

A GUIDE TO THE ANNUAL CONGREGATIONAL MEETING

[Prepared by Gary Davenport, Regional home Missionary, Presbytery of the Southwest]
Revised

What is the purpose of the annual congregational meeting? What is a church budget? This document is intended to provide information to members of the congregation in order to assist them in understanding the purpose for an annual congregational meeting, as well as to assist them in understanding the components that comprise an annual budget.

I. PURPOSE OF THE ANNUAL CONGREGATIONAL MEETING

Chapter XVI of the Form of Government of the Orthodox Presbyterian Church reads as follows:

1. *Meetings of the congregation shall be called by the Session. A stated meeting shall be held at least once annually to consider the affairs of the congregation. Other meetings shall be called when the Session deems it to be for the best interests of the congregation or when requested in writing to do so by one-fourth of the communicant members of the congregation in good and regular standing. Only those and all those persons who are communicant members of the congregation in good and regular standing shall be entitled to vote. Voting by proxy shall not be permitted, nor shall anyone be allowed to vote except when the vote is being taken.*
2. *The provisions of Section 1 of this chapter shall apply to a mission work which may hold a congregational meeting in its area when duly called by its Session or presbytery. Such a congregational meeting may be held when at least one member of the Session is present and when a quorum of communicant members of the mission work as designated by the Session is present.*
3. *Public notice of a meeting of the congregation shall be made at the worship services on the two Lord's Days prior to the meeting or by circular letter at least ten days prior to the meeting. When the meeting is called for the transaction of specific matters of business no business shall be conducted except that which is stated in the notice.*

Most congregations conduct their annual meeting in December, January or February. The meetings are generally two or three hours in length. A sample docket might contain the followings items:

SAMPLE DOCKET

1. Call the meeting to order
2. Reading of scripture and prayer
3. Roll call
4. Session's/Pastor's report
5. Committee reports
6. Discussion and adoption of new budget
7. Other business
8. Approval of the congregational meeting minutes
9. Adjournment with prayer

II. THE BUDGET PROCESS

During the congregational meeting, the members discuss and then adopt a General Fund Budget for the next year. The General Fund Budget represents the amount of expense the congregation determines to spend for the new year. The annual budget has three main components: They are as follows:

- 1. Pastor's salary and benefit package**
- 2. Personnel and operating expenses**
- 3. Benevolences**

A sample General Fund Budget is provided on page three. An explanation for each line item begins on page four.

Each year the Session appoints a temporary budget committee to craft a budget for presentation to the Session. The Session usually appoints two or three people to perform this task. Committee members may be church officers and/or other members of the congregation. Once they have completed their work, the budget is presented to Session for its approval. Following its review and appropriate modifications, Session approves the budget for presentation to the congregation. Session appoints someone to present the budget to the congregation. [In some congregations the session's approval is the final approval of the budget.]

The budget is then considered by the congregation for its approval. A member of the congregation may introduce a motion to modify the budget. If you would like to make a change in the budget, but are not quite sure how to present a motion, simply ask the moderator for advice, and he will be more than happy to provide you with all the assistance you need. That is one of his functions as a moderator. Once a motion is presented and seconded, time is allowed for questions, as well as time for discussion and debate about the motion. During this time of discussion and debate, people give speeches to express what they think and how they feel about the motion. Remember, Christian kindness and gentleness should be extended to everyone who speaks, no matter what they say. Speeches reflect personal perspectives and convictions about stewardship. No two people are alike. There will usually be some differences of opinion about a motion. You are encouraged to listen to the wisdom in all of the speeches. A healthy discussion will result if each member defers to the other in humility, so that in the end, the whole congregation comes to embrace the final budget with a view to doing their part in acting responsibly before the Lord to meet the financial needs of the church.

Once the budget is approved for the new year, the church treasurer ensures that the appropriate amounts are disbursed according to the budget. Benevolence amounts are ordinarily sent quarterly. The Session is available to provide advice to the treasurer so that the treasurer's work in distributing benevolences is quick and simple.

Benevolence giving may be sent to the following addresses.

Denominational Giving
Orthodox Presbyterian Church
607 N. Easton Road, Bldg. E, Box P
Willow Grove, PA. 19090-0920

Presbytery of the Southwest
General & Home Missions/Travel/Needy Churches
Mr. Ted Weber
9906 Morgan Road
Mustang, OK 73064-9609

Diaconal Fund
 Dr. Mel Huebner
 2909 Harmony St.
 Amarillo, TX 79106-6130

**SAMPLE
 GENERAL FUND BUDGET**

<u>Line</u>	<u>Category</u>	<u>Prior Year 200X</u>	<u>Budget Year 200X</u>	<u>\$ Change</u>	<u>% Change</u>
	RECEIPTS				
R1	Weekly Offerings				
R2	Other Gifts				
R3	Gifts from other congregations				
R4	Interest Earned				
R5	Other Receipts	_____	_____	_____	_____
	TOTAL RECEIPTS				
	DISBURSEMENTS				
	Pastor				
S1	Salary				
S2	Housing Allowance				
S3	Medical Insurance				
S4	Pension	_____	_____	_____	_____
	Total Pastor				
	Operating Expenses				
E1	Pastor's Discretionary Expenses				
E2	Office Personnel Salary				
E3	Office Personnel Benefits				
E4	Facility Lease/Rental Payments				
E5	Utilities				
E6	Telephone				
E7	Yellow Pages				
E8	Newspaper/Radio Advertising				
E9	Liability Insurance				
E10	Educational Materials				
E11	Book Table				
E12	Bulletins/Welcome Packets				
E13	Fellowship/Hospitality Supplies				
E14	Supplies/Office, Postage, Nursery				
E15	Pulpit Supply				
E16	Piano Player				
E17	Other	_____	_____	_____	_____
	Total Operating Expense				
	Benevolence				
B1	OPC Denomination				
B2	OPC Presbytery of the Southwest	_____	_____	_____	_____
	Total Benevolence				

TOTAL DISBURSEMENTS _____

EXCESS/(DEFICIT)

EXPLANATION OF EACH BUDGET LINE ITEM

The following information is intended to be advisory. It is advice offered to enable the congregation to approach their annual budget more knowledgeably. These are only guidelines.

Receipts

R1	Weekly Offerings	Represents offerings collected each week during the worship services.
R2	Other Gifts	Represents the value of non-cash gifts given to the church.
R3	Gifts from other congregations	Represents support sent from sister congregations in the Presbytery or from the Committee on Home Missions and church Extension.
R4	Interest Earned	Interest earned from moneys on deposit
R5	Other Receipts	Miscellaneous receipts from sources other than listed in R1 – R4

Pastor

At the beginning of each year, your pastor is required, by IRS regulation, to declare the amount he anticipates spending on each of the categories represented in items S1 thru S7. These categories are referred to as ‘allowances’. The IRS requires these allowances because of special tax treatment afforded to ministers. Once the pastor receives information as to the total amount of his compensation package for the next year, he will then inform either the budget committee or the Session as to the specific breakdown for each allowance. Before the budget is presented to the congregation, the Session ensures that the allowances accurately reflect the pastor’s choices.

S1	Salary	This is the remaining amount of compensation which is not allocated to the other allowances.
S2	Housing Allowance	The pastor’s total expense for mortgage/lease payments, insurance, taxes, utilities, furnishings, etc.
S3	Medical Insurance	Cost of medical insurance for the minister and his family.
S4	Pension	Designated and regularly deposited for retirement.

Operating Expenses

E1	Discretionary Allow	The Pastor’s discretionary allowance covers accounting reimbursable expenses, including auto allowance,
----	---------------------	---

		purchase of books, education expenses, hospitality, etc.
E2	Office Personnel	Other personnel receiving compensation (e.g. secretary, etc.).
E3	Benefits	Benefits associated with other personnel.
E4	Facility	Payments for use of a facility
E5	Utilities	Heat, air conditioning, water, etc.
E6	Telephone	Telephone expense for telephone in the church building.
E7	Yellow Pages	Annual advertisement in the Yellow Pages
E8	Advertising	Radio, television, newspaper, etc.
E9	Liability Insurance	Coverage for 'slip and fall' injuries on church building property.
E10	Education Material	Sunday school, Bible study, catechisms, etc.
E11	Book Table	Purchased items for free distribution and books for the book table.
E12	Bulletins/Packets	Bulletin covers, welcome packets, etc.
E13	Fellowship Supplies	Flowers, cards, fellowship meal supplies, etc.
E14	Supplies	Office supplies, postage, nursery supplies, etc.
E15	Pulpit Supply	Honoraria, motel, travel expense for visiting pastors.
E16	Piano Player	Piano player for church functions, including worship.
E17	Other	Miscellaneous items.

Benevolences

Benevolences are monies provided by the local church to the ministries of the church around the globe. Through benevolence giving, your local church participates in the ministry of the gospel throughout the presbytery, the nation and the world. Benevolence giving advances the cause of the gospel in word and in works. Ordinarily, churches devote a portion of their annual budget to benevolences.

How much should our local church give to benevolences? This is a common question, particularly for mission churches. Each congregation must determine this question as a local church body. A benevolent amount is part of the budget, and therefore subject to vote by the congregation. Generally speaking, every new church, every new mission church should begin the practice of benevolent giving from the time of their first annual congregational meeting. Most churches give an annual amount from 5% to 10% and beyond, of their annual local offerings. As a church matures, they are able to give increasingly greater amounts. Just like individual giving, a local church should develop the practice of giving an amount proportional to the total offerings received, should give regularly, and should self-consciously give out of gratitude. The worldwide ministries of the OPC are supported solely from the offerings of local churches. The denomination does not send out mailings to individual church members. Rather, the OPC makes known its program needs, and then simply conveys the needs to the churches. The churches then determine to what extent they are able to participate financially.

A local church provides financial support to the Orthodox Presbyterian Church as a **Denomination** and as a **Presbytery**. Each congregation is informed as to the ministry needs of the denomination and of the presbytery. Once a congregation has determined how much they plan to give for the year, they next determine how much to give to the denomination and to the presbytery. It is suggested as a guideline that a new mission work divide **60%** of its benevolence budget to the **presbytery** and **40%** to the **denomination**. The denominational and presbytery funds are as follows:

Per Communicant

Per Communicant

<u>Denomination</u>	<u>Member Request</u>	<u>Presbytery</u>	<u>Member Request</u>
- Diaconal Fund		- Diaconal Fund	\$ --
General Fund	\$ --	- General Fund	**
Aged and Infirm Minister's		- Home Missions	
Widow's and Orphan's Fund	-	Regional Home Missionary	**
- Operating Fund	--	Church Planting Fund	**
		Home Missions Field Fund	**

<u>Denomination</u>	<u>Per Communicant Member Request</u>	<u>Presbytery</u>	<u>Per Communicant Member Request</u>
- Pension Fund		- Needy Church Fund	**
Pension Supplement	-	- Travel Fund	**
Hospital Supplement	-	- Travel Fund	**
- Travel Fund	--		
- Worldwide Outreach	\$---		
Foreign Mission			
Home Missions			
Christian Education	_____		
TOTAL AMOUNT	\$---		

** Giving to the Presbytery is not computed on a per communicant member basis, but is based upon the ability and willingness of each local church.

The amounts for each denominational request are available from the office of the Stated Clerk of the General Assembly.

An explanation for each benevolence is listed below.

B1 Denomination Benevolences

The DIACONAL FUND is a fund comprised of two components: The General Fund and the Aged and Infirm Minister's, Widow's and Orphan's Fund. The general fund is the ministry of the gospel in works of mercy. Benevolences collected from the local churches are provided for relief in the United States and around the world. Funds are used to assist local sessions address human pain and suffering beyond the means of what a local congregation can meet, such as food, clothing, rent, medical insurance and health care, etc. Uses around the world include disaster relief from the earthquake in Kobe, Japan, a Japan blind and rehabilitation center, an OPC medical clinic in Muruu, Kenya, help in Lebanon, Sudan, Eritrea, Ethiopia, including relief for lepers in Suriname and Korea. The second component of the diaconal fund is the Infirm Minister's, Widow's and Orphan's Fund. Benevolences collected from the local churches supplement the pensions of some families and individuals in these categories. The saints receiving these small amounts are very appreciative.

The OPERATING FUND covers the expense of one full-time Stated Clerk, the cost of production for the OPC Church Directory and General Assembly Minutes, office space, statistician, and the committee expenses for the Chaplains, Historian, Ecumenicity and Interchurch Relations, Trustees, etc.

The PENSION FUND is comprised of two components: They are the Pension Supplement Fund and the Hospital Supplement Fund. Both of these funds are supplemental in nature. The Pension Supplement Fund provides a small amount to some pension recipients. The Hospital Supplement Fund defrays the aggregate medical

costs incurred under the OPC's self-insured health plan.

The TRAVEL FUND covers the expense for 150 elders to attend the annual OPC General Assembly meeting.

WORLDWIDE OUTREACH is the largest budget item in the OP Denomination. The OPC denomination operates according to a combined budget. The denomination budget comprises **Foreign Missions, Home Missions** and **Christian Education**. The combined budget of these programs is referred to as Worldwide Outreach. For every benevolence dollar given by the local congregation to worldwide outreach, a percentage is allocated to Foreign Missions, a percentage to Home Missions, and a percentage to Christian Education. The General Assembly determines the amount for each committee annually. So any local congregation giving to Worldwide Outreach is participating in the advancement of the gospel in the United States and around the world. Home Mission's expenses are primarily used toward aid to new mission works across America, and toward the expenses of the Regional Home Missionaries. Foreign Mission's expenses include missionary salaries and field support in countries such as Kenya, Korea, Japan, Eritrea, Suriname, Ethiopia, Uganda, China, Middle East, etc. OP Foreign Missions is committed to the establishment of indigenous Reformed Churches in the countries where they serve.

B2 **Presbytery Benevolences**

The Presbytery DIACONAL FUND benevolences received from the churches are spent on the needs of individuals and families within local churches. The committee works closely with the Session of each congregation to assist in meeting the needs of genuine hardships. In circumstances of great need, this presbytery committee also functions as a liaison between the Denominational Diaconal Committee and the local session, in order to bring additional resources to bear. The Apostle Paul said, "*...bear one anothers burdens and thus fulfill the law of Christ.*"

The GENERAL FUND provides the money for the presbytery to effectively conduct its oversight of the churches under its care. This fund provides reimbursement for the following committees: Moderator, Archivist, Candidates and Credentials, Christian Education, Fraternal Relations, Home Missions Administration, Stewardship and Young People's Camp.

The REGIONAL HOME MISSIONARY (RHM) amount covers the salary and expenses for the RHM to conduct his church planting efforts throughout the presbytery boundaries. His responsibilities include working closely with interested groups of people, so as to assist them in becoming a new mission work, where the gospel is proclaimed, people are edified, and the witness of God's people goes forth.

The CHURCH PLANTING FUND is collected in order to provide new mission works with financial aid, should they require it.

The HOME MISSIONS FIELD FUND provides reimbursement to members of the Home Missions Committee in the task of new field exploration, as well as reimbursing the expenses of sessional activity in new mission works.

The NEEDY CHURCH FUND is designed to assist a local congregation in supplementing the pastor's salary in extraordinary circumstances. The aid is generally provided over a period of time, on a declining scale.

The TRAVEL FUND provides reimbursement to elders attending periodic presbytery meetings. During these presbytery meetings the elders provide committee reports, with a view to strengthening the churches and advancing the cause of the gospel.

SUMMARY

The purpose of this document has been to acquaint new members of the OPC with the purpose and process associated with the annual congregational meeting, and to acquaint new members with the budget process, including a summary of the various details comprising the budget. May the Lord enlarge our understanding of our stewardship responsibilities as we seek to serve Him from hearts full of gratitude, in thanksgiving for the indescribable gift given to us in His son!