

# First Baptist Church Halifax 2010 Budget Process

## 1. Assumptions:

**Overall Programme Objectives:** The five Key Directions of the Strategic Plan remain valid, even if the growth and change strategies have not been implemented as well as we would like.

**Congregation:** The demographics of the congregation are unlikely to change in the near to medium term.

**Donations:** Assuming the congregation sees the proposed budget as reasonable, regular envelope giving will increase sufficiently to reach the revenue objectives, but it will require increased communications to meet this goal. Special Offerings for Denominational Outreach etc. will be successful if communicated well. There is an urgent need for comprehensive stewardship education - including, but extending beyond, finances.

**Staff:** The 2009 budget and previous congregational decisions included commitments to two full-time ministers, one part-time director of music, one full-time administrator and one full time sexton. The 2010 budget will include this same baseline. Other staff should continue to be funded from dedicated, special funding. Any increase in the costs for part time replacements or cover-off staff must be considered in relation to ability to pay.

**Facilities:** Retain present location and capital assets.

## 2. Principles:

The 2010 Operating Budget will be "balanced"; that is Expenditures will not exceed Revenue, and will require an increase in donations to reach this equilibrium.

The 2010 Expenditure Budget will not exceed the 2009 Expenditure Budget of \$444,480, before endowment-funded maintenance.

Every expenditure increase will have to be balanced by an expenditure decrease elsewhere.

Additional programs or initiatives will not be added to the Operating Budget so as to cause a deficit. All other initiatives must be fully and separately funded.

The 2010 Maintenance Budget will be limited to the endowment funding for maintenance and any additional special funds or donations designated for this purpose, including any funds remaining from the 2009 Maintenance Budget.

### 3. Approach:

The following are examples reflecting our 2010 approach to developing the budget and are not an all-inclusive list of possibilities:

**Maintain facilities:** No growth, live within our endowment funding for maintenance. Projects must be justified on their contribution to regulatory compliance, operational cost reduction, capital cost deferral, or be funded by special donation.

**Reduce operating costs:**

- Energy: doors, windows, gas conversion, lighting
- Reduce printing and mailing costs

**Defer Discretionary Costs:**

- Do not replace church vehicle this year

**Constrain salary costs:**

- Salary increases reflective of current economy
- Minister of Visitation or Artist-in-Residence should continue to be funded by designated special funds.
- Consider overall costs for guest musicians and soloists.

**Increase cost recovery:**

- Consider charge back costs of printing/duplicating and postage for fund-raising mail outs, etc.
- Review and adjust building use fees to reflect community norms.

**Use of the \$300,000 extraordinary gift:**

- Use income from the retained funds toward operational budget.

### 4. Timetable:

Attempt to manage the process within the following timetable, while recognizing that time for adequate input and discussion is important:

- Start with discussion of this document at September, 2009 Finance Committee and Board of Management Meetings (done).
- Provide committees with this framework by September 22, 2009, and a request for any suggested adjustments to 2010 Budget items by October 20, 2009.
- Present this process to the Congregational Meeting on October 4, 2009,
- Present a Draft Budget to the Board of Management by its November, 2009 meeting.
- Present a Final Budget to the Board of Management at December, 2009 meeting.
- Present the Final Budget to the Congregation for approval at a January, 2010 meeting (i.e.: before the Annual Meeting in late February or early March, 2010).