consider increasing your annual giving by at least 2% in the coming year.

What is our proposed 2024 Operating budget?

That is hard to say at this time. Our Finance Committee and Church Council members set our budget each year according to three things. First, the group looks at our total income from the previous year. Second, they compare the number of Estimates of Giving going into the coming year to the previous year's figures. Finally, they review the "soft" data, such as the number of new persons and families joining versus leaving the congregation, the number of deaths, what is happening in the greater community, the vibrant energy of the membership, etc. Our leaders will not have the amount of our total 2023 expenses until a few weeks into January 2024. After all the data is available on income, estimates of giving, etc., they will set the 2024 budget. We anticipate that happening at the Church Council meeting in December 2023 preparing for the start of the fiscal year.

What if I make an estimate and then can't fulfill it?

If you need to adjust your estimate of giving mid-year because of changes to your financial situation, we most certainly understand. However, we frame it this way: how difficult would it be if your employer or source of income stated that, while they would provide you a salary or pension in the coming year, they would be unable to tell you how much to expect? Even if the employer or investment firm is trustworthy, making and keeping a budget in that situation is difficult. The same is true for the church. So, we encourage everyone to consider making an estimate of giving for 2024.

Once I make my estimate of giving, how can I pay it?

There are three main ways to make offerings to the mission and ministry of Grace United Methodist Church. The first way is by bringing your check or cash donations to Sunday worship services. At present, you may place those in offering plates at the back, although we will resume passing the plates soon. Second, you can mail your offerings to the church office. We do not recommend mailing cash gifts, as those are challenging to track and easy to lose. Finally, you can donate online via a trusted provider, Vanco Payments. The General Council on Finance and Administration of the United Methodist Church works with Vanco Payments with all online and electronic options. Vanco Payments is a financial services company which serves over 8,500 churches nationwide. With this service, you can give using your checking/savings account or credit/debit cards. You can set up a one-time transaction and/or recurring transactions to satisfy your estimate of giving. More information at grace4denver.org/give

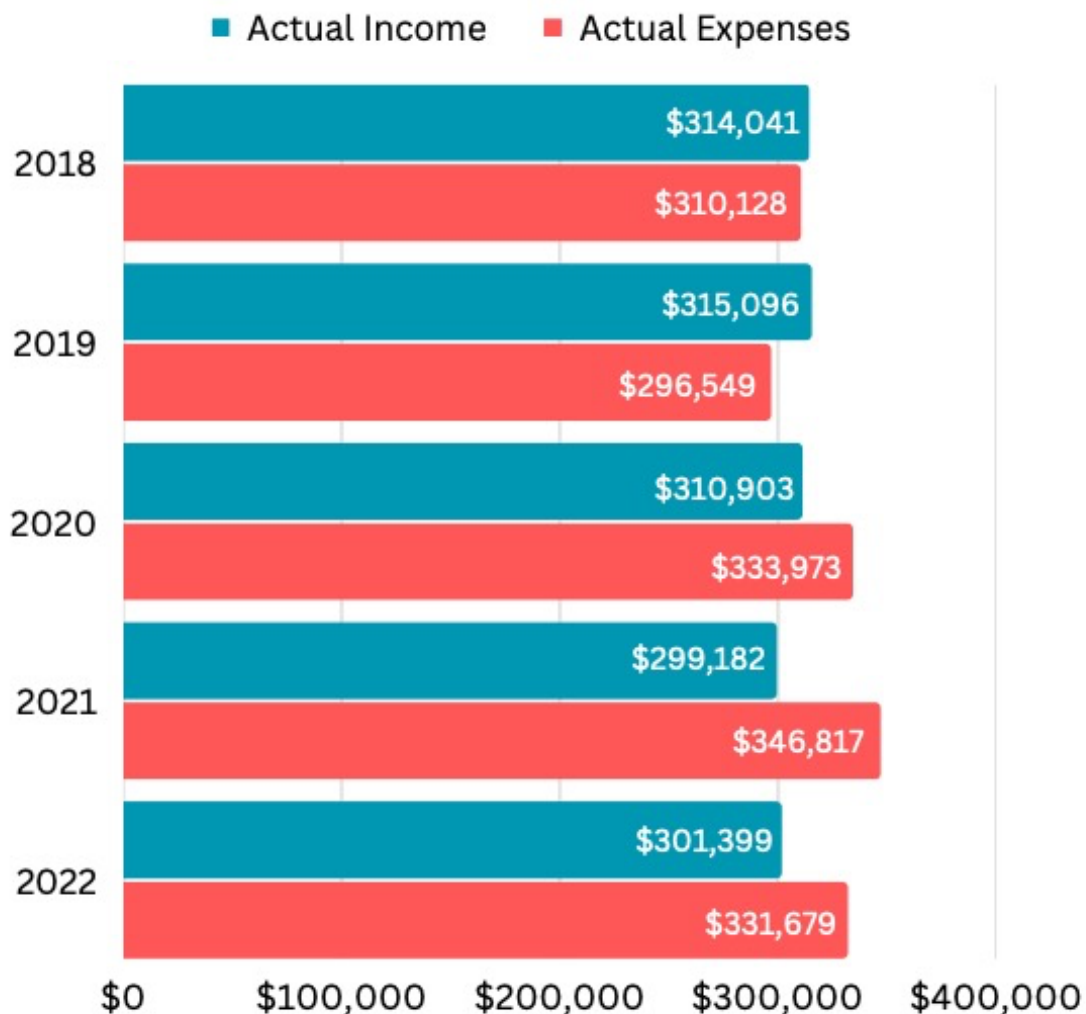
I want to do more. How else can I give?

Please consider Grace in your planned and legacy giving. For wills, trusts and other POD beneficiaries, use: Grace United Methodist Church, a Colorado nonprofit corporation, located at 4905 E Yale Ave, Denver, Colorado and whose Tax Identification Number is 84-6008534

General Budget Overview 2019-2023

The next section includes some interesting figures from our financial records. These show a few different trends that affect our financial situation. First, we can see that the actual income has decreased yearly since 2019. Unfortunately, due to inflation, facility maintenance, and the COVID-19 pandemic, our actual expenses have increased, meaning we see a deficit in the budget in 2020 and 2021. We predict having to use some cash reserves to finish off this budget year, 2022.

Budget Year	Actual Income	Actual Expenses	Budgeted Income	Surplus/Deficit
2018	\$314,041	\$310,128	\$321,920	+ \$3,913
2019	\$315,096	\$296,549	\$302,870	+ \$18,547
2020	\$310,903	\$333,973	\$345,909	- \$23,070
2021	\$299,182	\$346,817	\$299,592	- \$47,635
2022	\$301,399	\$331,679	\$325,550	- \$30,279



Giving Trends for 2022 budget

In the chart below, you can see a breakdown of the gifts we received in our 2022 budget year. Since the 2023 year is still underway, we couldn't use those figures. Instead, the 2022 numbers show that the largest group of giving units (a person, a family, or a household) gives between \$500 and \$2,500. Interestingly, this is also the giving range that had the greatest percent of decrease between estimated giving and the amount actually received.

Giving Range	Number of Estimates Received	Percentage of Estimated Giving	Amount of Estimated Giving	Actual Gifts Received
\$0.01-500.00	4	.95%	\$1,190	\$1,020
\$500.01-2,500.00	29	33.63%	\$42,420	\$39,838.63
\$2,500.01-5,000.00	10	27.03%	\$34,100	\$34,260
\$5,000.01-10,000.00	5	27.93%	\$35,232	\$25,365.22
\$10,000+	1	10.46%	\$13,200	\$12,100
Totals	49	100%	\$126,142	\$112,583.85

Percentage comparison of major ministry areas (2023 Budget)

If you've wondered where exactly your offering dollars go, here is a breakdown of our spending as we have planned for in 2023. It is normal for organizations to spend close to 50% of their expenses on staff salaries. Building and facility maintenance is the second largest expenditure, which makes sense when we think about the increased needs of our aging facility. Interesting to note, program ministries (Trick-or-Treat Street, Back to School, worship etc.) only make up 1.79% of the church's spending.

