

# **Feasibility Study EXECUTIVE SUMMARY**

**FUMC of Hays, KS – August 23, 2014**

One hundred thirty-eight (138) church members representing 111 households participated in the study. A total of 37 church members participated in confidential interviews with Church Development personnel representing 29 households. The total number of households who participated in the study represents 20% of the total church households of 558. This is a good representation for a church the size of FUMC and gives credibility to the data collected.

Below is a summary of the findings. The complete text of the data collected can be found in accompanying attachments.

The Findings: (Note: The percentages represent a combined percentage of persons who agree or strongly agree with the statement on the survey and in the interviews. When appropriate, the average of past church studies is included.)

1. There appears to be a good attitude toward the church right now and the direction it is moving.
2. Sixty-eight percent (68%) of members surveyed say that FUMC is meeting their spiritual needs. This is lower than the average of 81%. Many references were made about the quality of sermons at worship.
3. Eighty-one percent (81%) believe that FUMC is providing ample opportunity for social interaction with church members. The average of past churches is 80%.
4. Seventy-five percent (75%) expressed confidence in the pastors, church staff and lay leaders to make the right decisions regarding the future of the church. The average is 79%.
5. Respondents say they think the biggest challenges facing FUMC is enhancing the faith formation for teens/youth in 7<sup>th</sup> through 12<sup>th</sup> grades (47%), enhancing our worship experience (37%), growing our congregational membership (37%), and becoming more financially secure as a congregation (37%).
6. Respondents indicated their level of support for addressing the following projects around the church campus: \*
  - Repairing the roof on the education wing – 86%
  - Restoring and protecting the sanctuary windows – 85%
  - Sealing the sanctuary exterior limestone – 84%
  - Making the bathroom ADA compliant – 78%
  - Repairing and updating the parsonage – 66%
  - Installing a basement chairlift – 59%
  - Upgrading the sanctuary video and audio multimedia system – 46%
  - Building a children's playground – 45%
  - Installing digital thermostats in sanctuary – 43%
  - Replacing sanctuary carpet – 34%

\*Many of the items that received the lower support had much higher percentages that marked "Neutral" on the survey. The average from past churches regarding support of a project is around 73%.
7. Eighty percent (80%) of all respondents supported the idea of conducting a capital campaign this fall to address the needs outlined in the case statement. (15% were neutral). The average of past churches is 70%.

8. Respondents want more information especially regarding the timelines and cost for the different projects (45%), the level of support of the membership for going forward with a campaign (44%), and the future direction of the church (39%).
9. Respondents would prefer to receive information about the campaign via newsletters (64%), during church worship (57%) and bulletins (48%).
10. Eighty-two percent (82%) of respondents indicate they would be willing to make a financial commitment to the campaign if their questions about the projects and the campaign were addressed to their satisfaction. The average of past churches is 77%.
11. Sixty-nine (69) households offered over \$377,400 to a three-year capital campaign. This is an average offering of \$5,470. In addition, some people said they would consider donating non-cash gifts. The average offering for previous churches is around \$4,500.
12. The two most frequently mentioned reasons why 114 members plan to make a commitment to FUMC's campaign is because they feel God has blessed them (48%) and because they want to see FUMC grow and reach more people(39%).
13. The two most frequently mentioned reasons why 22 people will not make a commitment is they plan to contribute but don't want to make a commitment (41%) and because they can't afford to make a commitment (41%).
14. When asked what factors might prevent FUMC from conducting a successful capital campaign, respondents offered many thoughts. The most frequently mentioned were the church's dwindling membership, lack of member support for the campaign, the economy, lack of good communication and the church demographics.
15. Forty (40) persons indicated they might be interested in supporting a campaign by volunteering on one of the campaign teams. This represents 29% of all the respondents to the survey.
16. When asked if members were interested in supporting FUMC in the future through planned giving, 7 households answered "yes", 38 "maybe", and 10 said they already do.
17. There were a number of people who were identified as good leaders in the church who would make good leaders for the campaign.

**Primary Concerns:** Generally, when matched up with other churches Church Development has worked with, FUMC is doing very well; however, there are some concerns.

1. There is an impression that FUMC's membership is declining and many of those leaving are the younger families.
2. Members do not feel their spiritual needs are being met to the degree they think they should. Most often mentioned reason is the sermons at worship.
3. There is strong support for some of the projects in the plan, and moderate support for the other projects. Those with moderate support have a large number of people saying their support is neutral.
4. Members want more information to make a quality decision to support the campaign financially.
5. In typical capital campaigns, there are two or more larger financial gifts offered. The offerings during the study were generous but there weren't the number of larger gifts that often accompany the study.
6. There are many members who are on limited or fixed incomes and may not be in a position to make cash commitments to a campaign.
7. The aging of the membership raises concerns about the congregation's ability to financially support the church in the future.

8. There is some concern on the part of some members regarding the church's ability to finance a capital campaign and the impact the campaign would have on regular giving.

**Current Church Financial Condition:**

- There are currently 558 households at FUMC.
- The fiscal year is from January 1 to December 31.
- The total current offertory income for FY 2013 was \$458,900.
- A total of 159 households (28%) pledged \$381,775 to the last annual stewardship appeal.
- The average pledge was \$2,400.
- Seventy-seven (77) households contributed \$90,000 in 2013 but did not make a pledge.
- The median household income for Hays is \$42,503.
- All FUMC households contribute on average \$822 to FUMC which represents 1.9% of median household income for Hays and is near the average for UMC members in the US.

**Church Endowments and Savings:**

There is approximately \$54,000 in the church checking account and it is not restricted. Approximately \$136,000 is in a saving account and is designated. The endowment is approximately \$615,000 and is restricted to spending up to 5% for church needs each year. To spend more than 5% would take a two-thirds majority vote of a duly called church conference. The Endowment Committee manages the endowment.

**Church Debt:**

The church has no debt.

**Previous Church Campaign:**

In March of 2013, the church conducted a small campaign to replace the air-conditioning unit. It was an in-house campaign and the goal was \$192,000. It raised \$192,000 with 152 households committing an average of \$1,263.

**Recommendations:**

1. FUMC is ready to go forward with a capital campaign to execute the plan outlined in the case statement. The study revealed that people feel good about the church leadership and the direction it is going which are good indicators to do a campaign now.
2. Acknowledge that these are difficult financial times, emphasizing that extra sacrifice will be needed.
3. The campaign should be led with prayer and a large number of members involved in the design and implementation of the campaign.
4. The campaign should be three years with Commitment Sunday in late fall or early winter of 2014.
5. The projects that received the most support in the study should be a priority. Those projects that did not generate as much support need to be better explained and a stronger case for addressing them needs to be made.

6. Campaigns generally are signs of a vibrant church. FUMC should let the larger community know it is doing a campaign, highlighting it as a faith community on the go.
7. The campaign should include a special effort to solicit larger donations early in the campaign.
8. Church members should be provided opportunities to meet with church leaders to ask questions and to express their concerns throughout the campaign. Questions that arose during the Feasibility Study should be addressed thoroughly, especially:
  - The timelines and cost for the different projects
  - The level of support of the membership for going forward with a campaign
  - The future direction of the church
9. A campaign should be designed in such a way that it invites new and less active members of the church to get involved.
10. FUMC has a large number of older church members who are on limited or fixed incomes. When the campaign is conducted, it should respect the concerns of those on fixed incomes and find ways that are acceptable for this group to participate in a campaign.
11. A campaign should utilize the 40 members who said in the Feasibility Study they might be willing to help with the campaign. They should be invited to participate in the campaign in a special way.
12. Donations of personal property, crops, stocks and bonds should be encouraged throughout the campaign.
13. The planned giving effort should be enhanced after the solicitation period of the capital campaign.

#### **Money Offered During Feasibility Study**

Participants were asked if the campaign were today and they were asked to make a commitment, how much would they commit. The totals are as follows:

69	Total number of households who offered cash gifts during the survey (62% of participating households)
\$377,410	Total cash amount offered in the survey over a three-year period
\$5,470	Average per household gift offered during study

#### **Financial Forecast:**

There is support for conducting a capital campaign to address the most needed projects in the plan. Our prediction of funds that can be raised is based on our analysis of the giving history of the church, the giving capacity of members, the responses from the Feasibility Study, and our experiences with churches with similar opportunities and challenges.

We believe in a quality **three-year campaign** focused on principles of good stewardship, prayer, and large membership involvement, FUMC has:

- **80 percent** (80%) chance of raising **\$700,000**,
- **50 percent** (50%) chance of raising **\$900,000**,
- and **20 percent** (20%) chance of raising **\$1,100,000**.

If donors are cultivated with respect, given the opportunity to interact with their peers and church leaders, invited to join in the process with prayer, and are well informed about the vision for the future of the church and how this effort will advance that vision, we believe that FUMC will achieve great success in its campaign.