**Overview of the Proposed 2025-2026 Budget**

It’s been an exciting season at Damascus Road! God is moving powerfully in the lives of individuals and families through your faithful generosity. Over the past two years, we’ve had close to 250 baptisms! We recently launched a third service with many youth and adults joining a weekend serving team. In-person worship service attendance is increasing and an additional 300+ devices consistently engaging online.

There are 700+ individuals regularly ‘doing life together’ in Life Groups and hundreds have served through local and global missions. The next generation is being reached and discipled. We remain committed to advancing our mission to proclaim Christ and present everyone mature in Him (Colossians 1:28)!

Contributions are down 4% year-over-year. However, excitingly, we have 16% more new givers.

Since giving is struggling to cover expenses (and we may run a small deficit), we felt it was important to decrease expenses in this next season until giving begins to grow.

The proposed FY26 expense budget is $3.47M, a 3% decrease. We estimate we will receive about $3.25M in contributions and $125,000 in interest income. While we estimate a potential $102,000 deficit, DRCC has $2M+ of funds on-hand to cover a deficit if needed. We strongly believe God will continue to provide as we follow His heart for our future!

**Ministry**

* Overall, the ministry budget will decrease by 4% ($23,850).
* Each ministry cut back ~3-5% while prioritizing investing in teams and relationships given many of our serving teams have grown significantly.

**Operations**

* Overall, the operations budget is decreasing by 12% ($76,285).
* Our building is aging and we’ve increased a few building maintenance related budget areas. However, given we have cash reserved for any large, unexpected needs, we are reducing our budgeted monthly savings for equipment expenses.
* We’re also decreasing the snow removal budget, electric and giving fees since annual costs have continually been coming in lower.
* In March 2026, our mortgage will balloon at a balance of $680,000. We anticipate the monthly mortgage payment to cut in half with an aim to make extra principal payments to pay off the new mortgage early.

**Personnel**

The Human Capital Committee (HCC), a sub-committee of the Trustees, recommended the following broad-based personnel investment which was approved by the Trustees:

* 2.5% salary increases for staff (equal to the 2025 Social Security Cost of Living Adjustment)

Overall, the personnel budget is decreasing by .4% ($9,879). Health insurance costs continue to increase due to rising premiums and deductibles. The budget includes the new three-person Senior Leadership Team (SLT).

Thank you for your faithful and sacrificial 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 both locally and around the world!

**Campus Development Update**

Since developing our plan in 2021, it focuses on three core areas: 1) attract the community to campus, 2) bring the Church to the community, 3) invest in the existing facility. Please come with any questions to the congregational meeting on June 10th .

**Completed Development Projects:**

In 2021, 60 new parking spots were constructed in the front of the building for $220,000.

In 2022, we partnered with an architect to develop a multi-year master site plan for the campus.

In the fall/winter of 2022, we converted our 2,400 sq. ft office space to classrooms (adult, children), refreshed the hallway, transformed rooms 4/5 into youth friendly space and enhanced the AVL (audio/video/lighting) in The Bridge. The construction and outfitting costs were ~$800,000.

In 2023, we spent ~$200,000 to replace components of our 12+ year audio system in the auditorium. This was an urgent replacement as components were malfunctioning.

In 2024, we installed a new LED roadside sign costing ~$180,000. A generous restricted gift for $64,000 was received for this project.

**In-progress:**

The AVL (audio/video/lighting) in the auditorium is 12+ years old and beginning to malfunction. In 2024, we committed to a complete overhaul of equipment and networking costing about $1.6M. The project is expected to be completed by early August 2025. The equipment replacement will enhance the in-person and online experience and will strongly position us for a second campus launch in the future. This is an investment that we hope will provide value for the next 10+ years. We will also remove the auditorium carpet, stain the concrete floor and purchase new chairs.

In early 2024, we received site plan approval for a ~4,000 sq. ft. expanded ministry space with multi-purpose classrooms including space for Haven, discipleship and Sunday serving teams. Drawings are being finalized and will go for building permits this summer with cost estimates being received in the fall.