

November 2023

Dear members and friends of FPC,

The Session is beginning to work on a church budget for 2024.

The stark financial reality of First Presbyterian Church, McAllen is that the church's annual receipts through Offerings and investments no longer cover annual expenses.

Any discussion of the church's financial situation must begin with a note of appreciation. The FPC congregation has long been faithful in providing strong and reliable financial support. While many Sessions factor into their annual budgets an expectation that pledge receipts will be between 5 and 10% below the pledged amount, here at FPC, our Pledge Offerings consistently meet or exceed the budgeted amount. Each year, in addition to Pledged Offering support, the church receives substantial non-pledged gifts from members and friends of FPC.

So – thank you for your generosity. The Session recognizes and appreciates the reliable support which you provide through your time, talent, and treasure.

Regrettably, over the past decade and more, the cost of doing and being church has risen while the size of the congregation has diminished. And that leads us to the current dilemma – the church's annual receipts through Offerings and investments no longer cover annual expenses.

- The congregation has become smaller, but the building remains large and expensive to maintain. It is a rare month that does not include major building expenses for either expected maintenance or unexpected repairs. During 2023, building expenses have included:
 - replacing two full-door glass panels and repairing one door mechanism;
 - roof repairs;
 - work to remediate fire ant infestation in the courtyard and rodent access to the building;
 - regular work on the HVAC system;
 - significantly increased insurance premiums.
- The cost of a full-time Installed Pastor continues to increase, both because of salary requirements and Board of Pension obligations.
- Having church administrative and custodial staff contributes significantly to keeping the church building and programs running well, but adds salary costs to the budget.

- The FPC music program is one of the strongest elements of our worship life together, but it includes multiple paid positions.
- Program budgets have for several years been at austerity levels, which influences what we are able to offer in the way of classes, activities, and resources.
- FPC has a long-standing practice of a Benevolence Tithe, whereby we disburse to ministry partners donations equal to 10% of our Pledged, Non-Pledged, and Loose Offering receipts. As the money available for congregational expenses becomes less, it is all too easy to turn inward, succumb to anxiety, and reduce our Benevolence giving. However, that breaks faith with our forebears who established this practice.

The point of this list is not to paint a bleak picture or to complain about hardship, but to outline where the church budget money goes, so that we can together discern our priorities for the coming years.

If FPC continues as is, with membership at or near current levels and expenses at or near current amounts, we can continue without significant changes for another five to ten years by withdrawing monies from our endowment funds each year to cover budget shortfalls. Once the endowment funds are depleted, the church would close. That is a viable path to choose, and may be the one that best serves the congregation.

There are also paths into a longer-term future, but each of them would require significant change in one or more aspects of the church's budgetary practices. To that end, we are seeking congregational feedback regarding 2024 budget decisions. Please complete the "FPC 2024 Budget Priorities" worksheet and

- Place in the Offering Plate any Sunday between now and December 10
- Mail to the church or drop off at the church office
- Scan and email to Dana Friedman, Treasurer (dfried9788@aol.com) or Margie Karst, Clerk of Session (jkarst@sbcglobal.net) or Pastor Kathy (fpcpastorkathy@gmail.com)

We trust that whatever path we follow into the future, God will be with us and that this congregation will continue to love God and neighbor, as it has done for 115 years.

In Christ's name,

The FPC Session: Margie Karst (Clerk), Nancy Pruneda, Lita Simpson, Kathy Garfield, Chris Leonard, Henry McElmurray, Mike Hudler, Joe Massey, Bernard Tabali; and Dana Friedman, Treasurer

FPC 2024 Budget Priorities

As the Session works to prepare a 2024 budget and to discern where God is calling FPC at this moment, we ask for your input. Please rank your priorities on the list below. You may include as many or as few of the listed items as you choose; in other words, you can rank them all from 1 (your highest priority) to 6 (your lowest) or 7 if you include an item at "Other"; or you may simply identify your highest priority and leave the other lines blank. We also invite you to identify more than one priority not listed here and to provide any other issues or ideas you would like the Session to consider in our budget process. The numbers in the table are projected 2023 costs, based on actual expenditures through October 31. Additional 2023 costs are: General Office: \$16,507 and Program: \$10,934.

My priorities for FPC's 2024 budget:

RANK	BUDGET ITEM	COMMENTS
	Building 2023 cost: \$130,696	
	Installed Pastor 2023 Cost: \$86,814	
	Full-time Office Staff 2023 Cost: \$51,655	
	Part-time Custodial and Facilities Staff 2023 Cost: \$15,702	
	Paid Music Staff 2023 Cost: \$24,420	
	Benevolence Tithe 2023 Cost:	
	Other:	

Comments: _____

(Continue on back of page if you need more space.)

Name (optional): _____

2024 Estimate of Giving

If you are able at this time to provide an estimate of your 2024 giving, please do so below. Your estimate may be submitted anonymously if you prefer. If you would like to provide signed Budget Priorities comments and an anonymous Estimate of Giving, please use separate forms. Additional forms can be picked up from the narthex or church office or printed from a link on the FPC website.

I commit to supporting the worship, work, and witness of First Presbyterian Church during 2024 with the following Estimate of Giving:

Amount: _____

To be given:	Weekly _____	Monthly _____
	Annually _____	As available _____

Total annual estimated gift: _____

If there are methods you would like the church to add to its current donation options, please indicate them here:

Name (optional): _____