

CHAPEL HILL BIBLE CHURCH
2024-25 OPERATING BUDGET
As proposed by the Board of Deacons

For more information or if you have questions, please contact:

- **Eric Rodgers** | *Treasurer, Budget Committee Chair* | (865)385-1445 | eric.rodgers@cru.org
- **Roger Brooks** | *Deacon Co-Chair* | (917)843-4251 | rbrooks@adflegal.org
- **Mark LoPresti** | *Deacon Co-Chair* | (757)871-8547 | lopresmb@gmail.com
- **Greg Omland** | *Administrator* | (919)408-0310 x109 | greg@biblechurch.org

Introduction:

On behalf of the Elders, Deacons, and Staff, the Board of Deacons submits its proposed 2024-25 Operating Budget to you, the membership of CHBC. It reflects our intent to align to the ministry priorities of CHBC by adopting a budget that matches our needs as we desire to see the powerful gospel of Jesus Christ bring glory to God as it transforms us, our city, and our world.

Budget Adoption Process:

- The 2024-25 Budget Proposal is contained at the end of this document (Table 1, page 5; Table 2, page 6); it comes from the Deacons and is available to the members for review and comment.
- There will be an Open Conversation to discuss and ask questions about this proposed budget. It will take place at CHBC in Room 306 on **Tuesday, May 14, at 7pm**. Members with questions or comments are encouraged to attend.
- The membership will vote to adopt the budget at the Annual Meeting on Wednesday evening, June 5, 2024, at 6pm in the Sanctuary.

- The Elders and Deacons request that questions about the 2024-25 Operating Budget be raised prior to the Annual Meeting. Opportunities to do so include attending the Open Conversation or contacting the Treasurer or Administrator by phone or email prior to May 29, 2024 (contact information is listed above). This will enable the membership to center its discussion at the Annual Meeting on big-picture issues.
- **Motions for specific amendments to this proposal to be voted on at the Annual Meeting must be submitted in writing by email to Eric Rodgers, Treasurer, by 6pm on Wednesday, May 28, 2024** (contact information above). This will provide adequate opportunity to prepare information regarding any amendment(s) for presentation at the Meeting. All proposed amendments submitted will be presented at the Annual Meeting. There will be no presentation of new amendments from the floor during the Meeting.
- **Questions:** The Treasurer and Administrator are very happy to meet with any member to discuss the details behind these summary documents. We encourage and welcome feedback and insights on financial matters from our members.



Enhancing Trust

Fellow church members, we come to you as the Board of Deacons (with counsel and recommendations from the Budget Committee) inviting you to vote "yes" to adopt our proposed budget for fiscal year 2024-25 at the Annual Meeting at 6pm on Wednesday, June 5, 2024 in the Sanctuary. Please find a word from Pastor Jay below.

Dear brother and sisters,

*I hope this finds you resting in the grace of Jesus. Below is a budget summary for you to pray over as we prepare for our annual members' meeting on June 5th. This budget work is the result of prayer, Biblical discernment, and a commitment to see our church **equipped** through the power of the Biblical gospel, as a loving **community**, so that we can grow as disciples and to **reach** our places with the message of Jesus. It can be easy to lose the forest for the trees, but let us prepare and affirm these descriptions and numbers as a work of the Lord in people's lives.*

And, as you pray, would you lift up specific names of Christians and non-Christians, who need the work of the gospel? Perhaps you can pray for one specific fellow believer who is hungry to grow in the Lord, that they would be equipped through our church to mature by God's Word in order to shine God to the world. And would you pray for one unbeliever by name, that you would have an open door to share the good news with them, as you are equipped in and through our church?

This is a budget summary and it is a summary of gospel work. Thank you in advance for your prayers and consideration.

*Yours in Jesus,
Pastor Jay*

2023-24 Giving and Expenses – current reality:

- Giving July 2023 to mid-February 2024: Our church's giving this fiscal year consistently ran 18-20% behind targeted monthly giving goals until mid-February 2024, when we shared with our church body that we had two financial realities: a projected near-term operating capital shortfall and a need to materially decrease our 2024-25 fiscal year budget versus 2023-24; these would necessitate us laying off some church staff in March, in addition to other tough stewardship decisions.
- Giving since mid-February 2024: We are so thankful that the Lord generously provided in this season so that our March staff cuts, although painful, were not as drastic as we had first imagined. Since mid-February, we have received some significant one-time gifts, have had an increase in regular giving, and have received commitments for increased giving for the 2024-25 fiscal year. Thank you!
- We are pleased that our church family has also been financially generous in many other ways during the first 10 months of this fiscal year, including to the Benevolence Fund. Over that time, almost \$75,000 has been given to the Benevolence Fund to help other members of our CHBC family in material ways. Over the same period, our Elders have disbursed almost \$63,000 from the Fund to meet tangible needs in our church.
- We have continued to manage our expenses well, consistently running roughly 5% below our spending plan. Part of this expense favorability was due to the unspent salary and benefits in the budget for our open Kids Minister position, for which we continue to actively recruit. This spending favorability has helped to mitigate roughly 40% of our giving shortfall.
- We are encouraged that there are many new people coming to our church, including several who have not yet placed their trust in Christ. We have heard many stories of God's grace through this church at our Newcomers lunches and at our Membership Gatherings! We hope and expect to continue to grow by God's grace as we reach the Triangle and beyond with the message of Jesus.
- As we head into the last two months of the July 2023 to June 2024 fiscal year, we're prayerful that the Lord will bring another strong May-June giving season to help us close out the fiscal year in a financially healthy way.

2024-25 Budget Planning Process:

- The Budget Committee's guiding principle again this year has been **"Realistic, yet Faith-filled."** We wanted to be grounded in our fiscal reality, yet know that our Lord has "the cattle on a thousand hills" (Ps. 50:10) that He can deploy for Kingdom purposes, consistent with His timing, and at His pleasure.
- In December 2023, the Budget Committee (Treasurer, 3 Deacons, 2 Elders, 1 Staff, 1 CHBC at-large member) kicked off the budget planning process and started looking at the key needs of our church for the 2024-25 fiscal year, while recognizing that our church's giving had been 18-20% behind target for the first five months of this fiscal year.
- In January, the Budget Committee was apprised that the end of calendar year 2023 giving was lower than anticipated, meaning that the 2024-25 budget would need to decrease materially from the \$3.55M level of 2023-24.
- In mid-February, as mentioned above, our church staff and congregation were told about the current state of giving and the implications.
- Our church body then responded with one-time gifts, increased regular giving, and commitments for increased giving in 2024-25, which allowed our Budget Committee to increase its initial estimate for 2024-25 from \$2.9M to \$3.0M. Thank you!
- In April, the Board of Deacons voted in favor of the Budget Committee's final budget recommendation, proposing it for the membership to adopt at the upcoming Annual Meeting on June 5, 2024.

2024-25 Proposed Budget Overview:

- The Board of Deacons' budget proposal for fiscal year 2024-25 is \$3,000,000, a **decrease of \$550,000 or 15.5%** from our current fiscal year budget of \$3,550,000.
- Consistent with what was shared the membership in March, this net decrease came from the following areas:
 - Key subtractions:
 - Employee Salary/Wage (\$372,500) – Seven positions were fully or partially affected. See below for details.
 - Missions (\$119,600) – See below for details.
 - Employee Benefits (\$31,000) – Continuing Education for staff temporarily cut to \$0, Ministry Expense accounts cut in half.
 - Facilities (\$28,000) – See below for details.
 - Ministry Programs (\$20,700) – See below for details.
 - Key additions:
 - Employee Healthcare insurance & cost of living salary/wage increases of \$46,800 – depending on annual health insurance increase, amount pending.
 - Property Insurance expense increase of \$5,000 – amount pending.

Overview of Ministry Investment Areas:

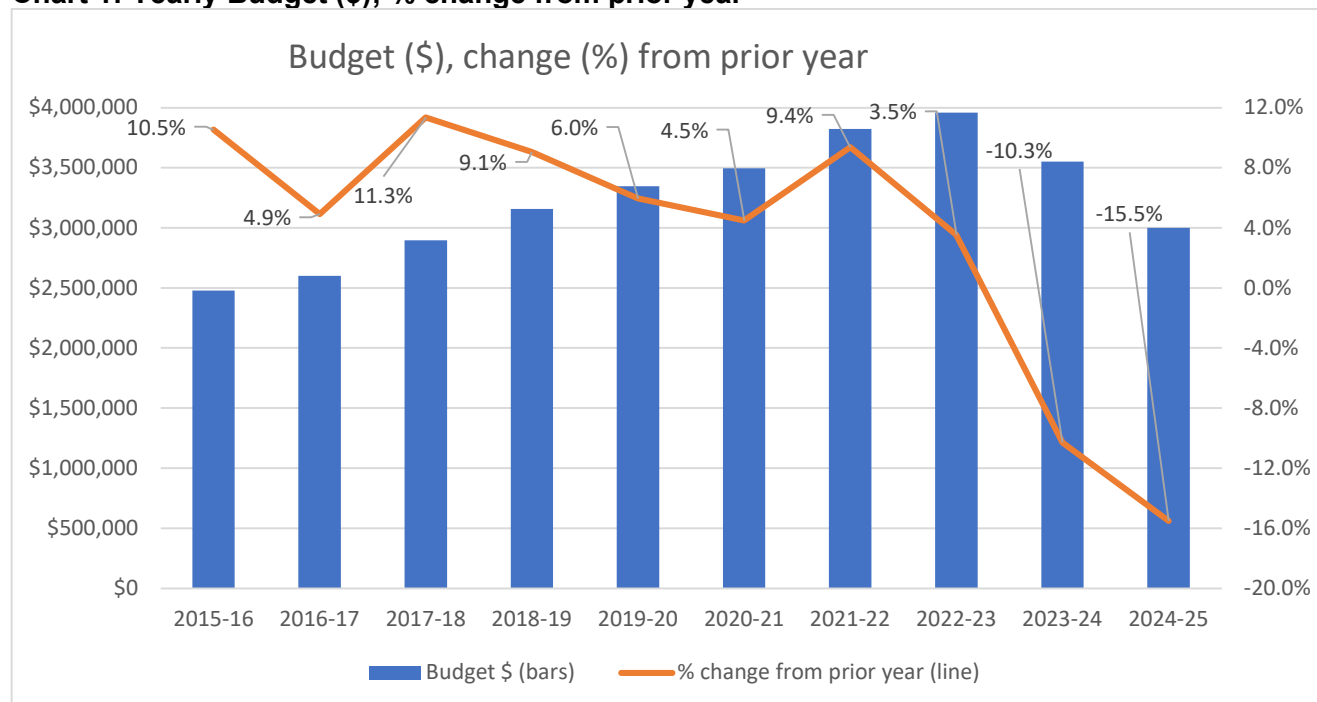
- **CHBC Staff** (Salaries/Wages and Benefits)
 - Employee Salary/Wage (\$372,500) – Seven positions were fully or partially affected.
 - Roles not backfilling: Family Pastor and 2nd Ministry Resident.
 - Roles eliminated: Communications Associate and Receptionist.
 - Roles with hours reduced: IT Director and Business Office Associate.
 - Open role with start date delayed: Kids Minister. We are still actively hiring for our full-time Kids Minister position. We have retained the budget for this position for eight of twelve months and trust that the Lord will bring the right person to our church in His timing.
 - Open role with hours reduced: Administrative Assistant.
 - Employee Benefits – Net \$15,800 increase from likely healthcare insurance increase and cost of living salary/wage increases, partially offset by Continuing Education and Ministry Expense account cuts.
- **Missions & University Support** – We have historically aimed to have this area around 10% of our overall budget. In our current situation, the Elders have agreed to temporarily go under that percentage, to 7.8%, to fund other vital areas, including continuing our efforts to hire a Kids Minister. Lord willing, we will get back to that historical marker soon. Some decreases to this budget include: our church fulfilling (as of June 2024) its \$50k/year commitment to Hillsborough Community Church, a few of our missionaries have retired or will be retiring, and cuts to other areas (missions trip funding, partner travel, etc...).
- **Ministry Programs** – Each ministry has been asked to decrease its ministry program-related spend by an average of 15% from its current fiscal year number. A couple of points to note:
 - Kids Ministry – received a slight *increase* to ensure that we serve our families well. (Several staff ministry leaders graciously cut beyond the 15% to fund this need.)
 - Special Needs Ministry – as stated a year ago, our commitment to our Special Needs Ministry remains unchanged. Our Special Needs Fund currently has over \$15,000 in it, so the Fund will fully cover our anticipated ministry investments for 2024-25.
- **Operations and Facilities** – We have diligently worked to keep this ministry investment area flat to slightly down, even in an inflationary economic environment. We anticipate that we will be able to find \$28,000 of additional savings for 2024-25.

(Please see supporting documentation on pages 5-6 for more information.)

The Board of Deacons respectfully asks the CHBC membership to prayerfully adopt its proposed 2024-25 fiscal year budget of \$3,000,000.

Supporting documentation:

- Yearly budget (\$) amounts and change (%) from prior year, please see Chart 1.
- Proposed CHBC 2024-25 Operating Budget, by Ministry Investment Area, please see Table 1.
- Proposed CHBC 2024-25 Operating Budget, by Ministry Investment Area sub-level, please see Table 2 on page 6.

Chart 1: Yearly Budget (\$); % change from prior year**Table 1: Proposed CHBC 2024-25 Operating Budget, by Ministry Investment Area**

CONGREGATIONAL GIVING				
	<u>Proposed</u> <u>2024-25</u> <u>Budget</u>	<u>% change</u> <u>2023-24 to</u> <u>2024-25</u>	<u>2023-24</u> <u>Budget</u>	<u>2022-23</u> <u>Budget</u>
BUDGETED GIVING	\$3,000,000	-15.5%	\$3,550,000	\$3,957,000
MINISTRY INVESTMENTS				
<u>Ministry Investment Area</u>	<u>Proposed</u> <u>2024-25</u> <u>Budget</u>	<u>% change</u> <u>2023-24 to</u> <u>2024-25</u>	<u>2023-24</u> <u>Budget</u>	<u>2022-23</u> <u>Budget</u>
Salaries (incl. Ministry Residency Program)	\$1,423,600	-17.0%	\$1,715,500	\$1,646,077
Insurance & Other Benefits	\$319,700	-22.2%	\$410,700	\$479,423
Total CHBC Staff Investment	\$1,743,300	-18.0%	\$2,126,200	\$2,125,500
Missions & University Support	\$235,400	-33.7%	\$355,000	\$395,700
Ministry Program Investment	\$162,000	-11.6%	\$183,200	\$220,000
Operations & Facilities	\$494,100	-5.1%	\$520,400	\$596,800
Consultant Fees	\$0		\$0	\$50,000
Addressing Consultant Recommendations	\$0		\$0	\$100,000
Mortgage	\$365,200	0.0%	\$365,200	\$469,000
TOTAL MINISTRY INVESTMENT BUDGET	\$3,000,000	-15.5%	\$3,550,000	\$3,957,000

Table 2: Proposed CHBC 2024-25 Operating Budget, by Ministry Investment Area (sub-level)

	<u>Proposed</u> <u>2024-25</u> <u>Budget</u>	<u>% change</u> <u>2023-24 to</u> <u>2024-25</u>	<u>2023-24</u> <u>Budget</u>	<u>2022-23</u> <u>Budget</u>
BUDGETED GIVING	\$3,000,000	-15.5%	\$3,550,000	\$3,957,000
<u>Ministry Investment Area</u>	<u>Proposed</u> <u>2024-25</u> <u>Budget</u>	<u>% change</u> <u>2023-24 to</u> <u>2024-25</u>	<u>2023-24</u> <u>Budget</u>	<u>2022-23</u> <u>Budget</u>
Salaries/Wages	\$1,423,600	-17.0%	\$1,715,500	\$1,646,077
Insurance & Other Benefits	\$319,700	-22.2%	\$410,700	\$479,423
Total CHBC Staff Investment	\$1,743,300	-18.0%	\$2,126,200	\$2,125,500
Missions & University Support				
International & National Missions	\$142,000		\$208,600	\$206,800
Church Planting Initiatives	\$0		\$50,000	\$75,000
All Other Missions Initiatives	\$48,900		\$51,900	\$75,900
University Ministry Support	\$44,500		\$44,500	\$38,000
Total Missions & University Support	\$235,400	-33.7%	\$355,000	\$395,700
Ministry Program Investment				
Kids Ministry (incl. Summer Program)	\$25,200		\$25,000	\$30,200
Youth	\$14,000		\$16,500	\$20,000
College/Young Adults	\$14,200		\$20,000	\$18,550
Special Needs* (incl. Spring Bling/Fall Ball)	\$0		\$0	\$3,735
Congregational Care (formerly Comm/LG/Member Care)	\$4,000		\$4,000	\$8,290
Discipleship/Training	\$5,100		\$8,000	\$14,425
Women's Ministry	\$4,500		\$6,250	\$7,000
Connections	\$15,000		\$16,500	\$19,000
Worship	\$12,000		\$14,200	\$18,000
Media & A/V	\$12,300		\$14,500	\$20,000
Communications	\$10,800		\$12,750	\$15,000
Resources & Other	\$44,900		\$45,500	\$45,800
Total Ministry Program Investment	\$162,000	-11.6%	\$183,200	\$220,000
Operations & Facilities				
Office Operations & Insurance	\$95,900		\$92,400	\$94,160
Facilities	\$380,000		\$408,000	\$408,640
Technology	\$18,200		\$20,000	\$30,800
Facilities Reserve Fund	\$0		\$0	\$50,000
Capital Improvements	\$0		\$0	\$13,200
Total Operations & Facilities	\$494,100	-5.1%	\$520,400	\$596,800
Consultant Fees	\$0		\$0	\$50,000
Addressing Consultant Recommendations	\$0		\$0	\$100,000
Mortgage	\$365,200	0.0%	\$365,200	\$469,000
TOTAL MINISTRY INVESTMENT BUDGET	\$3,000,000	-15.5%	\$3,550,000	\$3,957,000

* Please see discussion under "Overview of Ministry Investment Areas" on page 4.