



Harvest Time

*Open your eyes and look at the fields!
They are ripe for harvest! John 4:35*

BUDGET FOR 2009

Adopted by the Regional Ministry Board October 2008



American Baptist Churches of the
Great Rivers Region

Churches:
Centered in Christ
Committed to the Whole Gospel
Covenanted Together

Budgets are not merely dollars and cents. Budgets empower the priorities of the Regional Ministry Board. Only the Board has the authority to establish priorities, allocate resources, and demand accountability. The intent of the services, programs, and events funded through this regional budget is to challenge, empower, and assist churches in the harvest work of the Kingdom.

The General Operating Budget (GOB) consists of INCOME and four EXPENSE sections. The EXPENSE sections are: **General Ministry Expense, Self-Funded Events, Grant-Funded Ministries, and Program Ministries Funded by United Mission.**

General Ministry encompasses all the Region's area ministry services as well as all administrative and office costs. Instead of having seven different line items for one specific type of expense shown repeatedly in each cost center, they have been combined here. Salary, benefits, travel, contractual services, supplies, maintenance, and convention are examples of these types of expenses. This represents about 88% of GOB.

Self-Funded Events includes expenses related to conferences and events for which a registration fee is charged. In other words, these are "revenue neutral" activities. The GRR Missions Conference is an example. The expense of Funded Events is balanced by the income of Conferencing (line 3019). This represents about 2% of GOB.

Grant-Funded Ministries shows the distribution for projects funded by grants (or other) income. Primarily, these consist of Shurtleff Fund grants, Foresee the Future distributions (from restricted regional investments), and American Baptist Church Developers donations. Like Self-Funded Events, these are self-supporting activities. Together, these represent about 10% of GOB.

Program Ministries Funded by United Mission shows the allocation of unrestricted resources to regional ministry teams to accomplish program goals. Various subsidies to regional auxiliaries and related ministries are also shown here. All expenses shown in this section are covered by, and totally dependent upon, unrestricted gifts to the Region, primarily United Mission dollars. Together, these items represent less than 1% of GOB.

Narrative Explanation of Key Elements

Under **Income**, you will note that about 54% of our GOB comes from United Mission and America for Christ (line 3000). This reflects the continuing change in the income streams for the Region as churches increasingly choose to specify and designate their mission gifts (see lines 3004, 3007, and 3010). At this point in time these gifts represent about 20% of regional income. Just three years ago such gifts were negligible.

According to the Common Budget Covenant adopted by all the legal partners who constitute ABCUSA, regions retain 65% of United Mission to support regional ministry and mission. 35% of United Mission goes to the General Board of ABCUSA for distribution to the various national partners. America for Christ (AFC) is a special offering. One-third of AFC stays in the region of origin to support local mission and ministry. Two-thirds of AFC goes to the Board of National Ministries. Our conservative policy has been to use the average actual income for the last two years in order to project income for the coming year.

Another 11% of planned income comes from various non-restricted investments (lines 3001, 3002 and 3011). As planned in the financial "Roadmap" adopted by the Regional Ministry Board in 2006, we drew

heavily on reserves for the last two years while we were in this transition. You will notice that there is no planned draw on reserves in 2009 (line 3011). All budgets are balanced with current income (gifts, designated, and investments). Thanks to the careful planning of the Regional Ministry Board, and the creative work of staff and regional leaders, we have successfully weathered this particular storm.

One particular income stream deserves special explanation. That is the DesPeres Legacy, line 3220. After years of struggle, and despite continuing assistance from the Region, the DesPeres Baptist Church voted to close at the end of 2007. This decision was prompted to a large degree by an offer to purchase their property which was of significant commercial value. Regional staff worked with the leaders of the DesPeres church to connect them with consultants from the American Baptist Foundation as the most appropriate way for them to faithfully distribute their assets for continuing ministry. That work was concluded in July 2008. Half of the assets were given to Central Baptist Theological Seminary to endow a faculty chair, improve the library, and establish "remote" education in the St. Louis area. About 30% of the assets were invested to create annual income which will come to the Great Rivers Region. The use of those funds is restricted. One-third must be used for church planting efforts in Area V, and the remainder must be used for congregational renewal and church health. The Executive Minister must report to the Foundation annually regarding the use of these funds. Because this will be a recurring gift, a new income line has been created (line 3220). We have received the DesPeres Legacy for 2008 (\$27,555) and that is reflected in the budget for 2009. See lines 4006 and 5230). While we lament the decision of DesPeres Baptist Church to close, we celebrate them for their faithful stewardship of the gifts with which God blessed them. Their ministry will live on.

Under **General Ministry Expense**, the recommendations of the Ministry of Staff Relations regarding salaries are included. Salary increases have been very modest for several years. The Ministry of Staff Relations proposed, and the Ministry of Financial Stewardship agreed that full-time employees of the Region would receive an increase of \$1000 and that part-time & contractual employees receive an increase of \$200. The result is an average increase of 1.6% for ministerial staff, 3.2% for administrative staff, and 2.0% for contractual workers. Overall, direct salary increases will be 2.0%. As proposed, the median salary and housing for ministerial staff will be \$59,710 and the median salary of administrative employees will be \$31,052. It must be noted that we will experience significant savings in personnel costs due to the early retirement arrangement with Max Klinkenborg.

The ministerial staff have committed to controlling their costs in 2007 as we have the last two years (line 4004). July and December will continue to be "no travel" months, during which activities involving travel will not be planned.

The Continuing Education (line 4006) has been restored thanks to the DesPeres Legacy. One of the suggested uses that came with this gift was training for regional ministerial staff so they could be more effective in working with churches.

Contract Services (line 4010) include the camp properties supervisor and Mainstream editor.

Under **Self-Funded Events**, the direct costs of these activities are carried primarily by registration fees (income line 3019) and/or designated funds.

Grant-Funded Ministries includes those items funded exclusively by outside or designated funds. Some are grants from outside the Region that we process, others are restricted gifts managed by the Region. The DesPeres Legacy is included in this section of the Budget (line 5230), consistent with the restrictions placed upon that gift.

Program Ministries Funded by United Mission are those activities funded predominantly (if not exclusively) through United Mission (line 3000), America for Christ (line 3003), Specifics to the Region (lines 3004, 3007, and 3010), and unrestricted investment income (line 3001).

GRR Non-Funded Subsidies (line 5280) includes grants set aside for GRR auxiliaries (ABY gets \$500 and Clergy Spouses gets \$200). *Camping Program* (line 5400) is for curriculum. *Stewardship Education and Resources* (line 5784) is primarily for Consecration Sunday work. Some of this is offset by fees (line 3194) to help with resources and staff travel. *New PCL Events* (line 6105) is for orientation and welcome events that are planned for ministers new to the Great Rivers Region (we do this twice a year). *Convention Subsidy* (line 6201) realizes that convention registration fees (income line 3020) rarely cover 100% of meeting expenses.

Camp Budgets

Camping properties and programs remain the responsibility and liability of the entire Region. While the budgets are presented separately for each camp, the Regional Ministry Board is responsible for the finances of this regional activity, and the Executive Minister is accountable for expenditures and responsible for camping activities. The individual camp budgets do not show shared administrative costs of the camping program. Total camping costs (not including capital improvements) were about \$260,000 in 2008.

In 2005 the Regional Ministry Board established performance expectations for the camping program, including rigid budget control and camper goals. It was clear that subsidies from other regional funds would not be repeatedly diverted to cover camp overspending. Further, goals were established for each camp (250 for Blackhawk and 500 for Lake Springfield), based on the minimum number for financial viability.

Lake Benton was closed by the Board in 2007 because camper participation had fallen to the point that it was poor stewardship for us to continue the operation. We have not yet received an offer on the property, and it continues to cost us about \$20,000 annually for maintenance, insurance and security. This is not reflected in the Budget, but is being charged against the Capital account and will be reimbursed when the property is sold.

As I said in the Annual Report to the Region, camping continues to be a joy and a struggle for us. Blackhawk Baptist Camp had 288 campers this year, exceeding the Board-established goal of 250 campers. Unfortunately, Lake Springfield has persistently failed to meet its goal of 500 (it had 468 this year). Participation has been on a steady decline since 1995, when nearly 800 campers attended Lake Springfield. That decline is reflected in camp finances, resulting in recurrent, significant losses that cannot be sustained. The budget for Lake Springfield is balanced by budget cuts and a 5% increase in camper fees.

Higher expectations for facilities and increased operating costs, coupled with declining participation create an untenable situation. We have good camp curriculum and activities. We have competent, dedicated staff. We have faithful, passionate volunteers. But we don't have adequate numbers of youth and children attending camp. Camps all across the country in all denominations are having the same experience.

Roadmap for the Next 18 Months

Primary Goal: **Adapt to a new financial reality while positioning GRR for a stronger future.**

What is our new financial reality?

- United Mission has been on a steady decline for five years. It has taken a precipitous decline for 18 months and shows no signs of leveling off. (Income is over \$200,000 less than it was at this same time 24 months ago, a drop of about 16%)
- Total American Baptist Mission Support is about \$270,000 less than this same time last year.
- We administratively reduced our Budget by \$42,000 in January to meet the anticipated shortfall. At this point our best projections show another \$21,000 in shortfall (total about \$63,000 for the year—it could be better it could be worse).
- As of August, Lake Benton Camp was \$22,000 in the red. That deficit will definitely grow between now and the end of the year. Remember we took \$30,000 from reserves to cover anticipated shortfalls in camp operations this year.
- While specific giving to the Region has increased dramatically, it does not match the losses through United Mission. Through August, total specifics to the Region were \$45,834, about 10% of regional income. It is evident that 10 churches have committed to regular support of GRR through specifics. Others have done it sporadically.
- I have made regular, accurate reports of our situation to the Board and to Pastors in appropriate ways.
- Intentional interviews with churches that have declined in their giving reveal three causes (more than one may be at work in any particular church):

Poor financial health of the church.

Changes in giving patterns (some generational, some by design).

Conflict within the denomination, primarily over homosexuality. (alienation, loss of identity)

Key objectives:

1. Control costs. (Immediate, crisis response)

Severe budget restrictions in 2007. (Program and staff costs)

The camping situation will be addressed.

Better control of travel costs.

Anticipate staff reductions (through attrition, not dismissal).

Judicious use of reserves to protect "core" ministries.

2. Create new income streams. (long-term response)

Develop an appeal to about 150 donors who have a history of supporting the Region.

Develop a process to encourage annual over-and-above offering to the Region.

Fee for service (limited)

American Baptist Foundation

3. Build identity and loyalty

Prepare better promotional/educational resources for regional ministry.

Create a brochure of staff resources—revivals, workshops, preaching, etc.

Enlist and train Regional Board members to be advocates for the Region.

As services and programs are cut back, strategically identify activities that make a difference.

4. Attend to staff morale.

Especially administrative staff.

5. Review the way we work in order to provide a sure footing for the future.

What is God calling us to be in the 21st Century?

How much programming can we really do?

What programming really makes a difference? (high leverage activities)

What really are the essentials to our work?

How do we really spend our time?

What about the staffing issue? How can we reconfigure?

Can we make better use of volunteers? Board members?

6. Communicate reality and hope.

It is both a strategic and moral necessity to communicate the full truth. At the same time we must identify and lift up hope.

7. Prayer partners

Develop a network of prayerful support for regional staff, mission and ministry.

This was adopted by the Regional Ministry Board in 2006. All references are to data available at that time.

INCOME							
CODE	SRC	DESCRIPTION	2009	2008 Proj	2007		
3000	MIS	United Missions	557,000	556,324	563,933	Budget 2009 GRR MFS approved	
3001	CAP	Investment Income	125,000	125,000	125,000		
3002		Checking Interest	500	500	611		
3003	MIS	America For Christ	45,000	45,285	42,462		
3004	MIS	GRReat Churches Offering	2,000	2,000	2,267		
3007	MIS	GRReat Friends Offering	25,000	25,000	26,658		
3010	MIS	ABMS Specifics	190,000	190,000	156,999		
3011	CAP	Investment Interest	0	50,000	30,000		draw on Capital
3019	I+O	Conferencing	22,000	22,000	38,381		* In and out
3020	I+O	Convention	18,000	18,000	18,426		* In and out
3025		Invoicing	3,000	3,500	2,382		
3050	I+O	Shurtleff Fund Distributions	21,900	21,900	20,100		
3051	I+O	Harold O. Long Scholarship Fund	6,888	6,888	6,888		* In and out
3100	I+O	ABCD Contributions	20,000	20,000	18,148		* In and out
3160	I+O	Grant - Volunteers In Ministry	10,000	10,000	3,849		* In and out
3180	I+O	Grant - ROP Payroll & Travel	10,000	10,000	250	* In and out	
3194	I+O	Consecration Sunday	2,000	3,000	4,841	Offset JG travel and spending in 5784	
3210	I+O	NCPC and BNM Grants	12,312	12,312	10,089	* In and out	
3220		DesPeres Legacy	27,555			see line 5230 below	
3230	I+O	Board Designated Fund (FTF)	12,500	12,500	8,293	* In and out	
3250		Miscellaneous Income	3,000	3,000	3,058		
			1,113,655	1,137,209	1,082,635		

GRR GENERAL MINISTRY EXPENSE						
CODE	SRC	DESCRIPTION	2009	2008 Proj	2007	
4000	4	Salary/SS Offset	520,156	536,369	556,725	From Staff Relations
4001	4	Health Insurance	142,191	132,548	132,919	
4002	4	Retirement	83,225	84,539	88,655	16% of line 4000
4003	4	Payroll Tax	11,575	11,391	11,279	
4004	3	Travel - Ministerial Staff	60,000	60,000	64,289	
4006	2	Continuing Ed - Ministerial Staff	6,000	1,750	1,750	\$1000 each from DesPere Legacy 3220
4007	4	Affiliation Dues	425	425	425	
4010	4	Contract Services	20,600	20,200	20,828	
4019	2	Contract Travel	500	500	1,706	
4012	1	Continuing Ed - Lay Staff	500	500	499	
4013	1	Miscellaneous Expense	250	250	292	
4015	2	Background Checks	300	300	276	
4016	1	Food - Ministerial Staff Meetings	750	750	941	
4018	2	Staff Resources	1,500	1,500	1,112	
4020	2	Office Supplies/Duplicating Supplies	7,250	7,250	8,488	
4023	3	Postage	9,500	9,100	11,310	
4024	3	Printing	2,000	2,150	1,600	
4025	3	Telephone	5,500	5,500	6,453	
4026	3	Internet Service (ISP Only)	3,180	3,180	0	
4027	2	Office Equipment and Maintenance	16,000	15,500	20,187	
4028	2	Fixed Services, Rents, Copyrights	3,657	3,657	7,847	Internet moved to 4026
4030	5	Annual Audit	3,000	3,000	3,000	
4032	4	Accounting Services	12,975	12,975	12,975	
4033	1	Gifts and Celebrations	2,500	2,500	2,460	
4036	4	Leased Equipment	8,314	11,646	14,517	
4037	5	Credit Card Processing	500	500	821	
4038	1	Software, Peripherals, Technology	5,000	5,000	7,069	
4039	1	Website and Webhosting	1,500	1,364	0	previously in 4038

5000	2	Building Maintenance and Supplies	3,500	5,000	3,384	
5001	4	Utilities	7,000	6,875	6,044	
5003	4	Insurance and Bond	14,000	15,200	17,150	
5055	3	Mainstream	1,250	1,250	1,265	
5204	2	Food - Committees and Board	1,000	1,000	0	previously in 5206
5206	2	Travel - Committees and Board	2,500	2,500	5,290	
5207	2	Professional Staff Retreat	1,000	1,000	907	
5250	I+O	Convention	18,000	18,000	35,909	
			977,098	985,169	1,048,372	

GRR SELF-FUNDED EVENTS cf line 3019

CODE	SRC	DESCRIPTION	2009	2008 Proj	2007	
5111	I+O	Missions Conference	5,000	5,000	10,608	* In and out
5113	I+O	Pre-Conv Ministers Conference	3,000	3,000	1,667	* In and out
5114	I+O	Face To Face Event	2,000	2,000	3,460	* In and out
5115	I+O	ABCD Bike Ride Event	10,000	10,000	8,726	* In and out
5121	I+O	Alternative Ministerial Education	0	0	9,302	*In and out Subsidy 2520 (SEE 5227)
5122	I+O	Natural Church Development	2,000	2,000	3,700	*In and out FTF Subsidy
			22,000	22,000	37,463	

GRR GRANT-FUNDED MINISTRIES cf lines 3050 to 3230

CODE	SRC	DESCRIPTION	2009	2008 Proj	2007	
5150	I+O	Grant Funded Subsidies	12,312	12,312	10,089	* In and out
5160	I+O	FTF Grants	5,500	5,500	1,440	* In and out
5161	I+O	FTF Scholarships	3,000	3,000	1,570	* In and out
5162	I+O	FTF Programs and Expenses	3,000	3,000	551	* In and out
5163	I+O	FTF Ministerial Training	1,000	1,000	3,592	* In and out
5170	I+O	Shurtleff Fund Scholarships	16,900	16,900	15,100	* In and out
5172	I+O	Shurtleff Fund Administration	1,250	1,250	1,235	* In and out
5180	I+O	Harold O. Long Scholarships	6,888	6,888	6,888	* In and out
5190	I+O	ABCD Grants	17,900	17,900	16,044	* In and out
5191	I+O	ABCD Promotion and Expenses	2,100	2,100	568	* In and out
5224	I+O	Volunteers In Ministry	10,000	10,000	3,849	* In and out
5227	I+O	Alternative Ministerial Education	10,000	10,000	0	* In and out (see line 5121 above)
5230		DesPeres Legacy				see line 3220 above
		Area V Church Planting	9,100			
		Intern Grants	7,500			
		Special Events	1,000			
			107,450	89,850	60,926	

GRR PROGRAM MINISTRIES FUNDED BY UNITED MISSION

CODE	SRC	DESCRIPTION	2009	2008 Proj	2007	
5280	4	GRR Non-Funded Subsidy Grants	700	700	700	ABY 500, Clergy Spouses 200
5400	4	CC - Camping Program	700	700	1,176	
5784	4	Stewardship Education & Resources	2,000	3,000	2,726	Partially offset by 3194 income
6105	2	New PCL Events	1,000	1,000	1,140	
6201		Convention Subsidy	1,500	1,500	1,500	
			5,900	6,900	7,242	
TOTAL EXPENSES			1,112,448	1,103,919	1,154,003	
EXCESS (DEFICIENCY)			1,207	33,290	(71,368)	

**BLACKHAWK BAPTIST CAMP
2009 Budget Worksheet**

Budget 2009 BH MFS approved

INCOME		Budget	Projected	Actual
CODE	DESCRIPTION	2009	2008	2007
303-300	Church Specifics	26,000	25,977	24,030
304-300	Camper Fees	48,000	47,993	46,362
305-300	Rental Income	2,000	1,950	2,030
306-300	Canteen Income	1,750	1,870	1,382
308-300	T-Shirt Income	350	340	374
311-300	Miscellaneous Income	0	0	0
312-300	Individual Donations	100	100	100
313-300	Camp Photo Income	25	5	10
315-300	Food Income from Rentals	250	250	250
TOTALS		78,475	78,485	74,538

EXPENSES		Budget	Projected	Actual
502-300	Salary - Summer only	5,200	2,750	4,729
503-300	Salary - Seasonal	14,500	13,910	13,925
505-300	Contract Services	600	400	0
515-300	Payroll Tax	1,550	1,275	1,427
523-300	Background Checks	250	250	396
525-300	Kitchen Supplies	850	850	680
527-300	Food Expenses	8,000	5,400	5,336
530-300	Equipment Maintenance	2,000	1,750	1,110
532-300	Pool Supplies	1,500	1,500	1,500
533-300	Pool Maintenance Project	1,500	1,500	1,500
537-300	Pest Control	150	50	0
538-300	Groundskeeping	350	350	330
540-300	Sewer Maintenance	200	200	0
542-300	Facility Maintenance	2,500	2,000	1,158
553-300	Gas Utility	3,100	3,000	3,085
554-300	Telephone Utility	1,200	1,200	1,156
555-300	Gas for Storage Tank	1,200	1,100	965
557-300	Internet	150	144	0
563-300	Electric Utility	6,250	6,000	5,851
600-300	Program Supplies	1,500	1,500	1,444
601-300	Canteen Expenses	1,500	1,500	966
603-300	First Aid Supplies	100	77	34
604-300	Camper Insurance	1,400	1,300	1,387
605-300	Property Insurance	5,850	5,750	5,677
606-300	Counselor Travel	750	550	711
607-300	Travel - Errands	50	50	0
609-300	Travel/Promotion	250	100	330
611-300	Recreation Equipment	100	50	32
612-300	Office Supplies	100	100	175
614-300	Postage	50	50	25
622-300	Audit	700	667	950
625-300	Camp Photo Expenses	400	350	415
626-300	T-Shirt Expenses	2,250	2,214	2,089
627-300	Volunteer Appreciation	3,500	3,500	3,445
631-300	Miscellaneous Expenses	500	500	722
632-300	Trash Utility	1,260	1,050	1,236
650-300	Construx Transfer	0	0	0
TOTALS		71,310	62,937	62,786
EXCESS (DEFICIENCY)		7,165	15,548	11,752

Set by Ministry of Staff Relations

Price decreased to \$9 ea

LAKE SPRINGFIELD BAPTIST CAMP

Budget 2009 LS MFS approved

INCOME		Budget	Projected	Actual
CODE	DESCRIPTION	2009	2008	2007
303-100	Church Specifics	35,000	36,239	28,413
304-100	Camper Fees	74,000	69,320	76,985
305-100	Rental Income	20,500	20,281	21,228
306-100	Canteen Income	3,000	3,000	2,763
308-100	T-Shirt Income	100	70	200
311-100	Miscellaneous Income	150	129	176
312-100	Individual Donations	50	40	0
313-100	Camp Photo Income	50	36	0
315-100	Food Income from Rentals	5,800	5,792	5,303
TOTALS		138,650	134,907	135,068

5% increase in camper fees

EXPENSES		Budget	Projected	Actual
502-100	Salary - Full-Time	16,400	16,000	15,488
503-100	Salary - Seasonal	10,000	12,010	9,970
505-100	Contract Services	100	100	2,521
515-100	Payroll Tax	2,020	2,418	1,656
523-100	Background Checks	250	250	861
525-100	Kitchen Supplies	2,500	2,750	1,388
527-100	Food Expenses	15,000	15,000	13,353
530-100	Equipment Maintenance	1,900	5,500	7,548
531-100	Leased Equipment	1,936	1,936	1,685
532-100	Pool Supplies	2,000	2,000	2,064
533-100	Pool Maintenance Project	2,000	2,500	2,163
537-100	Pest Control	1,329	1,329	1,455
538-100	Groundskeeping	300	425	189
540-100	Sewer Maintenance	1,500	1,500	2,030
541-100	EPA Wastewater Fee	500	500	500
542-100	Facility Maintenance	7,500	11,000	4,438
553-100	Gas Utility	13,500	13,000	10,596
554-100	Telephone Utility	643	1,500	2,476
555-100	Gas for Storage Tank	750	700	414
557-100	Internet	1,585	2,880	0
561-100	Water Utility	8,750	8,700	7,547
563-100	Electric Utility	17,500	17,200	14,917
600-100	Program Supplies	3,500	3,500	3,319
601-100	Canteen Expenses	1,500	1,500	2,058
603-100	First Aid Supplies	200	300	49
604-100	Camper Insurance	2,750	2,700	3,178
605-100	Property Insurance	5,850	5,750	5,677
606-100	Counselor Travel	1,250	1,250	1,112
607-100	Travel - Errands	250	350	50
609-100	Travel/Promotion	1,000	1,000	1,265
610-100	Rental Programming/JHR	1,000	1,000	735
611-100	Recreation Equipment	650	650	648
612-100	Office Supplies	500	1,000	1,425
614-100	Postage	150	175	80
622-100	Audit	700	667	950
625-100	Camp Photo Expenses	200	200	264
626-100	T-shirt Exp/Promo Items	2,800	2,781	3,530
627-100	Volunteer Appreciation	5,500	5,500	5,403
631-100	Miscellaneous Expenses	1,000	1,000	2,945
632-100	Trash Utility	1,800	1,764	1,651
TOTALS		138,563	150,285	137,598
EXCESS (DEFICIENCY)		87	(15,378)	(2,530)

Set by Ministry of Staff Relations

All salary taxable (Kathy's was not)

Price decreased to \$9 each

\$500 per year

Vonage \$53.52/mo.

rate reduction starts 6/1/09

2005 and 2006 included internet