



NEXT STEPS FOR FUMC REPORT

FREQUENTLY ASKED QUESTIONS

March 1, 2021

- **What is the “Next Steps for FUMC” document?**

This document is a report identifying ministry priorities recommended by the Discernment Team and a recommendation from the Financial Planning Group for the church to consolidate to one campus. This report is in response to a July 2019 request from the Church Council to commission two teams tasked with considering God's call upon the congregation at this time and place: the Discernment Team and the Financial Planning Group.

- **What is the process for responding to the “Next Steps for FUMC” document?**

The Church Council will hold a special meeting on April 10th to further discuss the recommendation to consolidate to one campus, and will receive feedback from church committees (and the congregation). We anticipate a Church Conference in May to vote on the recommendation.

- **What will happen if the recommendation is approved?**

The church would then move to a second phase focused on discerning which campus FUMC should consolidate to. That process may yield a decision early in 2022 on which campus to retain.

- **What will happen if the recommendation is not approved?**

The Church Council would decide the next steps --- how to deal with the projected, ongoing decline in membership and income, which would undoubtedly mean more ministry cuts, in an attempt to lengthen the life of the church.

- **What are the details of the financial projections that led to the one campus conclusion by the Financial Planning Group (FPG)? We have been one church in two locations for twenty years. What triggered this recommendation?**

In brief, FUMC membership, worship attendance and giving has been on a gradual decline for more than a decade, and even before then, the church often struggled to balance its operational budget.

We have managed by means of special, one-time incomes and by the generosity of members. In recent years, we have been forced to cut needed staff positions as a way to reduce budget expenses, further reducing our capacity to grow and placing unfair additional responsibilities on remaining staff.

Our present \$1.2 million mortgage balloon payoff is due in October of 2023, adding more urgency to our financial challenges.

We are losing members each year through death and people moving away from the Santa Rosa area. A realistic projection indicates a resulting loss of \$25,000 - \$30,000 annually. Culturally, we know that interest in institutional religion has significantly waned, especially among younger and middle-aged people.

All these factors combine to make a consolidation of our two campuses the wisest course of action.

- **Is the recommendation to act at this time related to COVID-19?**

No. The above trendline outlined above (declining membership and declining financial income) was evident prior to the pandemic.

- **Were alternatives to selling one campus considered?**

Yes. Seven options discussed by the FPG are outlined on pages 13-14 of the report. The conclusion was that the church cannot support two campuses --- in full or in part.

- **Has selling a portion of the Stony Point property been considered?**

Yes. This was one of the options discussed by the Financial Planning Group. The conclusion was that, even though income would be derived from a partial property sale, it would still be necessary for FUMC to lead and staff a worshipping congregation at both locations as well as physically maintain those properties. This would further complicate the possibility of overall long-term church growth.

- **What will be done to assure that members accustomed to a variety of worship styles will be attracted to the one remaining location?**

The Church Council is committed to developing a plan for both traditional and contemporary style worship. Accommodation of schedules and appropriate physical renovation of the remaining campus would be essential components of such a plan.

- **Why not re-finance our mortgage to save money?**

Our loan (\$1.2 million) is structured to have a balloon payment (repayment in full) in October of 2023 and has a significant pre-payment penalty if repaid in advance of the due date. The church's historical financial condition (including deficit operating budgets, and the projected decline in pledged income from existing members) would make it more difficult to negotiate a workable loan. Even if refinancing were possible, our core financial issue of declining membership and income would remain.

- **Why don't we try to raise more money – fundraisers, facility rental, grants, etc.?**

We do hold and have in the past held **fundraisers**, and while they work well for a designated need such as camperships or purchasing a needed piece of equipment, they require considerable staff and volunteer time to develop, and are difficult to depend on for month-to-month operations.

Grants, such as the city grant we operate currently for the Safe Parking Program, can only be used for a designated project, not for ongoing operations.

We currently do **rent our facilities** to many groups, and the funds derived are a part of our operational budget. These funds also come at a price --- staff time to coordinate the rentals, and wear and tear on the building.



If you wish to speak with a church leader to share your reflections, but are not able to attend a scheduled Zoom meeting, you may

email feedback@fumcsantarosa.org

or call any of the following church leaders:

Norm Bryan 707-483-4153

Sam Cox 618-528-0482

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Bob Cheal 707-569-2640

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