



# Community of Christ

CHRIST'S MISSION, OUR MISSION

## **Financial Update December 2024 (all amounts reported in USD)**

### **IN THIS UPDATE**

[Bridge of Hope Retirement Responsibility](#)

[Legacy Funding for Future Generations](#)

[2023 Audit Report](#)

[2024 Worldwide Mission Tithes Update](#)

[2025 Worldwide Mission Budget](#)

[2025 and Beyond](#)

The Presiding Bishopric is profoundly grateful to the church for all the ways generosity has been expressed in 2024. While this year has included the accomplishment of shared goals, it has also included significant loss for many. But through it all, we continue this journey together in the assurance of God's abiding presence and vision for a more just and peaceful world.

This update reviews significant events of 2024 and looks ahead to the 2025 budget approved by the World Church Finance Board on December 7<sup>th</sup>.

### **1. Bridge of Hope Retirement Responsibility Met**

In mid-February, the Presiding Bishopric announced the Bridge of Hope retirement responsibility goal had been met and exceeded without the need for any Affiliate Investment Pool loans. This is a significant accomplishment made possible by the work of many field, mission center, congregational leaders and members across the church.

Recognizing the significant funding needs for mission at all levels of the church, the decision by many congregations and mission centers to direct funds to the Bridge of Hope Retirement Responsibility was a sacrifice. It is difficult to fully express the deep gratitude for how the church came together to fulfill the responsibility to those who have given years of service and ministry to the church. Thank you!

Work has been occurring to finalize the funding of U.S.A. and international retirement arrangements. As shared previously, any excess assets after finalization of the retirement responsibility will be directed to the endowments, the second goal of Bridge of Hope. A final Bridge of Hope summary report will be shared with the church in 2025.

## 2. Sale of Historic Assets Creates Funding for Future Generations

The sale of historic assets in early March was a difficult and painful moment. The Presiding Bishopric, along with other leaders and members around the global church, have deep personal connections to these sacred places that are part of our shared faith story. Through online opportunities for gathering and many hours of one-on-one conversations, we have supported one another through the range of emotions associated with the historic sale.

Countless hours have been offered by volunteers and employees to care for our historic sites. Their efforts have been a labor of love. Many lives have been touched because of their work on the church's behalf. For their exceptional stewardship of our historic sites over so many years, we share our deepest appreciation and thanks.

Community of Christ's sacred story is an essential part of who we are and will continue to inform our path to the future. Through the Church History and Sacred Story Team and Historic Sites Foundation, the important work of conveying our story to current and future generations will continue. To this end, \$2 million from the historic assets' sale was designated in the Temple Endowment to support these vital efforts.

The Kirtland Temple, Smith Family Homestead, the Mansion House, the Nauvoo House and the Red Brick Store now under the stewardship of the Church of Jesus Christ of Latter-day Saints remain open to the public. Opportunities for Community of Christ groups to have events or gatherings in Kirtland and Nauvoo can be scheduled in advance through Barb Walden, executive director of Community of Christ Historic Sites Foundation.

A church history weekend in Kirtland on April 12-13, 2025, will explore our faith community's roots and celebrate Palm Sunday in a special service in the Kirtland Temple. Look for details in upcoming future editions of the Herald and at [www.historicsitesfoundation.org](http://www.historicsitesfoundation.org).

Had it not been for the historic assets' sale, this update would be significantly different. Instead of looking to the future, the church would be considering significant reductions in staff, ministry, and services in 2025. Although the sale did not resolve all the financial challenges, it is providing assets that position us for the future.

On May 23<sup>rd</sup>, 2024, the World Church Finance Board approved a resolution to move \$165,000,000 from the sale of historic assets to the Temple Endowment and \$10,000,000 to the Worldwide Mission Endowment. By placing these funds in each Endowment, the spending rate (currently 3%) will generate annual income to the budget for years to come in accordance with the Spending Rate Policy on Endowments.

The Board designated these contributions to the endowments as World Church Finance Board contributions. Meaning, the funds placed in the endowments will be subject to the provisions of each endowment and restricted from transfer out of the endowments unless the withdrawal is approved by a majority vote of the World Church Finance Board.

Supporting and expanding ministries of peace, reconciliation, and healing of the Spirit revealed in the Temple's purpose is a strategic priority of the World Church Leadership Council and integral to our missional strategy for the future. With the Temple Endowment well-funded, growing the Worldwide Mission Endowment will become the focus of the Presiding Bishopric. Contributions to this endowment will impact global mission directly through the application of a spending rate (currently 3%) to a three-year rolling average balance as of June 30 each year. Income generated from the spending rate will fund ministries in the USA and globally that are part of the Worldwide Mission Budget.

Your Worldwide Mission Tithes continues to be an essential source of funding mission around the world. As the Temple Endowment grows, annual income generated from this endowment will free Worldwide Mission Tithes to increasingly fund expenses beyond the Temple that support mission globally. This will position the church to reach younger generations of contributors who want to connect their giving more directly to mission outcomes. This is a strategic priority of the Presiding Bishopric.

### **3. 2023 Audit Report Available Online**

On behalf of the World Conference, at the September 2024 meeting, the World Church Finance Board approved the Community of Christ independent audit report for 1 January through 31 December 2023. The church contracted the services of independent audit firm, Rubin Brown who provided a "clean/unmodified opinion" for Community of Christ and consolidated affiliates as of 31 December 2023. This audit report and audit report summary are available on the church's website at <https://CofChrist.org/financial-updates/#category=audited-financial-statements>.

### **4. Giving Tuesday and 2024 Update**

You made Giving Tuesday an amazing success! Thanks to the generosity of members and friends, Worldwide Mission Tithes received \$681,000, including \$293,000 in matching funds. These funds, in addition to better-than-expected worldwide mission tithes contributions to date, will help close a projected gap between income and expenses of just over \$1.4 million for 2024. The planned \$1.4 million deficit was part of a four-year plan where surpluses in early years fund deficits in later years. Better than expected year-end 2024 results will mean less of the surplus from prior years will be needed to meet the current year projected deficit which now will likely be less than \$1.1 million.

Actual recorded year-to-date giving as of November 18<sup>th</sup> is \$7.648 million or 2% above goal year to date. Conservatively, the Presiding Bishopric is fairly confident we will complete the year at the \$10.2 million goal or above assuming there is no major economic disruption on the horizon.

The operating reserves of the church are just over \$24.6 million as of 30 September 2024. These reserves include the World Conference designated reserve and additional contingency and donor designated reserves. Contingency reserves are just over \$18.2 million which is much higher than usual due to \$14.4 million of unused net

proceeds from the historic assets sale. These dollars are invested and set aside primarily for anticipated capital project needs of the Temple and Auditorium.

The Presiding Bishopric has completed a study with J.E. Dunn to identify maintenance and replacement needs of the Temple and Auditorium over the next decade. Bids are underway for the highest priority items, including the need to seal the Temple Roof and a complete replacement of the heating and cooling systems of the Auditorium and Temple. Future financial updates will include information on this ongoing work.

The season of Advent embraces the spirit of generosity. Thank you in advance to those who so graciously choose to share at the end of the year. Please contact the Presiding Bishopric at [presidingbishopric@CofChrist.org](mailto:presidingbishopric@CofChrist.org) if you have questions or need assistance.

## **5. 2025 Worldwide Mission Budget Approved**

The World Church Finance Board met on 7 December 2024 to consider and approve the 2025 Worldwide Mission Budget. This budget carries forward services and ministries from the 2024 budget and includes inflation informed salary increases for employees across the globe. It also includes a long-deferred market-based compensation adjustment for U.S.A. employees.

In recent years, Human Resource Ministries (HRM) has focused resources on addressing inflation globally. Few economic factors undermine pay as much as inflation. In some countries, paid ministers are employed who experience inflation at levels of over 10%, even as much as 20%, a year. Comparatively, the United States and similar western nations experience relatively low inflation.

Incrementally, the World Church has moved toward annual increases at 100% of inflation in developing economies. At times, this has meant significant salary adjustments in some of these countries each year. In these ways and others, HRM has primarily focused on compensation adjustments outside the United States for the last several years.

This year, HRM conducted a compensation study for the United States. This study included a detailed review of the compensation for employees supported by the Worldwide Mission Budget compared with other similar size nonprofit organizations. The recommendations provided by our business partner CBIZ were developed to fit within the budget constraints we provided. This means the recommendations move us toward more competitive compensation and future work is needed for the church to become more competitive in the nonprofit U.S.A. labor market.

For accountability and transparency, recommendations were reviewed by an independent review team consisting of members from the Standing High Council and World Church Finance Board. In addition, a special informational session was held by the First Presidency and Presiding Bishopric to share information and answer questions for the full World Church Finance Board and Standing High Council.

The 2025 Worldwide Mission Budget moves the church towards what is essential to set the foundation for recruitment and retention as a generational change in leadership and ministry positions occurs over the next several years. In addition, the adjustment will be important in recruiting professional positions needed at International Headquarters to support the global church.

The 2025 Worldwide Mission Budget also includes strategic expense increases related to leadership development, facility preparation in advance of World Conference, and security. Several new positions have been added and funded by generous donors to address disciple formation for emerging generations, the coordination and expansion of Temple ministries, and two new ministers on the Presiding Bishopric team to explore ways to engage new generations in the U.S.A in our mission, including whole-life stewardship response.

Leadership changes at the upcoming 2025 World Conference include changing the Presiding Evangelist from a volunteer to a paid position as in previous years. Appreciation and gratitude are expressed for Presiding Evangelist Jane Gardner's willingness to serve in this role on a volunteer basis.

After discussion, the World Church Finance Board approved 2025 budgeted income of \$17,109,000 and expenses of \$16,608,000 with a projected \$501,000 surplus. A copy of the 2025 Worldwide Mission budget can be found online at <https://CofChrist.org/financial-updates/#category=worldwide-mission-budget>.

The Worldwide Mission Tithes goal range for 2025 is \$10.16 million to \$11.16 million. The Presiding Bishopric is grateful for the important work of the World Church Finance Board in reviewing and approving the 2025 budget.

## **6. 2025 and Beyond**

As illustrated in the financial projections below, we have approximately 5 years to generate new sources of income before a projected budget reduction of \$1.5 million is needed in 2030. These projections support a consistent level of ministries and services through 2029 using worldwide mission tithes, designated gifts, other income, and endowment spending rates.

### Income and Expense Projections Through 2032

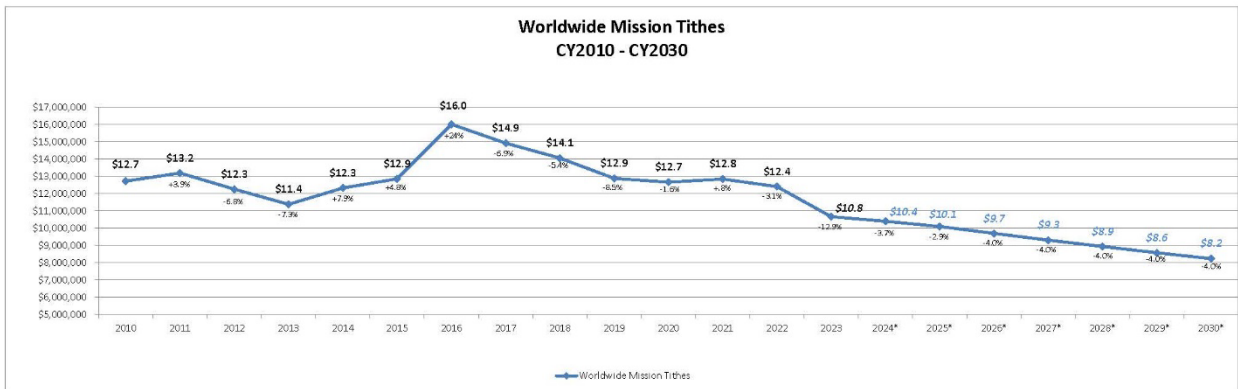
		3.6%	-4%					3%	3%				
	Expense Reset	Expenses	Worldwide Mission Tithes	Mission Partnerships (Designated)	Other Income	USA Endowments Income	Temporary Endowment Support	Strategy 1 - Expand Contributors	Needed Strategies	Total Income	Surplus / (Deficit)	Surplus Balance	Endowment as % of total income
2025	-	16,608,252	10,100,000	782,000	1,864,269	2,303,000	2,000,000	60,000		17,109,269	501,017	501,017	13%
2026	-	17,046,149	9,696,000	782,000	1,980,646	4,226,000	1,000,000	121,800		17,806,446	760,297	1,261,314	24%
2027	-	17,659,810	9,308,160	782,000	2,003,685	6,210,000		185,454		18,489,299	829,489	2,090,803	34%
2028	-	18,275,564	8,935,834	782,000	1,988,568	6,569,000		251,018		18,526,419	250,856	2,341,658	35%
2029	-	18,933,484	8,578,400	602,000	2,005,243	6,911,000		258,548		18,355,191	(578,293)	1,763,366	38%
2030	(1,500,000)	18,115,089	8,235,264	512,000	1,983,666	7,249,000		266,305		18,246,235	131,146	1,894,511	40%
2031	-	18,767,233	7,905,854	512,000	2,003,801	7,601,000		274,294		18,296,948	(470,285)	1,424,227	42%
2032	-	19,442,853	7,589,620	512,000	2,025,616	7,967,000		282,523		18,376,758	(1,066,095)	358,132	43%

**Basic Assumptions:**

- a. Income and Expenses are sustainable through 2029.
- b. Total Expenses increase by 3.6% per year.
- c. Worldwide Mission Tithes contributions decrease by 4% per year.
- d. Strategy 1 (Expand Contributors) begins to impact budget beginning in 2025.
- e. Endowments annual income is calculated based on Spending Rate Policy on Endowments (Report 009).
- f. Additional income strategies are needed to avoid a budget reduction in 2030.

With the aging of our faithful contributors, the gradual decline in Worldwide Mission Tithes will continue. As illustrated in the above chart under Strategy 1 – Expand Contributors, the gradual rebuilding of our contributor base will not be sufficient to offset the rate of decline in contributors. This will result in a growing gap between income and expenses until a budget reduction is required in 2030. Developing other sources of income will be necessary to supplement the efforts focused on adding younger contributors over time.

The chart below illustrates actual and projected Worldwide Mission Tithes contributions through 2030 based on current trends.



\*projected

Avoiding a potential reduction in 2030 will require working together to:

- a. Engage new generations of disciples in mission including opportunities to respond through whole-life stewardship. New disciples will help replace the loss of income from those faithful contributors who are no longer with us. This strategy will take multiple years to substantively impact income.
- b. Explore and implement new sources of income to build endowments and sustain global mission. This will include evaluation of how to best utilize all our assets to support our vision and mission.

The Presiding Bishopric, along with other church leaders, continues to pursue missional and financial strategies to address the decline of participation in church life in nations with developed economies. Changes in the social and spiritual landscape of society are occurring rapidly and are impacting participation in all Christian denominations.

There are no simple answers. But history suggests in times of significant change, it is important not to look back and to trust the Spirit that leads us into the future, one faithful step at a time. The next several years will require a willingness to experiment with new forms of ministry and gatherings in nations experiencing decline in participation, while continuing to focus on leader and disciple formation in nations where the church is growing.

As recent counsel to the church suggests, the path will not be easy and the choices not always clear, but the cause is sure. And together as we pursue God's vision of Shalom, we can anticipate the Spirit will be with us leading the way.

Thank you once again for the extraordinary generosity expressed in ministry, leadership, Worldwide Mission Tithes contributions, and a willingness to journey in trust together. We have been blessed with abundant resources and are poised to respond to God's call and vision for our time.