

# 2018-2019 Budget Assumptions

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## Contributions/Interest Income

Per the bylaws, the Finance Committee with the approval of Church Council is proposing budgeted contributions of \$3,193,000 for the 2018/2019 fiscal year. The proposed increase is 1.6% (\$50,000) over the 2017/2018 budget of \$3,143,000 and 5.8% increase over actual contributions to date of \$3,016,542 for the current fiscal year ending September 30, 2018. There are two remaining Sundays in this fiscal year. The \$3,193,000 budgeted for contribution plus the small amount of interest income anticipated to be approximately \$7,000 in the coming year will fund the proposed budget expenditures in the amount of \$3,200,000.

### **Worship - \$68,935 (increase \$820) – 2% of the proposed budget**

Worship is the first component of our strategy and is central to everything we do. It is the one place where the entire church body gathers together to engage with God. In worship, we seek to hear from God...focusing on who he is and what he has done...and then we respond to him with our words and our actions. In worship, we have the opportunity to read Scripture together and hear life-changing sermons from our pastors. We sing songs of praise that allow us to glorify God and deepen our faith. We remember Jesus' sacrifice on our behalf through the observance of Communion. We celebrate new life as we baptize new believers. We pray together, welcome guests together, celebrate our kids and students together, give to God's work together, and commission our missionaries together. This portion of the budget allows us to engage with God together in life-transforming ways. There is a budget increase in Worship for programming and equipment.

### **Grow - \$195,838 (decrease \$10,753) – 6% of the proposed budget**

The goal of our Grow ministry is to help people to grow to be more like Jesus. We believe that increasingly reflecting Jesus' character in our lives is God's plan for us (Romans 8:29) and that the church plays a vital role in partnering with the Holy Spirit to accomplish this goal. Our Grow budget funds our Grow Group ministry for kids, students and adults, in which hundreds of people engage with Scripture and each other on a weekly basis, all with the purpose of Digging into God's Word, Building true friendships, and Training for our mission. Through our sermon-based groups, as well as special groups like Starting Point, Re|engage and Financial Peace University, peoples' lives are being transformed. This area of the budget also funds other grow-related ministries, such as Growth Seminars and fantastic ministries for kids and students.

Through the generosity of the Coppell Community Development Foundation, proceeds in the amount of \$12,207 were donated from the Coppell Beast Feast for VRBC benevolence. These funds, combined with the generous funding by the congregation of VRBC in prior years, will fully cover our benevolence needs during this upcoming budget year. Benevolence partners will continue to be supported through the Serve/Invite budget. All other increases and decreases in Grow are realignments and adjustments to support ministry as planned for the proposed budget year. The decrease in Family Ministry is a reclassification of Young Adult Ministry to Adult Grow, and Deacon Ministry is reclassified to Leadership

Development. Leadership Development was also increased for Stewardship Development to fund the Annual report, 1<sup>st</sup> time giver books and the mailings of the quarterly contribution statements.

**Serve/Invite - \$543,045 - (increase \$2,200) – 17% of the proposed budget**

This year we made the decision to combine the Serve and Invite budgets. We discovered that there was an artificial distinction between the two categories. Serve and Invite are both part of our bridge building process and are both a part of many of the things we do. As one example, with our Big Hope mentoring program, we are serving children and families by providing a role model and helping to shape the child's future, but we are also building a relational bridge with that family and inviting them to VRBC. These types of line items cross both categories, therefore the two categories are combined into one.

New initiatives for Serve/Invite include support of the Seed Effect ministry, an additional church plant in the Rio Grande Valley and an increase in publicity/online initiatives. Other funding increases in the Serve/Invite budget for 2018/2019 include the ministry at Ranchview High School in Valley Ranch, the 86:12 mission trip, Wisdom Warriors and Church-wide Events such as Summer Bash. Budgeted mission trips during 2019 include India and Uganda.

**Personnel - \$1,587,487 (increase \$58,271) -50% of the proposed budget**

Valley Ranch Baptist Church has been blessed to add two new staff positions in the proposed budget - the full-time position of Associate Minister of Serve and Invite filled by Arthur Mendes and the part-time position (29 hour a week) of Associate Minister to Children filled by Priscila Mendes. These two servant leaders have added value to every area of ministry over the last year as part-time staff and volunteers and Church Council and Finance/HR are glad to be able to offer them permanent positions in the upcoming 2018/2019 budget. We are also excited that our insurance provider has notified us that there will be no increase in medical and dental benefits that VRBC provides full-time staff in the coming year.

**Infrastructure – \$804,695 (increase \$281) – 25% of the proposed budget**

The infrastructure section of the budget supports the administrative and facility costs of Valley Ranch Baptist Church. These costs include such line items as leased equipment (copiers and phones), credit card fees, utilities, technology, security, building/repair maintenance, janitorial, office supplies, etc. Also included is our debt service of \$351,309 for the proposed budget year. The current outstanding principal balance on the mortgage loan is \$2,779,000 with a maturity date of October 2028. In November, the interest rate will increase slightly to 4.25% from 4.00% and this rate has been locked in for five years. The property at 1701 is fully paid off. The increase in the mortgage interest and other fixed costs will be covered by reducing the amount of funds historically budgeted for facility reserves from the current year budget. VRBC has a designated reserve account for facilities costs in case there is a need above the amount budgeted for repair and maintenance in the upcoming year.