

2020 BUDGET PROPOSAL



SUMMARY

The proposed budget (summary attached) was approved by the Finance Committee and was presented to the Diaconate at their October meeting, and they will vote on it at their November meeting. The budget will be presented at the church conference on Sunday November 10th for approval by the congregation. Any changes to the current proposal will be communicated to the congregation in advance of the church conference.

Overall spending to meet ministry objectives is projected to increase ever so slightly by about ¼ %. Due to a continued, planned reduction in reliance on reserves for next year, in order to meet the spending need, projected income for tithes/offerings and interest income (budget receipts) will need to increase by \$11,552 or approximately .65%

Ministry Program Income is projected to be up \$1,780 due to some ordinary reorganizing of programming receipts and a decrease in expected facility use receipts.

The planned use of reserve funds to support the 2019 budget will decrease from \$98,000 to \$90,000 and be allocated as follows:

- \$90,000 to fund major repair/capital improvements items from undesignated bequests.

The personnel committee recommends that compensation and benefits for 2019 would decrease overall by \$18,435 in accordance with their published personnel plan, all other things being relatively equal compared to the 2019 budget. The decrease includes the sum of several moving parts listed below:

- ↑ **Increase:** Group health insurance premiums are projected to increase by 1.7%.
- ↓ **Decrease:** Retirement of Associate Pastor: Congregational Life.
- ↑ **Increase:** Move from part-time, Associate Pastor: Spiritual Formation to full-time Associate Pastor: Faith Formation & Congregational Care.
- ↑ **Increase:** Addition of part-time position for Minister of Senior Adults.
- ↑ **Increase:** Raising salaries by 1.5% cost of living increase.

Changes in budget expectations for next year in the individual ministry areas are highlighted below:

PASTORAL CARE

↓ Reductions here are related mostly to expected small reductions in staff and deacon ministry expense reimbursements.

MUSIC & WORSHIP

↑ The small increase in this section is related to expected increases in instrument maintenance and previously unreimbursed use of sound technicians used mainly for funerals. The overall expense increases are offset by a small increase in expected program receipts of \$700 next year.

ADULT FORMATION

↑ The increase in this section is related to the addition of special programs and additional speakers/teachers for next year.

CHILDREN'S MINISTRY

↑ The additional expenses shown are mostly offset by increased program receipts for Passport camp. The net increase is only \$1,000 and relates to increasing the cost for a summer intern.

PROPERTY

↑ The net increase in the line items is related to increasing maintenance and repair costs across the board, (facility, equipment, and vehicle.) Supply costs estimates were lowered due to less projected facility use; however, facility use receipts were also lowered primarily due to BSF moving their meeting space to Westover as they required more space than was available at FBC.

↑ Major Repair/Capital Improvements remained the same as a general estimate for 2020. However, the Building and Grounds committee is working on a larger scale projection of major repair needs over a longer time scale and will report their results to the Finance Committee sometime in the next few months. This projection will better inform the church budgeting process for these longer term significant needs over the next few years.

FOOD SERVICE

↑ Receipts have held steady over the past three years with an uptick in Wednesday night meal collections, but overall receipts remaining level. The additional expenses shown are related to increasing food costs and a reduction from 2019 in estimates that can be allocated to specific ministry areas.

MISSIONS AND MISSION PARTNERSHIPS

↑ Overall allocations to mission partners increased by \$2,870 with the addition of a line item to support Passport ministry and an increase in allocation for Grace Community Fellowship meals. With the \$5,000 in reserve funds not being allocated in 2020, the net increase needed to fund missions will be \$7,870 for next year.

Please feel free to contact Cathy Wells, Finance Committee chair, or anyone on the finance committee, Scott North, Church Administrator, or Laura Lomax, Personnel Committee chair, for questions and clarifications.

PROPOSED 2020 BUDGET

REVENUE	2020 Budget	2019 Budget	Increase (Decr.)
Tithes and Offerings	1,779,034	1,767,482	11,552
Food Service Receipts	60,500	60,500	-
Ministry Program Income	84,750	82,970	1,780
Total Operating Revenue	1,924,284	1,910,952	13,332
Plus: Planned Use of Reserves			
Major Repair/Capital Improvements	90,000	90,000	-
UpWard Reserve Funds	-	3,000	(3,000)
Missions Reserve Funds	-	5,000	(5,000)
Sub-total	90,000	98,000	(8,000)
Total Revenue & Reserves Released	2,014,284	2,008,952	5,332

EXPENDITURES	2020 Budget	2019 Budget	Increase (Decr.)
Pastoral Ministry	15,900	17,250	(1,350)
Music & Worship	34,700	33,300	1,400
Senior Adult Ministry	6,600	7,450	(850)
Adult Formation	34,750	31,750	3,000
Children's Ministry	40,900	36,000	4,900
Student Ministry	34,700	33,800	900
Youth Missions or Youth Choir Trip	10,000	10,000	-
Upward and Recreation	28,300	29,900	(1,600)
Communications	14,000	13,250	750
Property & Major Repairs/Cap Imp	370,150	359,350	10,800
Administration and IT	92,125	92,125	-
Food Service	80,500	77,550	2,950
Mission Partnerships and Programs	164,470	161,600	2,870
Salaries/Benefits/Payroll Taxes	1,087,189	1,105,627	(18,438)
Total Expenditures	2,014,284	2,008,952	5,332



First Baptist Church
Greensboro