

**Hope Chapel
2026 Budget Narrative**

The attached proposed budget for Hope Chapel for 2026 has been approved by the Session and is being presented to the congregation for affirmation and approval.

For 2025, Hope Chapel projected tithes and offerings are estimated at \$1,069,859. The proposal for 2026 expenditures requires a slight increase from projected 2025 offerings from \$1,069,859 to \$1,083,987 (with some expected savings possible in the personnel and interest expense lines discussed later.)

Ministry Expenses: Changes in the Ministry Expenses are mostly due to reallocation of expenses amongst existing line items, a few incremental increases in denominational and ministry support. The largest increase of \$10,000, for the Youth Ministry, is due to an increase in the number of students plus at least one additional planned youth trip. The budget for expenses this year will be partially offset with youth activity receipts, such as retreat registrations and camp and trip fees, that were not previously budgeted in 2025, making the net expense only \$5,000 greater than the year before.

Facility Expenses: Overall facility expenses are projected to increase by \$17,580, with the increases for janitorial services, facility maintenance, and lawn care/landscaping. We have had a need to upgrade the service to clean more areas more effectively, and we have added some routine maintenance to the floors that we previously did not do. For facility maintenance, we will be including an additional \$10,000 for maintenance of the parking lot. Our hope is to extend the life of the parking lot by keeping it periodically maintained. After this initial maintenance, the annual cost for years 2027-2031 will reduce to \$2,000 per year (in today's dollars) for this purpose.

Administrative Expenses: Administrative expenses are projected to increase by \$1,118 due to an increase in office supplies, an increase in the cost of liability and property insurance and a decrease in interest expense as the building loan continues to be paid down. The building loan is due to be refinanced in March of 2026, and this amount for interest may be lower depending on how much the church chooses to refinance.

Ministry Staff Expenses: The largest changes from year-to-year are reflected in this section of the budget. The Session has continued to review staffing needs and is recommending the following additions to the budget:

Worship/Communications Coordinator (WCC), Finance Director (FD), Part-time Assistant Youth Director (AYD), Nursery Coordinator, and a Sunday morning troubleshooter/problem solver

Of these five positions, the WCC and FD positions are currently filled and being done without compensation. The session is grateful for the service provided by these individuals, but wants to allocate resources if, for some reason, these positions can no longer be done pro bono. We expect that in the short-term, these jobs will continue to be done without compensation.

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The nursery coordinator and the Sunday morning troubleshooter positions are new positions, and will be compensated. The Assistant Youth Director (part-time) would begin in the fall of 2026; so, the budget reflects a partial yearly salary for the AYD.

A brief description of the combined staffing line items listed follows:

Salaries & Housing Allowances increase mainly by a 3% cost of living increase and an increase in hours allocated to the part-time Children's Ministry assistant.

Increases in the budget for the non-compensated staff combined are \$40,000. Increases for the new compensated staff equal \$26,300.

Insurance, retirement, and payroll tax expense increases are due to the increasing costs of group health insurance (less than expected) and the staff compensation increases.

Other: The current loan balance on the church's building loan is approximately \$649,000. The building fund balance, from which we make the loan principal payments, is currently at just over \$70,000. The loan's interest rate is 3.5% until March of 2026, when the loan will need to be refinanced. Accumulated amounts in the building fund and operating cash at the end of the term of the current loan can be used to pay off principal allowing the church to refinance a smaller amount and allow for lower payments after March of 2026.

The church's operating reserve at the end of October was \$540,000.

The session recognizes the opportunity we have to make significant progress on paying down (or paying off) the loan balance. The elimination of the debt would free up approximately \$60,000 in cash flow per year. These additional resources could help us fuel opportunities to expand our outreach in potential areas of college ministry, church planting, serving, supporting missionaries, and upgrading the facility as needed. In a similar way, if funds are not used for staff positions previously mentioned, the amounts will be allocated on a monthly basis toward a designated ministry purpose (e.g., church planting, college ministry, missions). Stay tuned for more information.

This narrative is presented on behalf of the elders and finance committee by church treasurer Scott North. Questions may be directed to: elders@hopechapelgreensboro.org

Hope Chapel

Budget vs. Actuals: 2025 P&L Statement

January - October, 2025

	Total	Annual	Annual Budget	Proposed	Change in	Projected	2026
	Actual	Budget	Remaining	2026 Budget	Annual Budget	2025	Incr
Income							
4010 Tithes/Offerings	866,820.02	953,053.75	86,233.73	1,083,987.00	130,933.25	1,069,859.00	1.3%
4030 Interest Income	16,871.10	10,050.00	(6,821.10)	3,000.00	(7,050.00)		
4050 Proceeds from Sale of Assets	300.00		(300.00)			-	
408 Other Income						-	
4080 Other Operating Income	2,568.97	1,500.00	(1,068.97)		(1,500.00)		
4081 Youth Activity Receipts	5,056.20		(5,056.20)	5,000.00	5,000.00		
4083 Other Missions Receipts	25.00		(25.00)			-	
4086 Facility Use Receipts	150.00		(150.00)			-	
4087 Weddings/Funerals Receipts	275.00		(275.00)			-	
4250 Counseling Center Rent	4,700.00	6,000.00	1,300.00	4,200.00	(1,800.00)		
4401 Children's Ministry Receipts	1,493.54	2,000.00		2,000.00		-	
4420 Retreat Receipts	1,040.56					-	
Total 408 Other Income	15,309.27	9,500.00	(5,809.27)	11,200.00	1,700.00		
Total Income	899,300.39	972,603.75	73,303.36	1,098,187.00	125,583.25		
Expenses							
5 Ministry Expenses							
5101 Serving/Evangelism	6,209.02	7,500.00	1,290.98	7,500.00		-	
5151 Denominational Support	3,500.00	4,200.00	700.00	4,800.00	600.00		
5152 Presbytery Assessment	2,000.00	2,400.00	400.00	3,120.00	720.00		
5155 Campus Ministry Support	2,290.00	2,750.00	460.00	3,000.00	250.00		
5160 Missions/Missionary Support	5,887.05	12,000.00	6,112.95	12,500.00	500.00		
5165 Mission Trip Expenses	400.00	1,000.00	600.00	1,000.00		-	
5175 Pastoral Search	6,420.70		(6,420.70)			-	
5201 Community Groups	1,624.98	2,000.00	375.02	2,000.00		-	
5205 Women's Ministry	1,881.62	3,000.00	1,118.38	5,000.00	2,000.00		
5215 Men's Ministry	(9.95)	2,000.00	2,009.95	1,000.00	(1,000.00)		
5301 Worship & Arts	12,682.00	16,100.00	3,418.00	12,500.00	(3,600.00)		
5320 Prayer Ministry	800.00	1,200.00	400.00	1,200.00		-	
5401 Children and Nursery	16,159.86	21,000.00	4,840.14	21,000.00		-	
5415 Childcare	1,895.51	5,625.00	3,729.49	5,625.00		-	
5450 Youth Ministry Expenses	10,618.59	9,000.00	(1,618.59)	19,000.00	10,000.00		
5501 Leadership Development	2,267.74	4,000.00	1,732.26	4,000.00		-	
5515 Discovering Hope Chapel	1,029.89	1,200.00	170.11	1,000.00	(200.00)		
5550 First Touch	6,582.13	7,200.00	617.87	7,200.00		-	
5555 Hospitality (Weddings/Funerals)	528.86	750.00	221.14	750.00		-	
5570 Fellowship Meals	1,236.31	2,200.00	963.69	2,200.00		-	
5599 Presbytery & Synod Expenses	958.83		(958.83)	1,200.00	1,200.00		
5601 Communications	1,929.49	2,600.00	670.51	2,600.00		-	
Total 5 Ministry Expenses	86,892.63	107,725.00	20,832.37	118,195.00	10,470.00		
57 Facility Expenses							
5710 Janitorial Service	11,702.06	14,600.00	2,897.94	21,480.00	6,880.00		
5715 Janitorial Supplies	1,507.60	2,000.00	492.40	2,000.00		-	
5750 Waste Removal	2,994.52	3,200.00	205.48	3,900.00	700.00		
5760 Lawn Care	6,387.50	7,000.00	612.50	9,000.00	2,000.00		
5801 Security, Fire, Internet	4,581.99	4,400.00	(181.99)	4,400.00		-	
5851 Utilities	21,153.16	25,000.00	3,846.84	25,000.00		-	
5871 Facility Maintenance	30,265.56	42,000.00	11,734.44	50,000.00	8,000.00		
Total 57 Facility Expenses	78,592.39	98,200.00	19,607.61	115,780.00	17,580.00		

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January - October, 2025

	Total	Annual	Annual Budget	Proposed	Change in	Projected	2026
	Actual	Budget	Remaining	2026 Budget	Annual Budget	2025	Incr
5800 Administrative Expenses							
5830 Computers & Network	1,466.18	5,000.00	3,533.82	5,000.00		-	
5840 Phones	1,915.52	3,600.00	1,684.48	3,600.00		-	
5852 Office Expenses & Supplies	7,871.23	6,000.00	(1,871.23)	7,500.00	1,500.00		
5853 Interest Expense	19,796.73	23,498.00	3,701.27	22,000.00	(1,498.00)		
5855 Bank Service Charges	196.07	200.00	3.93	200.00		-	
5860 Insurance	14,666.30	18,634.00	3,967.70	19,750.00	1,116.00		
Total 5800 Administrative Expenses	45,912.03	56,932.00	11,019.97	58,050.00	1,118.00		
59 Ministry Staff Expenses							
Staff Salaries & Housing Allowances	337,393.40	483,497.00	146,103.60	502,650.00	19,153.00		
Add Worship/Comm Coord				25,000.00	25,000.00		
Add Assistant Youth Director				10,000.00	10,000.00		
Add Finance Director				15,000.00	15,000.00		
Add Nursery Coord				13,000.00	13,000.00		
Add Sunday AM Troubleshooter				3,300.00	3,300.00		
5910 Guest Preachers	2,400.00	2,700.00	300.00	1,500.00	(1,200.00)		
5915 Expense Reimb - AP-Youth	427.03	750.00	322.97	750.00		-	
5951 Expense Reimb. - Pastor C&M	421.03	2,500.00	2,078.97	2,500.00		-	
5955 Expense Reimb. - Worship Dir	646.15	1,200.00	553.85	1,200.00		-	
5956 Expense Reimb - Pastor D&A	2,720.39	2,500.00	(220.39)	3,000.00	500.00		
Total 596 Education Allowances	1,009.86	3,000.00	1,990.14	3,500.00	500.00		
5970 Staff Care & Development	1,454.54	15,000.00	13,545.46	15,000.00		-	
5980 Insurance - Employees	78,452.95	114,884.00	36,431.05	119,248.00	4,364.00		
5985 Payroll Taxes	25,105.30	36,988.00	11,882.70	42,383.00	5,395.00		
5986 Payroll Processing Expenses	2,593.28	2,700.00	106.72	3,000.00	300.00		
5990 Retirement	28,839.30	44,027.75	15,188.45	45,131.00	1,103.25		
5999 Other (Moving, Sabbatical, etc)	7,767.21		(7,767.21)			-	
Total 59 Ministry Staff Expenses	489,230.44	709,746.75	220,516.31	806,162.00	96,415.25		
Total Expenses	700,627.49	972,603.75	271,976.26	1,098,187.00	125,583.25		
Net Operating Income	198,672.90						