

Financial Trends and Participation in a New Church Development

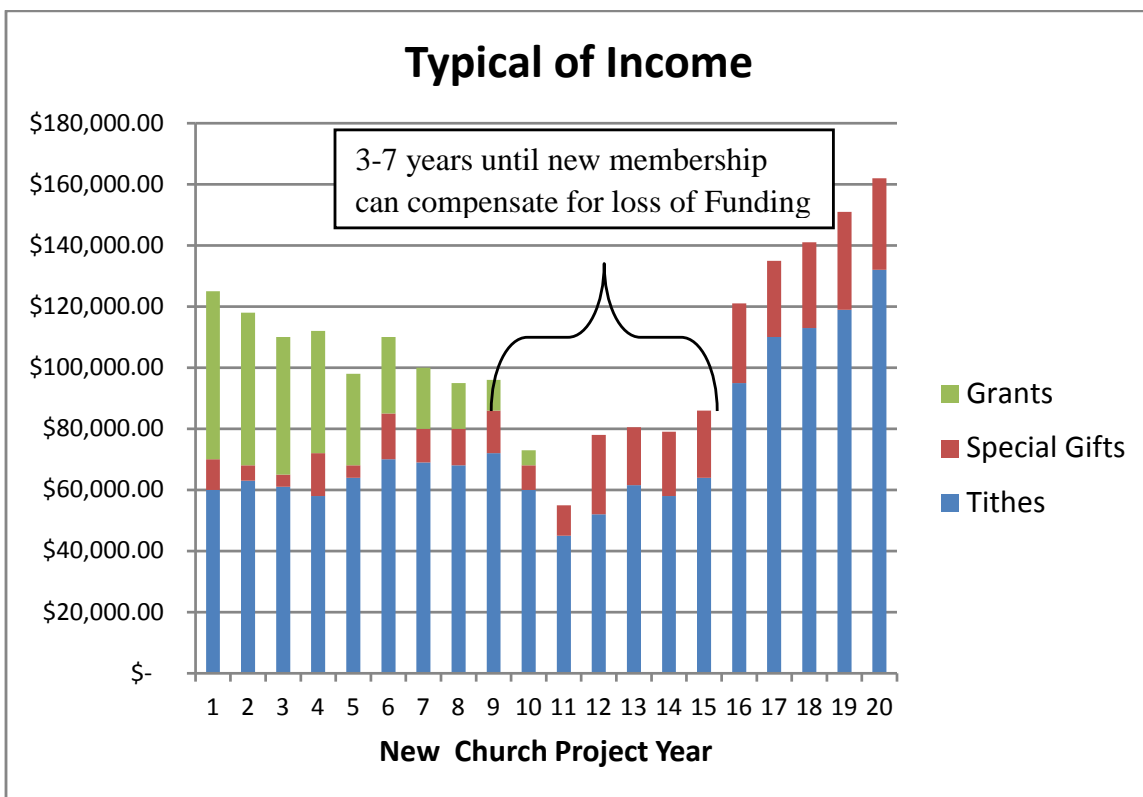
Based on data trends of churches visited on April 2010 Study Leave

Pastor John Rodkey, First Presbyterian Church

Churches Consulted

Mountain View Presbyterian Church
 Westminster Presbyterian Church
 Hualapia Valley Presbyterian Church
 Meadows Fellowship, Foursquare

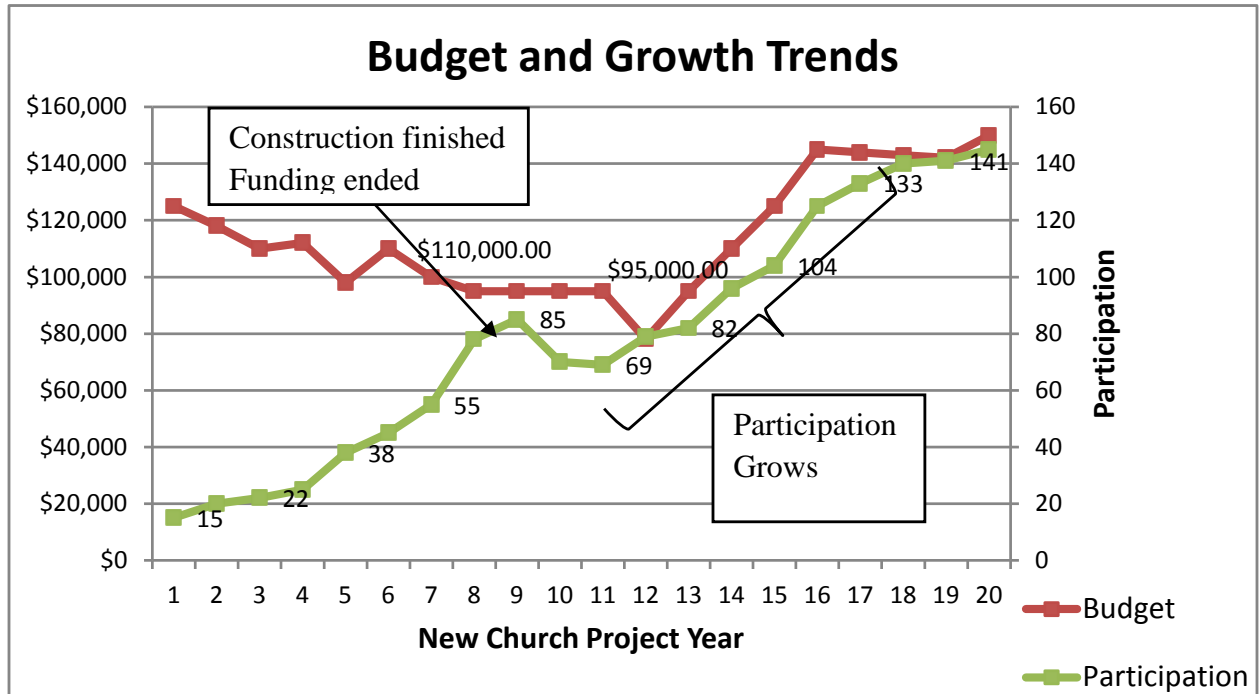
General Financial Trends



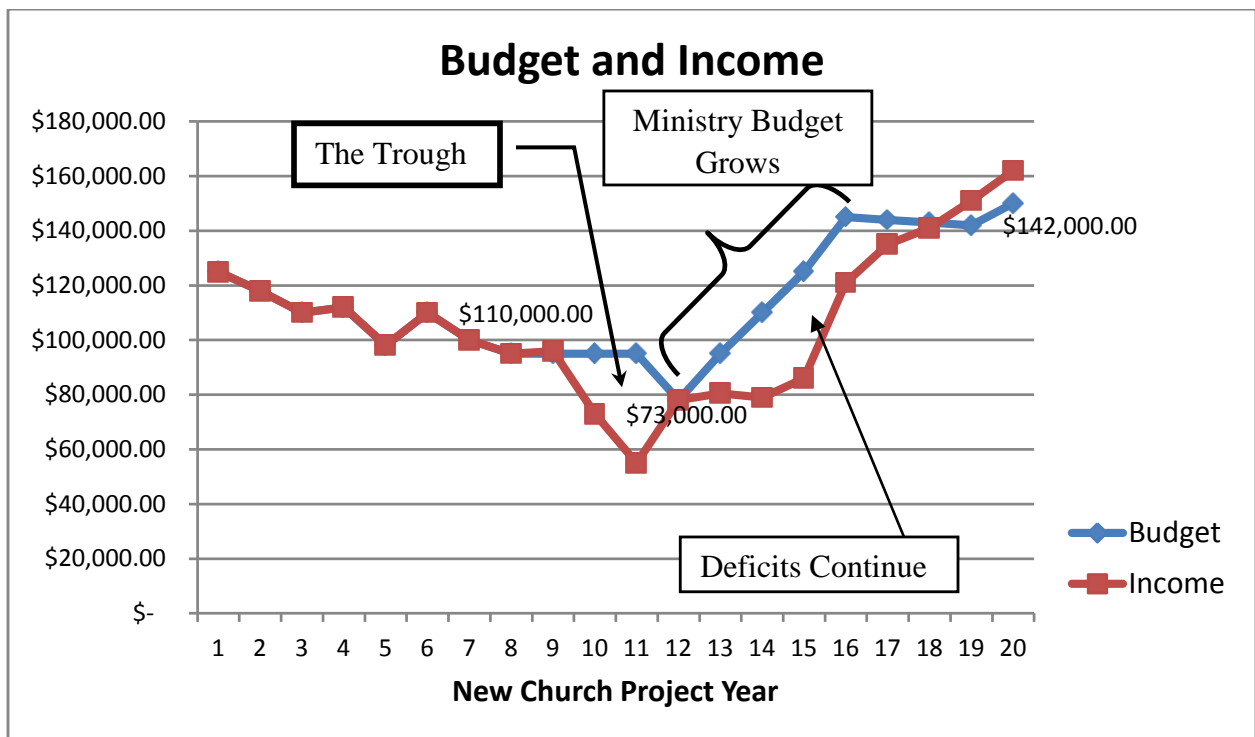
At the start of a new church project the major financial support comes from Mission Funding Grants and organizing members who tithe! Special gifts add to the total. Over the first five to ten years Mission Funding Grants decline until they stop altogether. It takes an additional three to seven years for the new membership to compensate for this loss of funding. We have entered this phase in only six years, faster than most new church developments. We are now four months into the three-seven year trough before new membership will compensate for the loss of Mission Funding Grants. Our challenge is to encourage discipleship behaviors during this period that will sustain long-term growth.

What to Expect with the Budget and Participation

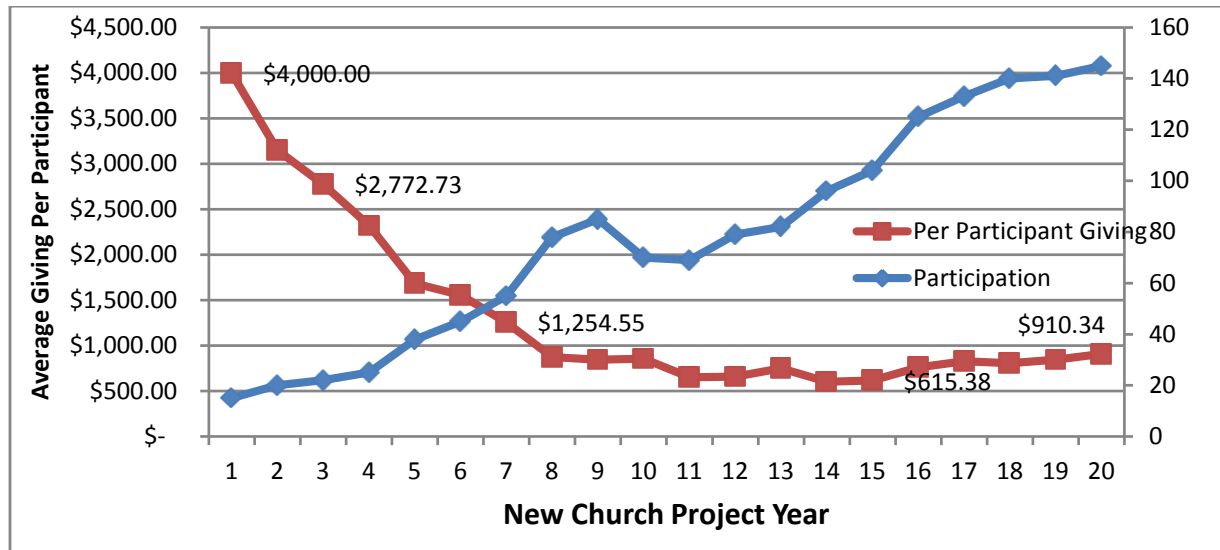
During this period participation grows:



During this period new members require new ministries, which in turn expand the budget. Unfortunately, income often cannot keep pace. It isn't until the fifteen to the twentieth year that income meets the ministry budget. The total deficit period can last eight to ten years from the time the building construction is complete.



Trends in Giving



At the start of a new church project, tithing by the organizing members creates a high level of average per member giving. As new members participate who do not yet believe or practice tithing the average per member giving declines.

Responsibility of Established Members

Responsibility is on the established members to provide resources for new member ministries until such time as the new members begin “striving for the tithe” This takes upwards to seven years.

Also, the discipleship practices of the established members will shape the emerging discipleship of the new members. Thus, if we expect tithing to be part of the ministry budget, our established members must tithe. If we expect mission to be part of the church ministry, our established members must be involved in mission. If we believe bible study and prayer are import to discipleship, then our established members must be involved in continued bible study and prayer.

Use Giving Patterns to Evaluate Capacity

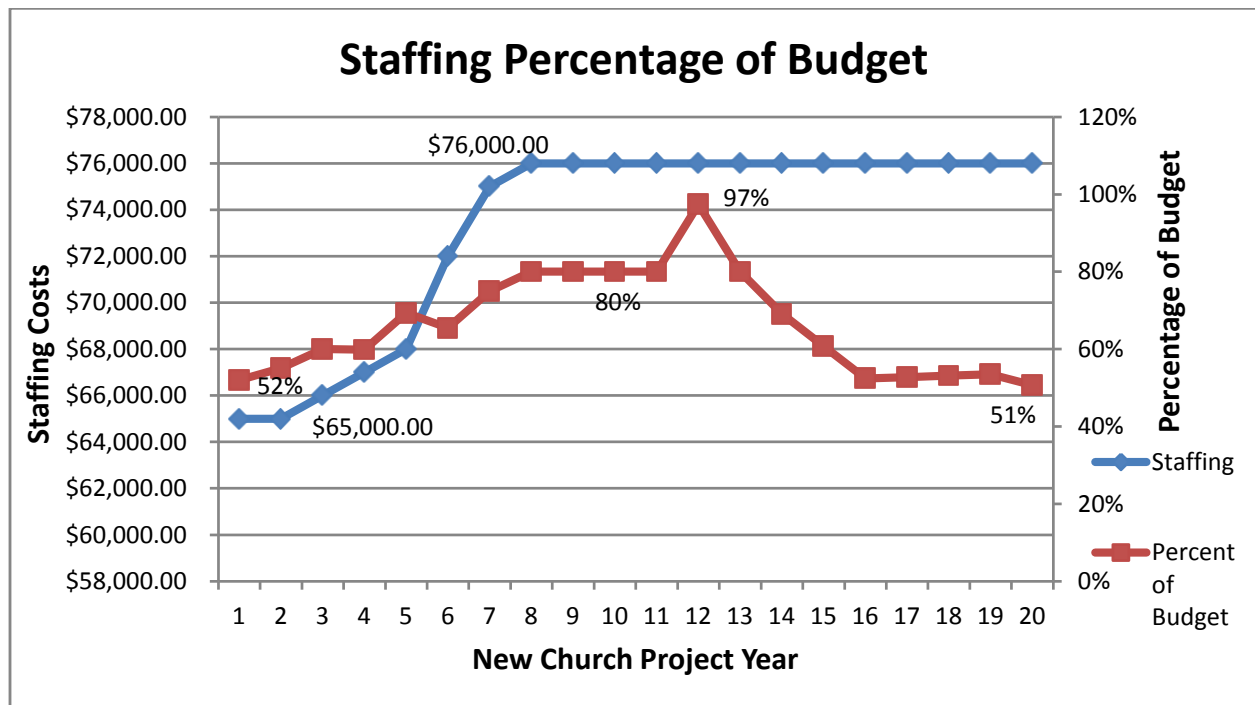
Presbyterians on average give 3.9% of their income. Members who have been in the same church for ten years or more, however, exceed the tithe and contribute on average 11%. The percentage of income that is being contributed to the Lord’s ministry among long-term members is a good barometer for knowing if they are able to set the standard necessary for new members to follow.

If the giving percentage is high among established member, around 11%, it needs to be commended and noted as an example of discipleship for new members. In this way new members recognize the benefits of giving, and begin to support the ministry budget sooner. This was the case at Meadows Fellowship, Foursquare (no chart) where the post-construction trough lasted two years.

If the giving percentage is low among established member, around 3.9%, it needs to be encouraged. However, as noted at Mountain View Presbyterian Church, long held non-tithing giving habits are not easily changed. The chart “Trends in Giving,” and “Budget and Income” show the lag in reaching a balanced budget that lasted nine years. This puts into question a church’s ability to develop new members committed to the tithe necessary for ministry development.

The worst that can happen was exhibited at Westminster Presbyterian. They have faced a compounding of the non-tithing habit with a lack of their established members’ presence in programs. The Session and pastor set up programs new members needed. The new members attended regularly, but no elder, deacon or established member participated. This built a low expectation of discipleship and the new members never grew in commitment. In fact they stopped coming thinking it was the expected behavior for established members not to come. Meadows Fellowship, Foursquare, addressed this by assigning members to attend as “event ambassadors” whether they were interested in coming or not.

What to Expect in Staffing Levels



Willow Creek advised that a pastor-driven model for church planting would require upwards to 80% of the budget. Mountain View Presbyterian went as high as 97%. Whereas staffing a fully-programmatic lay-led model should be capped at 50%. Depending upon how well the church develops the discipleship of tithing and participation, it can take 10 years from the conclusion of construction to reach this 50% level, as exhibited at Mountain View. With Meadows

Fellowship, Foursquare, where tithing was in place and established members were “event ambassadors,” the staffing was at 50% within those first two years after construction.

Our Capacity

We are now in the trough that usually lasts three to seven years, but it can extend itself as long as nine if tithing and participation is weak. If handled firmly, the time can be constricted to two years.

We need to continue the shift from a pastor-driven model, to a lay-driven model. Lay-driven ministry brings established members into contact with new members. It sets the example and expectation for discipleship to which new members will ascend. This shifts the staffing structure, making it less critical and more flexibility simply because the church’s program effectiveness is not dependent upon one or two staff people.

Financially, we need to consider what level of staffing we can and should support.

If we base our staffing on 80% of actual income that would be appropriate for a church beginning a shift away from the pastor-driven model, we should expend only \$45,000 on staff. That would be an equivalent to ¼ time pastor and secretary and no musical staff.

Our potential could be greater, however.

If we base our staffing on our gross income according to the U.S. Census Bureau data for Holyoke, Granby, South Hadley and Belchertown, we might assume that we command gross household income between us of \$1,379,475.

Of this, if...

- 15 households of long-term established members over 65 years old with household income of \$30,854, pledging at 11%, and ...
- 15 households of shorter-term members 50-65 years old with household income of \$61,111 at 3.9%

...then our stewardship to the church would \$86,658. Combined with our additional income of building fund and special offerings of \$13,500 our income would \$100,159 and our staffing capacity during this trough would be \$80,127.

Even at this level, we would still be in a deficit to keep staffing at its current level.

Our Options

First, adaptations in our staffing structure, if only temporary during the trough period, should be considered to keep us near the 80% staffing cap. This may be possible if lay participation accepts certain administrative and ministerial duties.

For example:

Deacons visit shut-ins monthly, referring status and needs to the pastor.

Worship set-up and shut-down is handled by a lay worship team: unlocking the door, setting the heat, vacuuming the carpet, turning on the sound, etc. The same team can fold and stuff bulletins.

Elders over the church membership, contacting members four times a year and referring status and needs to the Session and pastor.

Second, we need an elevation in our stewardship to the tithe, and fuller participation in events. In so doing, our members will be pacesetting ambassadors to lay the discipleship foundations for long-term growth, as well as provide resources for the immediate time period.

It is detrimental to do one without the other. To make staffing adaptations without increasing stewardship and participation exploits the staff and fails to challenge the church to prepare patterns of discipleship necessary for long-term growth. Likewise, to increase stewardship and participation without staffing adaptations suffocates the ministry by drawing off too many resources from program initiatives that are significant for discipleship development.