

Dear Members and Friends of First Presbyterian Church,

The Finance Committee has recommended, and the Session has approved, the 2026 Operating Fund Budget. Due to scheduling constraints, the budget is being shared with the congregation through this email and online rather than through a verbal presentation.

Attached you will find a summary of the budget highlights along with the Statement of Activities. Key points from the 2026 Operating Budget –

- The budget is balanced using a portion of the 2025 surplus
- Congregational pledges remain the primary source of funding for ministry
- The budget includes funding for a Director of Christian Education

If you have questions or would like additional information, please contact Eddie Bellis, Catherine Olson, or John Korab.

The Finance Committee and the Session are grateful for your continued generosity and support of the ministries of First Presbyterian Church.

Grace and peace,

Finance Committee
First Presbyterian Church

First Presbyterian Church Franklin 2026 Operating Fund Budget – Highlights

1. A Balanced Budget Supported by 2025 Surplus

The 2026 operating budget projects total receipts of **\$1,232,990** and total disbursements of **\$1,316,700**. Because the church ended 2025 with a surplus, the Session determined that using a portion of those funds to support ministry in 2026 is responsible and covers the difference of **\$83,710**, resulting in a **balanced operating budget for 2026**.

2. Pledges Remain the Primary Source of Support

Congregational pledges continue to provide the largest portion of the church's income, totaling **\$1,103,990** of the projected receipts. This strong participation in stewardship makes the ministry and mission of the church possible.

3. Additional Sources of Income

Other sources of income include:

- Loose plate and non-pledge offerings
- The **Battle Ground Academy** lease
- Outside group use of church facilities and miscellaneous income

Together these sources contribute **\$129,000** toward the operating budget.

4. Supporting the Church's Ministries and Operations

FPC continues to use an **activities-based budgeting approach**. Under this process, committees develop their budgets based on **specific ministry activities and programs** they plan for the coming year, rather than simply adjusting prior-year spending. By building the budget around planned ministry activities, this approach connects financial resources directly to the mission and ministries of the church.

The 2026 budget includes funding for a **Director of Christian Education**, a strategic investment that:

- Reflects **priorities identified in the church's Mission Study** and
- Strengthens **faith formation** for children, youth, and families.

The following Statement of Activities shows how disbursements are budgeted:

- Administration – Primarily staff compensation and benefits – 65.7%
- Facilities – Maintenance & repair, Memorial Garden – 20.7%
- Ministry – Christian Education, mission partners, worship – 11.5%
- Denominational – Presbytery support – 2.1%

First Presbyterian Church Franklin 2026 Operating Fund Budget

STATEMENT OF ACTIVITIES

Budget Summary

Operating Receipts	\$1,232,990
Disbursements	<u>1,316,700</u>
Operating deficit	(83,710)
Approved Application of 2025 Surplus	<u>83,710</u>
Surplus (deficit)	\$0

Receipts

Pledges	1,103,990
Loose Plate/Non-pledge Offerings	<u>60,000</u>
Stewardship Income	\$1,163,990
BGA Lease	63,500
Outside Group Fees	3,000
Other Income	<u>2,500</u>
Other Receipts	69,000
Total Operating Receipts	\$1,232,990

Disbursements

Operations

Administration	864,520
Facilities Committee	271,100
Health & Safety Committee	<u>2,000</u>
Total Operations	\$1,137,620

Ministry

Christian Education	32,900
Congregational Care	2,370
Fellowship	10,100
Mission Committee	67,700
Outreach	9,450
Worship	<u>28,650</u>
Total Ministry	\$151,170

Denominational Support

Denominational	\$27,910
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Total Disbursements	\$1,316,700
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