

## **Overview of the Proposed 2022-2023 Budget**

God has worked through Damascus Road in powerful ways through the faithful generosity of the congregation. In the midst of continued uncertainty and struggle, God has used this *Community of Light* to serve thousands locally and globally. Faith professions, baptisms and child dedications continue to take place. We're experiencing ~60% of pre-COVID in-person attendance at weekend worship services and averaging ~500 unique devices engaging every weekend. Gratefully, giving remains strong and the average number of households giving per month continues to increase.

Hundreds of people regularly participate in small groups and hundreds have served in the local community to bring hope and healing. The next generation is being reached and disciplined. We remain committed to advancing our mission to proclaim Christ and present everyone mature in Him (Colossians 1:28) while continuing to adapt to reach the changing world around us!

The proposed FY23 budget includes a 3% net expense increase, equaling \$3.4M in total expenses. We estimate we will receive ~\$3.8M in contributions. Revenues above operating expenses will continue to fuel the ALL IN vision (attract the community to campus, bring the Church to the community, invest in the existing facility).

### **Ministry**

- The local outreach/partnership budget is doubling (a \$27,000 increase from last year) as this priority becomes a greater portion of our annual operating budget. Three years ago as part of the ALL IN campaign, we designated \$75,000 'first fruits' towards local missions. These funds have largely been used to serve the most vulnerable populations during the height of the pandemic. Paul Foss, Pastor of Local Outreach, is solidifying a local outreach strategy and the impact with the twelve local organizations we have relationships with. In addition, we have a goal of completing 100 SWAT community projects this year with 1,000 volunteers. As a mission-driven church, this is a key priority as we seek to serve the most vulnerable in our local communities.
- Within the adult discipleship budget, funds were shifted from Alpha to cover increased investment in Rooted and small groups. All of these shifts were budget neutral.
- During the pandemic, funds for youth ministry retreats were significantly reduced. Retreat funds are being restored as we're now experiencing pre-COVID attendance levels.
- Congregational care expenses are rising due to increased costs (flowers, etc.) and volume of needs. In addition, the budget includes training costs for additional Stephen Ministry leaders.

### **Operations**

- Our building is now over ten years old and because it has been heavily utilized, building maintenance costs continue to rise. This includes increasing our allocation to FF&E Repair & Replacement. In addition, electric costs have increased significantly given the broader macroeconomic environment.
- The facility rental budget has increased significantly because storage unit costs are being centralized to the operations budget from ministry budgets.
- Computer hardware costs are rising due to multiple laptop refreshes needed as well as anticipating new hires. This drives software licensing costs and these costs are rising in general.
- Banking/credit card processing fees continue to increase as digital giving grows. Digital giving has played a pivotal role and now accounts for over 60% of contributions.

### **Personnel**

The Human Capital Committee (HCC), a sub-committee of the Trustees, recommends the following broad-based personnel investment:

- 3% salary increases for staff
- 5% increased coverage of medical/dental premiums for family plans (DRCC will now cover 75% of premiums for families; we already cover 75% for individual coverage)

Due to prior transitions/retirements, there are several key leadership roles to be filled during this fiscal year.

Thank you for your faithful generosity in fueling the work that God is doing through Damascus Road. Because of your partnership, lives are being impacted with the hope of Jesus locally, through our global partners on four other continents and around the world through our online worship services. You are making an eternal impact.

## **ALL IN Update**

Though the world has changed greatly in two years, and our needs and challenges may look different, the DRCC mission is still the same: to proclaim Christ and present everyone mature in Him (Colossians 1:28-29) using ministry methods and approaches adapted to an ever-changing world.

The ALL IN generosity journey officially concluded in December 2020 and we came very close to fulfilling the \$11.5M goal! Of the \$11.5M, over \$6M was used to fuel two years of operating budgets to make ministry happen. We spent approximately \$800,000 to pursue the original auditorium construction plan (architect and engineering fees, permitting, project management, etc.) with ~\$200,000 spent to construct 60 new parking spaces toward the front of the building.

Due to the generosity journey and surplus accumulated since then, we have ~\$4.6M available to put toward pursuing the ALL IN vision. Recently, the Trustees allocated \$200,000 to replace our 10+ year old audio system which is the beginning of a larger AVL (audio/video/lighting) replacement plan as our equipment is aging, to serve our sizable online audience and to strongly position us for a second campus launch. In addition, we're currently working with an architect on a plan to convert our 2,400 square feet of offices to classrooms (children, adult), refresh the hallway and transform rooms 4/5 into tailored youth space.

Our team has been working hard on developing a plan that addresses three core areas: 1) attract the community to campus, 2) bring the Church to the community, 3) invest in the existing facility. Additional updates will be shared at the member meeting on June 23<sup>rd</sup>.

# Damascus Road Community Church

## Proposed Operating Budget

### July 2022 - June 2023

	<b>Current FY 22 Annual Budget</b>	<b><i>Proposed FY 23 Annual Budget</i></b>
<b>Income</b>		
<b>All In Operating Contributions</b>	\$3,600,000	<i>\$3,800,000</i>
<b>Interest Income for Operations</b>	\$5,000	<i>\$8,000</i>
<b>Total</b>	\$3,605,000	<i>\$3,808,000</i>
 <b>Operating Expenses</b>		
<b>General Operating Expenses</b>	\$167,500	<i>\$181,000</i>
<b>Facility Management Expense</b>	\$436,640	<i>\$447,490</i>
<b>Children's Ministry</b>	\$46,995	<i>\$46,995</i>
<b>Youth Ministry</b>	\$46,510	<i>\$53,160</i>
<b>Adult Discipleship</b>	\$34,625	<i>\$31,095</i>
<b>Family Ministry</b>	\$33,820	<i>\$33,820</i>
<b>Welcome &amp; Hospitality</b>	\$23,435	<i>\$23,330</i>
<b>Congregational Care</b>	\$32,715	<i>\$37,745</i>
<b>Connections</b>	\$7,670	<i>\$7,670</i>
<b>Local and International Missions</b>	\$102,810	<i>\$101,440</i>
<b>Weekend Worship &amp; Programming</b>	\$18,500	<i>\$21,000</i>
<b>Community Outreach</b>	\$39,800	<i>\$63,600</i>
<b>Worship &amp; Tech</b>	\$50,730	<i>\$51,080</i>
<b>Communications &amp; Resources</b>	\$36,977	<i>\$38,000</i>
<b>Special Worship Programs</b>	\$2,700	<i>\$2,700</i>
<b>Staff &amp; Volunteer Resources</b>	\$43,150	<i>\$41,500</i>
<b>Employee Benefits</b>	\$455,266	<i>\$453,023</i>
<b>Salaries</b>	\$1,723,745	<i>\$1,778,641</i>
<b>Total Operating Expenses</b>	\$3,303,588	<i>\$3,413,289</i>