Fair Share, Sacred Space:
A Simple Formula for Sharing Church Costs

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When two congregations share a campus, one of the hardest conversations is also the simplest: **“What’s a fair share of the costs?”**

Too often, churches guess. They pick a round number, use an old handshake arrangement, or default to whatever the last tenant paid. That can work for a while, but over time it can create resentment: one side feels they’re subsidizing the other, and no one can explain *why* the numbers are what they are.

A clear, fair, and transparent formula changes that conversation. The facility cost-sharing formula you’ve developed is a “fair-use” model: it ties each congregation’s share of utilities and maintenance to both how big they are and how often they use the space.

Below is an article that explains this formula in plain language and shows how trustees and pastors can use it in real negotiations.

A. Sharing the Costs, Sharing the Mission

Many United Methodist churches now host more than one worshiping community on the same property: a second congregation, a church plant, a language-specific ministry, or a partner denomination. This can be a gift to the mission of both congregations. It can also strain the landlord church if the cost-sharing is fuzzy or unfair.

A fair-use cost-sharing formula helps both sides in three ways:

1. **It is objective** – based on numbers you can see and check.
2. **It is proportional** – the more you use and the larger you are, the more you pay.
3. **It is adjustable** over time – as attendance or usage changes, the cost share can be recalculated.

Instead of arguing about opinions (“we hardly use the building!”), leaders can talk about data (“we have 150 people and are here 50 hours a month; that’s the basis for our share”).

B. The Facility Cost-Sharing Formula

The formula uses three basic ingredients:

- How large each congregation is.
- How often each congregation uses the facility.
- The total monthly cost of operating the building.

We define:

- **T** = size of the **tenant** congregation
- **L** = size of the **landlord** congregation
- **U** = total **monthly utilities and maintenance cost**
- $\mathbf{F^T}$ = tenant's **frequency of use**
- $\mathbf{F^L}$ = landlord's **frequency of use**

You can measure size with membership, average worship attendance, or average weekly participation—just be consistent. You can measure frequency using hours per month, days per month, or a weighted usage index (for example, weighting Sunday worship heavier than a one-hour meeting).

Step 1: Calculate each congregation's "usage share weight"
Multiply size by frequency of use:

- Tenant usage weight: $\mathbf{W^T = T \times F^T}$
- Landlord usage weight: $\mathbf{W^L = L \times F^L}$

These numbers reflect how much "load" each congregation puts on the facility.

Step 2: Find the tenant's proportion of total usage
Add the two weights and divide the tenant's weight by the total:

$$P_T = \frac{W_T}{W_T + W_L}$$

P_T = Tenant's share of costs

W_T = Tenant usage weight | W_L = Landlord usage weight

This gives you the tenant's percentage of total use.

Step 3: Compute the tenant's monthly amount
Finally, multiply that percentage by the total monthly cost:

TENANT MONTHLY AMOUNT = $U \times P^T$

Putting it all together, you can write the formula in one step:

$$\text{Tenant Monthly Amount } = U \times \frac{TF_T}{TF_T + LF_L}$$

U = total monthly utilities/maintenance T, L = congregation sizes F_T, F_L = frequency of use

This is the "fair-use cost allocation" formula for facility sharing.

C. A Concrete Example

Imagine a landlord congregation **L** with:

- 300 people
- 60 hours of facility use per month
- Total monthly utilities and maintenance costs of $10,000

A tenant congregation **T** has:

- 150 people
- 50 hours of planned facility use per month

First, calculate the usage weights:

- $W^T = 150 \times 50 = 7{,}500$
- $W^L = 300 \times 60 = 18{,}000$

Total weight = 7,500 + 18,000 = 25,500

Tenant's proportion of use:
$P^T = \frac{7,500}{25,500} \approx 0.2941 \text{ (about 29.4\%)}$

Tenant's monthly amount:

TENANT MONTHLY AMOUNT = $10,000 × 0.2941 ≈ **$2,941**

In other words, the tenant would contribute about **29–30%** of the shared utilities and maintenance bill.

Notice what the formula has done:

- The tenant is smaller than the landlord but still pays a significant share because it uses the building many hours.
- The landlord, as the larger and heavier user, absorbs a larger share of costs.

D. Why This Formula Is Fair

This approach is fair for several reasons:

1. **It balances size and usage.**
   A small congregation that uses the building a lot will not get a free ride. A larger congregation that uses the building heavily will carry more of the load.
2. **It scales automatically.**
   If either congregation grows in attendance or adds more events, the usage weight changes. You can re-run the numbers annually and adjust the cost share.
3. **It encourages honest planning.**
   Because the formula depends on planned frequency of use, both sides must be clear about their schedule: how many Sundays, how many midweek events, how many hours.

4. **It works with different measures.**
   You can plug in attendance, membership, or average participation for T and L, and you can use hours, days, or a weighted index for F^T and F^L, as long as you apply the same method to both.

The result is not a random number or a political compromise. It is a transparent, repeatable calculation.

E. How to Use the Formula in Real Life

For trustees, pastors, and finance committees, here is a simple way to put this formula to work in your context:

1. **Agree on the data.**
   Decide together what you will use for T and L (e.g., average weekly attendance over the last year) and how you will measure F^T and F^L (e.g., total hours per month on campus, including worship and regular programs).
2. **Define U – the shared cost pool.**
   Typically, U will include utilities (electricity, gas, water, trash), routine maintenance, cleaning, and maybe security. You may or may not include insurance, debt service, or capital reserve contributions; just be clear and consistent in what goes into U.
3. **Run the numbers.**
   Put the formula into a simple spreadsheet. That way, you can easily adjust if attendance or usage patterns change.
4. **Write it into the agreement.**
   Spell out the formula in the facility-sharing agreement or lease, including:
   - How often the numbers will be updated (e.g., annually).
   - What measure of size will be used.
   - What measure of frequency will be used.
   - Which line items are included in U.
5. **Review regularly.**
   Plan a joint review each year. If utility costs rise because both congregations are more active, U will rise. The formula ensures that each church's share rises in proportion to its actual use.

F. Adapting the Formula for Different Situations

The basic model is flexible and can be adapted to:

- **More than two congregations.**
  If three or more congregations share the campus, each gets its own usage weight (W^1, W^2, W^3, etc.), and each tenant's share is W^i divided by the sum of all weights.
- **Different intensities of use.**
  Some uses (e.g., a preschool, a daycare, or a daily feeding ministry) may wear on the

building more heavily than a weekly Bible study. You can build this into F^T and F^L by using a weighted index rather than raw hours.

- **Minimum charges and add-ons.**
  You might agree on a minimum monthly amount for very small tenants or add separate fees for things like special cleaning after large events, sound technician time, or security.

The formula does not replace good legal advice or denominational requirements (such as conference approvals, trust clause protections, or tax/UBIT guidance). But it gives you a starting point that is logically consistent and easy to explain.

G. Conclusion: A Tool for Stewardship and Relationship

At its heart, facility cost-sharing is not just about math; it is about stewardship and relationship. When two congregations share a campus, they are sharing more than bricks and mortar. They are sharing parking lots, classrooms, kitchens, bathrooms, utilities—and, hopefully, a common Christian witness in their community.

A clear formula like this one honors both sides. It helps the landlord avoid quietly subsidizing more than it can afford. It helps the tenant know exactly how its contribution is calculated. And it keeps the focus where it belongs: on using God's house well, together, for the sake of the gospel.

By putting numbers to what "fair" looks like, you free both congregations to move beyond debates over the electric bill and back to the work they share—preaching, teaching, worshiping, and serving in Jesus' name.