

An Overview of Church Finances 2024

Why is our theme “Moving Forward Together?”

As you know, each year has a unique theme or focus for the campaign. Our 2025 theme, "Moving Forward Together," is all about unity and the power of community as we step into the future as a church. It highlights the idea that we're not meant to walk this path alone—God has brought us together to support and encourage one another along the way. This campaign isn't just about raising funds; it's about coming together with a shared sense of purpose, committing ourselves to the mission and vision God has laid before us. When we move forward as one, we remind ourselves that we are stronger together, and with God's guidance, we can achieve more than we ever could on our own.

When is commitment Sunday?

You are invited to prayerfully consider your financial contribution during this campaign and submit your estimate of giving on October 6th. 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 6th, we will have some prayer cards that you may offer during worship.

What is the goal of our 2025 stewardship campaign?

Our goal for this year's stewardship campaign is \$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 \$140,000 is an ambitious number, we believe this goal is achievable, considering how many of our members and friends give financially. **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 2025 Operating budget?

That is hard to say at this time. Our Finance Committee and Administrative Board members set our budget each year according to three things. First, the group looks at our total income from the previous year. Second, we compare the number of Estimates of Giving going into the coming year to the previous year's figures.

Finally, we 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 2024 expenses until a few weeks into January 2025. After reviewing all the data available on income, estimates of giving, etc. and making educated predictions for other items, the Administrative Board will set the 2025 budget. We anticipate that happening at the Charge Conference meeting this fall preparing for the start of the fiscal year. However, sometimes we have to make adjustments once the budget year has started.

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 2025, even if you have to adjust it once we're into the year.

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

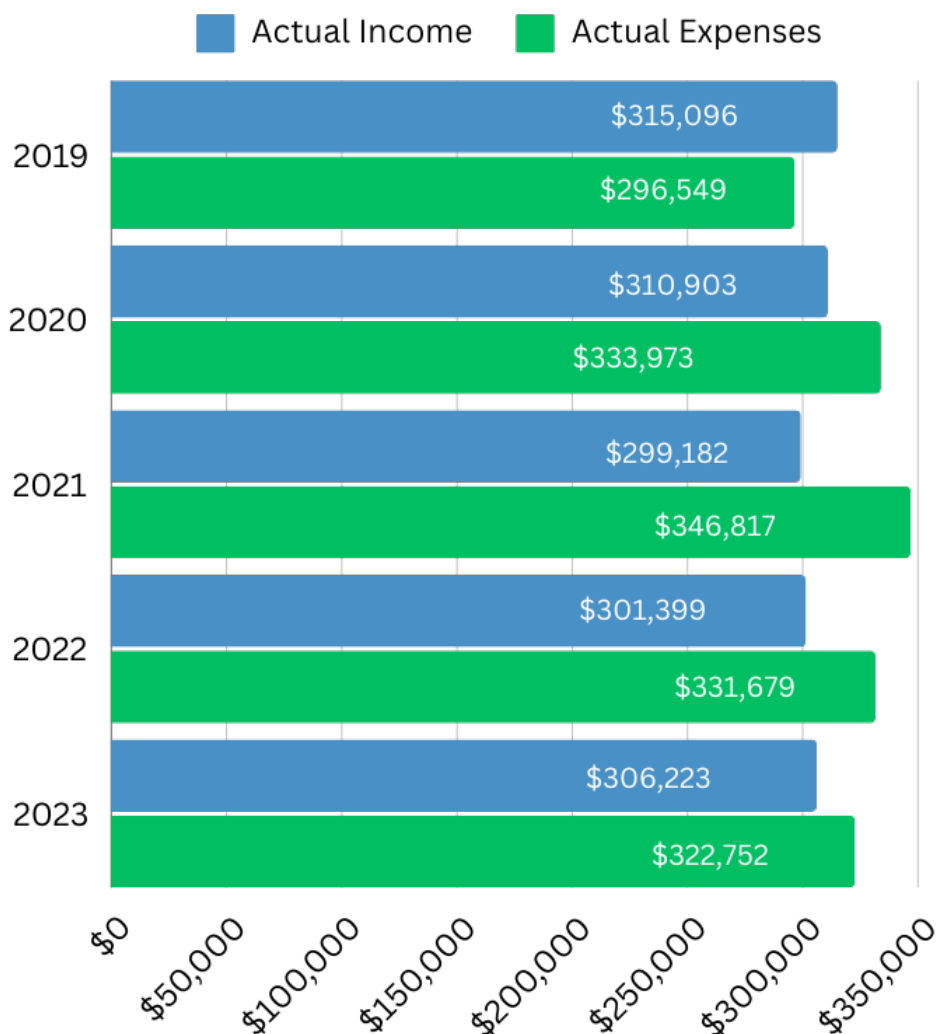
How is our Permanent Endowment Fund looking?

Our endowment has quietly been working away for us, but this year we've talked about it a lot. We took two actions with the Permanent Endowment Fund (PEF) this year. First, we authorized up to \$200,000 to be taken out for use in repairing and renovating the Nave and Sanctuary. Second, we changed the amount that we distribute each year, increasing it to 5.5% instead of 4.5%. As of the end of August, our PEF has \$139,606.74 in bonds, \$1,961,808.35 in securities/equity, and \$1,396.56 in the money market. That means our balance is **\$2,102,811.65**. We have a really strong endowment, and it is currently helping to sustain our operations.

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 fluctuated since 2019, likely a response to the pandemic and the ever-changing economy. It's also interesting to note how all years but 2019, our budgeted income ended up being higher than our actual income. It's good to see the decrease in actual expenses. That means that our Administrative Board and Staff are aware of the funding shortfalls and working to reduce costs to help maintain our financial security. The result of that is a decreasing deficit, which 2024 year-to-date numbers reflecting a positive balance.

Budget Year	Actual Income	Actual Expenses	Budgeted Income	Surplus/Deficit
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
2023	\$306,223	\$322,753	\$324,334	- \$16,530



Giving Trends for 2023 budget

In the chart below, you can see a breakdown of the gifts we received in our 2023 budget year. Since the 2024 year is still underway, we couldn't use those figures. Instead, the 2023 numbers show that the largest number of giving units (a person, a family, or a household) gives between \$500 and \$2,500. However, the \$2,500-5,000 giving range supports nearly half of the church's expenditures. Interestingly, it is also the giving range that had the greatest difference 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	6	1%	\$1,460	\$1,311
\$500.01-2,500.00	27	29.5%	\$38,840	\$37,180
\$2,500.01-5,000.00	15	40.5%	\$53,179	\$51,911
\$5,000.01-10,000.00	4	18%	\$23,400	\$23,507
\$10,000+	1	11%	\$14,400	\$14,400
Totals	53	100%	\$131,279	\$128,309

Percentage comparison of major ministry areas (2024 Budget)

If you've wondered where exactly your offering dollars go, here is a breakdown of our \$328.826 spending as planned for 2024. It is normal for organizations to spend close to 50% of their expenses on staff salaries, so ours is on the high side of normal. Building and facility maintenance is the second largest expenditure, which makes sense when we think about the increased needs of our aging facility. It's important to note that so far in 2024, we haven't been paying apportionments or property insurance. So, while we celebrate a good financial situation, we are missing two significant expenses. Finally, it's interesting to note that program ministries (Fall Festival, Outreach, worship etc.) only make up 1% of the church's spending. We are very heavy in operational expenses.

