

Financial Discussion – 2025 Annual Business Meeting

Proposed Plan to Pay Off Our Mortgage

This is an idea that has been discussed at church council and has been unanimously supported. A couple of facts (all numbers are approximate for simplicity):

- Our current mortgage is for \$82,000 and the maturity date is 2039.
- The interest rate is 9%
- Our payment is \$860 per month - about \$10,320 per year
- We are currently at a place where the principal is reduced by less than \$3,000 per year
- I asked Andy to calculate the interest we will pay by the time it is paid off: \$63,000

Everance Financial holds the loan. We asked them about how to lower the interest rate: we could do that but there are some upfront costs involved and we still have most of the problems listed above.

They did present us with a suggestion: that we see if people in the congregation would loan us the money to pay off the loan. Thaine, Del, and Darrell discussed this over the past months and came up with a scenario we feel might work for our congregation. Could we get 8 or 10 or 12 people to loan us between \$5,000 and \$10,000 for 5 years? (Gifts accepted as well!) If we don't get the entire \$82,000 we could take the balance from our \$40,000 in savings.

This has to be clear and simple (or you'll need another treasurer). FMC would **NOT** pay interest. This would not be tax deductible unless you have a creative accountant. Each loaner would receive a single payment each year equal to 1/5 of their loan. If we had 12 loans we would make one mortgage payment each month - just like we do now. Loaners would need to understand that this does not replace their regular tithe to the church: we still need to meet all of our operating expenses!

Thank you for being willing to discuss this.

Darrell Martin, Treasurer
Thaine Dirks, Bookkeeper
Glenn Geissinger, Trustee
Bruce Brunner, Trustee