

## South Church Financial FAQs 2022

### Introduction

Every year, at this time, South Church reaches out to its members to request financial support for the upcoming year through its Annual Pledge Campaign. Unlike some religious denominations, South Church is completely self-funded and relies on the generosity of its 400 plus member families and individuals to provide for its financial support. These pledges support our pastoral and administrative staff, youth, music, and a variety of other programs, including community and mission outreach as well as the maintaining of our historic church. This FAQ is meant to address some basic questions regarding giving; however, members of the Giving Team will be reaching out and are available to answer any questions.

### Q: Where exactly does South Church get its money and where does it go?

South Church is 100% self-funded. Money is received from multiple sources (2020, last full year available):

• Monthly Mission contributions	\$ 57,029	6.7%
• Contributions from the Trust Fund	\$ 42,416	5.0%
• Annual Pledging	\$698,705	82.7%
• Annual Giving from members who did not make a pledge	\$ 30,396	3.6%
• Miscellaneous	<u>\$ 16,792</u>	<u>2.0%</u>
• Total	\$845,338	100%

Where does it go? (2020, last full year available)

• Missions (monthly and annual mission partners)	\$113,274	13.4%
• Programs (including Youth and Children, Music)	\$ 27,415	3.2%
• Salaries, benefits, and employee expenses	\$496,056	58.7%
• Building expenses (operating and annual capital expenses)	\$112,369	13.3%
• Insurance	\$ 49,290	5.8%
• Miscellaneous	\$ 22,228	2.6%
• 2020 Surplus (Used to cover 2021 planned deficit)	<u>\$ 24,706</u>	<u>2.9%</u>
• Total	\$845,338	100%

Additionally, South Church has various reserve funds that have been built up over several years through specific fundraising efforts and dedicated contributions. For example, during 2020-2021, utilizing building and painting reserve funds, funds from the Raise the Roof fundraiser, dedicated construction donations, and a contribution from the Trust Fund, South Church took advantage of the closed sanctuary and spent approximately \$500,000 to renovate and repair the sanctuary ceiling and front wall, strengthen the structural integrity of the church, and bring ceiling insulation up to current standards.

### Q. What is a pledge?

A pledge is a good faith promise by church members to contribute an amount of money on a weekly, monthly, or annual basis to support the mission of South Church. Last fall (2021 budget year) 216 families and individuals made pledges to support South Church.

**Q. Tell me a bit about giving patterns.**

South Church has a core of Church members that have given to the support of South Church for many years. We have another group that have joined South Church over the past five years and once learning about how South Church functions and survives financially have joined long time givers in this annual financial commitment. We have numerous new members both in-person and virtually that are learning about the financial needs of South Church and are considering if and how they can contribute financially to the support of the Church’s missions, programs, and operations through joining in on pledging. South Church also benefits from members who have participated in pledging and additionally, choose to provide dedicated support of new program initiatives, specific capital purchases such as the new sanctuary piano, building projects or support of the Church Trust Fund.

**Q. What is the Giving Goal for 2022?**

This question can be answered in two ways. First, it is our hope to increase the number of families and individuals that participate in the financial support of South Church’s mission. In 2021, 216 individuals and families are participating in the pledged financial support of South Church. We have approximately 425 families and individuals listed in Realm and that are involved with South Church. Our goal is to increase the giving participation by an additional 20% or 43 families and individuals, a total goal of 259.

Secondly, the financial goal for pledging is \$750,000 an approximate 10% increase. The 10% goal is driven by making up the gap from our planned level giving in 2021, anticipated 3% annual increase in operating costs, additional investments in children, youth, family and music programs and increased support to the care and maintenance of our historic church.

**Q. How do I know what to give?**

This is an individual decision for each family or individual. Those who are long term givers have a history of giving and will continue their generosity consistent with their means and desire to support the mission of South Church. Others that are newer to South Church and perhaps coming from other religious denomination will need to determine their ability and desire to give. Members of the giving team will be reaching out to address any questions.

Below is a simple chart that may assist in helping you think about giving, what might work given your family financial obligations and your desire or calling to support the mission of South Church. This information is not a recommendation but just one method to consider.

Annual/Monthly Income	Annual/Monthly Pledge			
	<u>1.5 Percent</u>	<u>2 Percent</u>	<u>3 Percent</u>	<u>5 Percent</u>
\$36,000/\$3,000	\$540/\$45	\$720/\$60	\$1,080/\$90	\$1,811/\$150
\$60,000/\$5,000	\$900/\$75	\$1,200/\$100	\$1,800/\$150	\$3,000/\$250
\$96,000/\$8,000	\$1,440/\$120	\$1,920/\$160	\$2,880/\$240	\$4,800/\$400
\$150,000/\$12,500	\$2,250/\$187.50	\$3,000/\$250	\$4,500/\$375	\$7,500/\$625
\$180,000/\$15,000	\$2,700/\$225	\$3,600/\$300	\$5,400/\$450	\$9,000/\$750

**Q. How do I submit my pledge?**

It is easy. Included in this package are options for pledging. You have several choices, they include:

- Go to [SouthChurch.com/give](https://SouthChurch.com/give) and look under How to Pledge.
- Go to [SouthChurch.com/give](https://SouthChurch.com/give) and there is a link to a Google Form for pledging.
- Fill out the pledge card included in the enclosed instructions and deliver it to South Church.
- For those who are 70 and ½ years and own an IRA, there are significant tax advantages to donating directly to South Church (or any qualified 501(c) 3 charity) from your IRA. Contact your IRA custodian for more information.