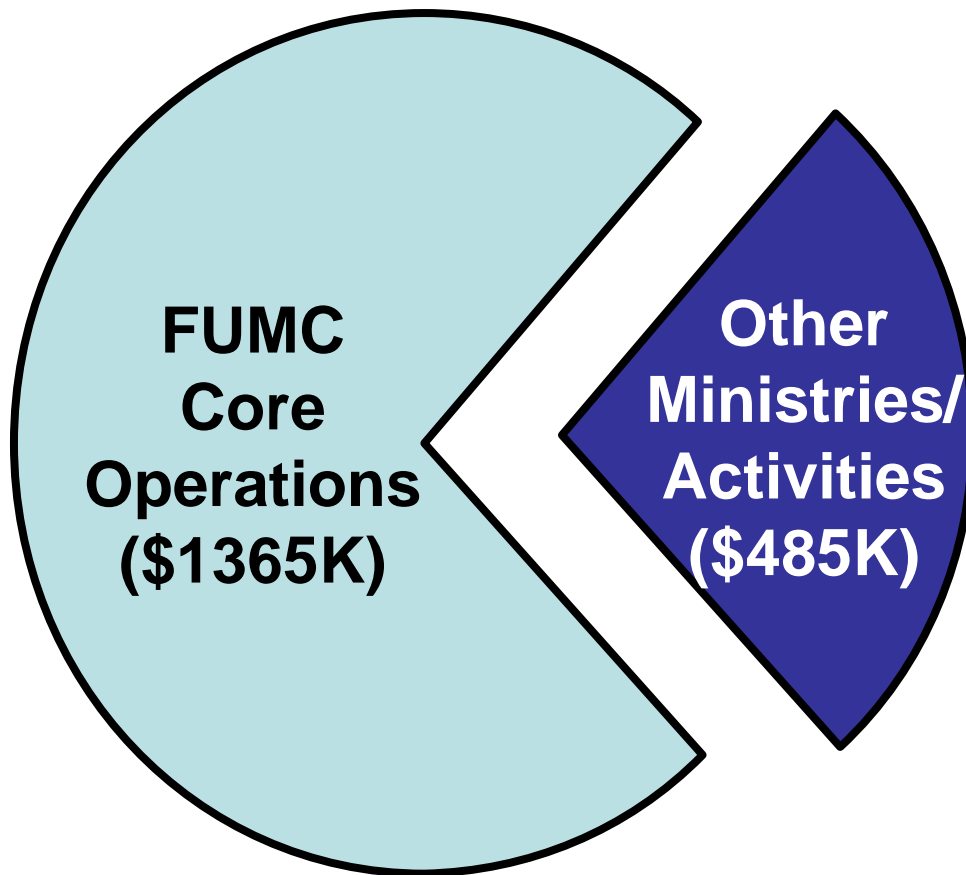


FUMC 2009 Finances Frequently Asked Questions (FAQ's)

- **How much does FUMC spend annually?**
- **What changes are happening?**
- **How are we doing?**
- **What options have been explored to fill 2009 FUMC funding gap?**
- **Where can I get more details?**

How much does FUMC spend annually?



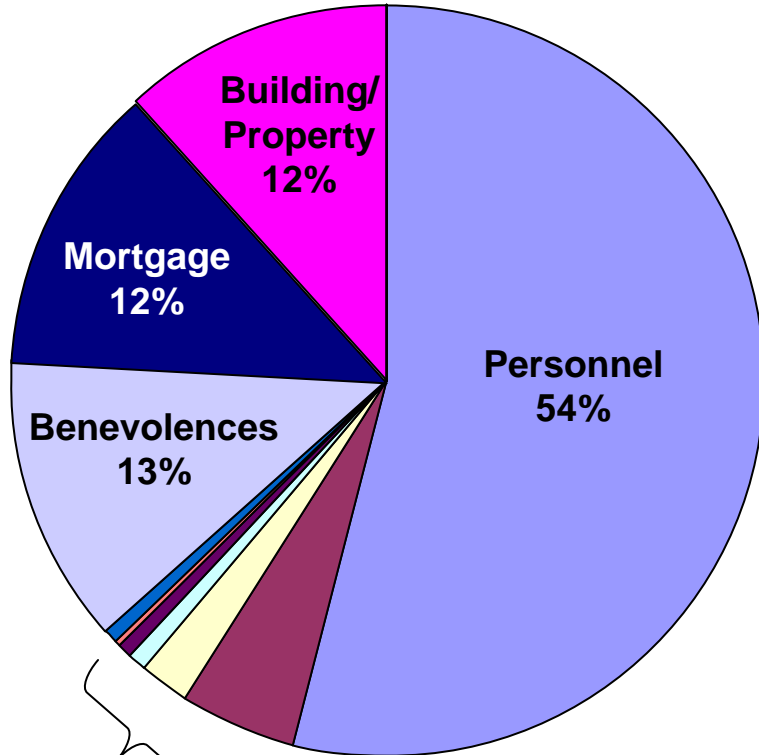
- Vibrant FUMC core serves over 600 families, with 26,000 annual attendance
- Annual operating budget (~\$1.4 million in 2009) is only part of the story
- Core enables extended ministries and activities (~\$0.5 million for Kenya, Youth, other Missions & Outreach, etc)

***Without the core
Extended ministries would suffer***

Where Does the Money Go?

2009 Estimated FUMC Expenditures

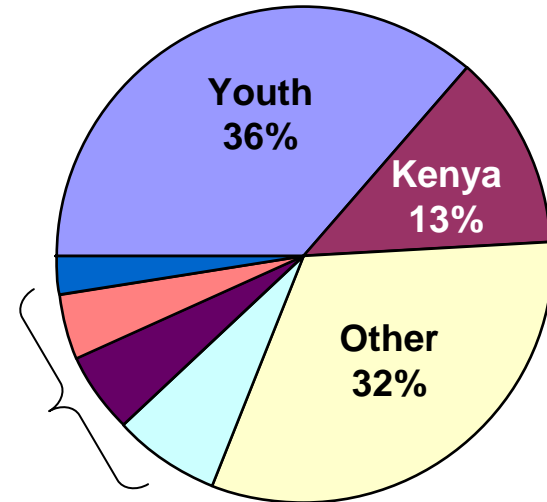
Operating Expenses \$1,365K



Admin/Comm. 4%
 Music 2%
 Youth 1%
 Children 1%
 Worship/Other 1%

10/30/2009

Other Ministries/Activities* \$485K



Local Outreach 7%
 Other Missions 5%
 Music 4%
 Trustees/Bldg 3%

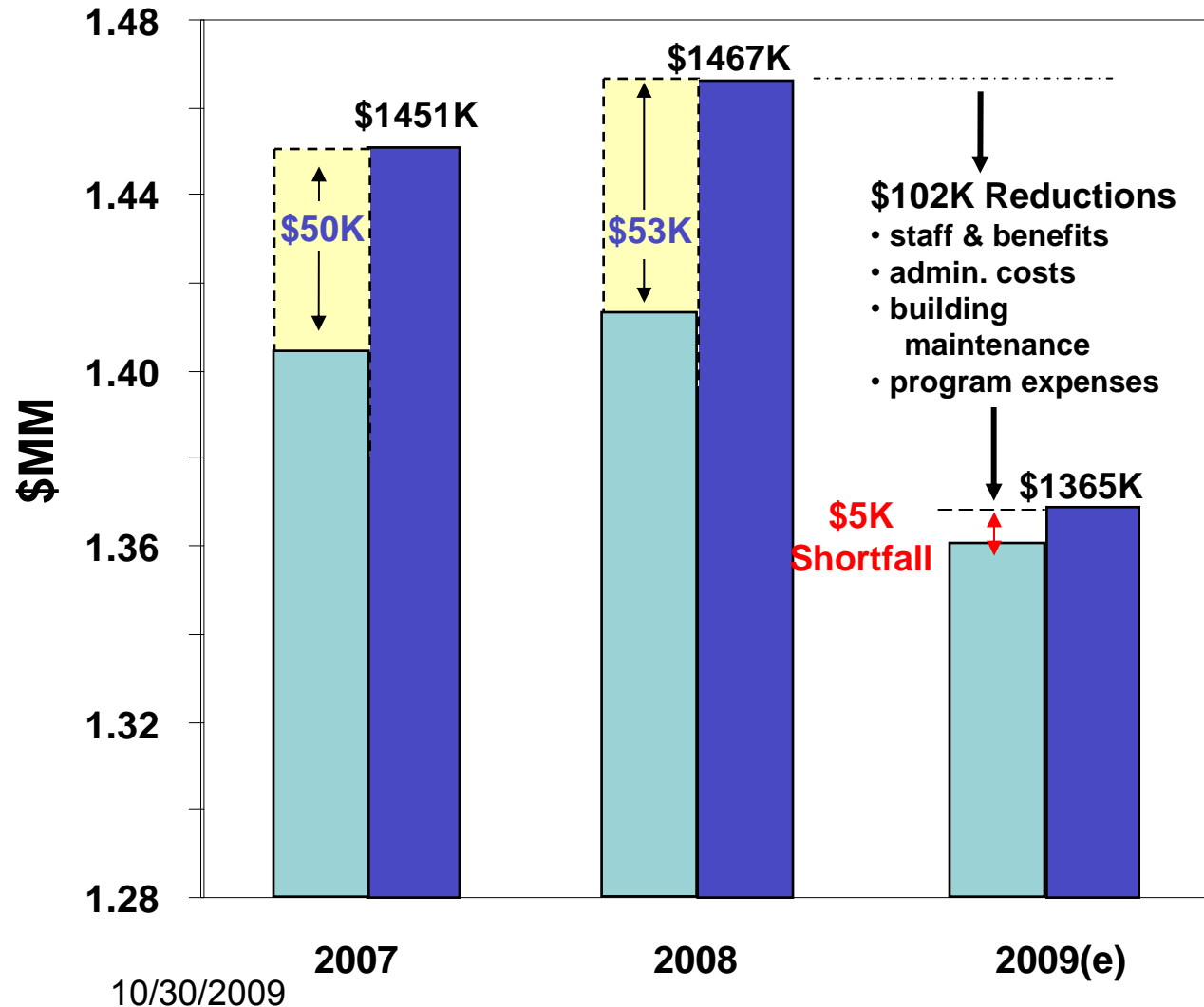
Other Funds Mgmt
 - Memorial Garden
 - FUMCN
 - Wesley
 - etc

Many Changes Impacting FUMC Finances

- FUMC ministries and activities continue to grow
 - Music, Missions, Outreach, etc
- Changing economics and attendance
 - average pledge amount has increased (25% since 2006)
 - number of pledges have decreased (25% since 2006)
 - unpledged giving ~65% below last year at this time
 - attendance has decreased 7% year to date vs. 2008
- Multiple cost reductions implemented
 - reduced staff & benefits
 - delayed building maintenance
 - reduced program budgets

How are we doing?

FUMC Operating Income/Expenses



- Expenses > Income last 3 yrs
- Financial reserves used to balance in 2007/2008 (exhausted.)
- Reduced costs to help match projected 2009 income
- **Still anticipate \$5K shortfall in 2009**

What options have been explored to fill the 2009 funding gap?

- ***Lower Expenses***
 - Have already cut programs, staff, benefits
 - Have postponed building maintenance
 - Explored mortgage refinance - unattractive
 - Remaining options require significant program reductions or falling short on benevolence obligations
- ***Borrow Funds***
 - Borrowing provides short term relief, but added interest costs
 - Possible to borrow against FUMC Endowment or FUMC line of credit
- ***Increase Income***
 - 2009 Mortgage appeal -> 50% of target
 - Completed study of Green Wood options, including increased revenue
 - Exploring possible sale of unused parsonage
(proceeds restricted to building/property use)
 - Increased communication to congregation on FUMC finances

Want more details?

First United Methodist Church Operating Fund			
	<u>2007*</u>	<u>2008</u>	<u>2009(e)</u>
<u>Income</u>			
Covenant	\$1,090,145	\$1,085,566	\$1,047,370
Mortgage (Capital Campaign)*	\$168,060	\$157,682	\$151,530
Endowment	\$42,202	\$48,979	\$50,145
Easter & Christmas	\$30,427	\$39,857	\$40,215
Loose Plate/Can Offerings	\$24,981	\$19,929	\$17,590
Wesley	\$22,801	\$40,837	\$45,685
Other	\$25,738	\$20,847	\$7,645
Prior Yr. Reserves Draw	\$49,600	\$53,285	\$0
TOTAL INCOME	\$1,453,954	\$1,466,982	\$1,360,180
<u>Expenses</u>			
Personnel	\$726,831	\$798,157	\$745,660
Building\Property	\$203,791	\$188,252	\$169,740
Benevolences	\$185,177	\$161,136	\$169,820
Mortgage Payment*	\$168,060	\$169,136	\$171,195
Admin\Communications	\$64,842	\$64,554	\$50,530
Children\Youth	\$29,284	\$29,932	\$17,000
Music	\$28,835	\$28,876	\$30,690
Membership\Evangelism	\$15,104	\$3,108	\$1,000
Other Ministries/Comm.Outreach	\$20,354	\$16,436	
Other	\$9,187	\$6,961	\$9,660
TOTAL EXPENSES	\$1,451,465	\$1,466,548	\$1,365,295
Surplus\Deficit*	\$2,489	\$434	-\$5,115
* Note: Capital Fund mortgage income and expenses included in summary of 2007 for comparison purposes to 2008 and 2009.			

For more information:

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