

## The 9 'Myths' Of Pledging

Participation in the financial stewardship of our church, at any level, is as vital as the amount of your pledge. We hope that these 'myths' about pledging will clarify some commonly held beliefs and that all our members and friends will prayerfully consider their support for the 2009 campaign.

### **Myth #1 - The Church has an endowment which funds much of the budget.**

**Fact:** The Church does have an endowment which contributes about \$70,000 each year to Church expenses. However, the endowment income represents only about 10% of the Church's total budget. 90% of the funding for the Church's activities is provided directly by its members and friends through voluntary pledges and other giving. Pledges are critical, since the Church must set expenses for salaries, property maintenance and outreach activities in the fall of each year for the following calendar year. This is based on needs identified by the ministers and the committees, as well as expectations about the level of voluntary financial support from the Church's members.

### **Myth #2 - A handful of "big givers" contributes the majority of the budget**

**Fact:** The First Congregational Church of Old Lyme is fortunate to have several members who contribute over \$5,000 annually. However, even the top 50 pledges still represent only about 40% of the budget. To meet our goal, we depend upon hundreds of pledges of all sizes.

### **Myth #3 - If I don't pledge a certain minimum, there is no point in pledging at all.**

**Fact:** There is no minimum pledge. The Board of Stewardship would rather receive a small pledge than no pledge at all because pledge income allows for better financial planning for the Church and increases its ability to commit in advance to performing its critical activities, both locally and abroad. Participation rate among our congregation is as important as the size of the pledge.

### **Myth #4 - If I pledge, I must maintain or increase that amount each year thereafter.**

**Fact:** A member's pledge is an annual contribution that does not commit the member to a pledge the following year. Members may increase or decrease their individual pledges each year based on their ability to give in that year.

### **Myth #5 - All Stewardship Board members review individual pledges.**

**Fact:** Individual pledges are treated as highly confidential information, and are known only to the Chairman of the Board of Stewardship. Members of the Board review only

aggregate statistics regarding pledges that aid in understanding the overall progress of the pledge campaign.

**Myth #6 - The Church can budget and operate from the weekly plate collection.**

**Fact:** Like any organization, the Church must carefully plan for its expenses months in advance of the beginning of each fiscal year, based on assumptions about overall pledging. Trying to set those expenses based only on the highly variable ebb and flow of pledge and non-pledge funds from each Sunday's collection would create great uncertainty for the Church's administration and mission support efforts. Open plate, non-envelope contributions typically pay for about 5% of the budget.

**Myth #7 - If we don't reach our campaign goal, the Church can readily cut back.**

**Fact:** It is true that no budget, however well crafted, is untouchable. However, it must also be recognized that whatever cuts might have to be made in the budget due to a potential shortfall in the pledge campaign, will fall most heavily on the discretionary parts of the budget—principally the Church's mission outreach activities. Virtually 100% of these mission dollars go directly to the well-being of those less fortunate. Further, over 60% of the budget is nondiscretionary - staff and ministers salaries and benefits, and Church operating costs - which underlines how important it is to meet our goal.

**Myth #8 – Too much of my pledge contributions are going to fund travel for our global partnerships. More needs to be done here in our local community.**

**Fact:** While a limited amount of scholarship dollars are available for those in need, the vast majority of funds for travel to our partnerships in Israel/Palestine, South Africa, and South Dakota are paid by the travelers themselves. A significant amount of our Mission dollars go to support local food and shelter programs here and in New London County. Our facilities are also a form of local outreach and are actively used by many helping organizations, including the food pantry which serves over 200 families each week and the soup kitchen where 50-75 people are served a hot meal each Saturday.

**Myth #9 – If my financial circumstances change, I still have to fulfill my pledge**

**Fact:** Your pledge to support the church financially is a personal promise, and is not a legally binding agreement. Some people find during the year that they are able to contribute more than their pledge amount. Others find, for very understandable reasons, that they are unable to fulfill the total amount of their pledge. We simply ask everyone to make an honest effort to fulfill their pledge and to contribute as much as their circumstances allow.