

# FY 2018-2019 Financial Activities Summary

“Therefore, go and make disciples of all nations...” Matthew 28:19 The Great Commission Budget at Grace Church reflects our commitment to the Great Commission by developing all people into fully devoted followers of Jesus! We are celebrating life change personally and together, experiencing life change in groups and in ministry, and sharing life change in Wayne County and the world! Contributions for fiscal year 2017-2018 were strong and have shown signs of growth. The Great Commission Budget 2018-2019 is aggressive toward ministry, but responsible in regards to operating expenses. The board proposed 2018-2019 budget is \$3,778,280 which includes growth of 2.4% or a \$90,280 increase compared to the 2017-18 fiscal year. There are 6 visionary components and goals that stand out within our budget: (1) ministry operations, (2) missions, (3) strategic initiative and cash reserves, (4) competitive staff packages, (5) capital, and (6) debt reduction. We believe that each of these components allows us to further our commitment to The Great Commission and life change in Wayne County and all over the world.

## The Great Commission Budget Highlights [\$3,778,280]

- **Ministry Operations** – Streamlining ministry and decreasing spending and operating expenses.
- **Missions** – Increasing involvement in Africa.
- **Strategic Initiative and Cash Reserves** – Implementing a plan toward fiscal responsibility and visionary opportunities.
- **Staffing** – Trimming \$25,000 from previous year staffing while progressing toward competitive wages.
- **Capital** – Campus upgrades and striving for technical consistency across all venues.
- **Debt Reduction** – Waging war on debt through refinancing and aggressive payments. Our monthly payment of \$22,900 allocates an additional payment of \$3,256 toward principal only.

## Ministry Operations

Ministry operations are the life blood of Grace Church because they financially support ministry God is doing to influence lives for Jesus. Our staff has worked strenuously to direct and allocate resources to areas that fund our God given mission and vision. Yet, we have simultaneously decreased operating costs and spending by roughly \$5,000. We are set on focusing our resources toward ministry that is most effective and remaining lean in order to reach Wayne County and the world in Jesus’ name!

## Missions

Missions has long been a passion of Grace Church, and this year is no different. This year’s budget strengthens our ministry in Africa through a strategic partnership in Chad, where a commitment to pastoral leadership development will support a multiplying movement of church planting. We continue to have the opportunity to support missions efforts in a total of twelve countries over five continents! Beyond our budgeted \$350,000 commitment to missions, we also support the #forwaynecounty initiative, Asia’s Hope, the Greatest Gift Christmas Offering and more. We have seen increased support to ministries such as Asia’s Hope which accounted for over \$150,000 in 2017-2018, up from roughly \$120,000 in 2016-2017. Global life change is alive and strong, and we are excited about what God is doing through Grace Church.

## Strategic Initiative and Cash Reserves

Grace Church is passionate about the gospel and life change in our region and world. We have a vision of being a multiplying movement and stretching beyond our immediate backyard. Intentionally saving for cash reserves and strategic initiatives will put us in a financial position to enable us to fulfill God’s longer term vision for our church.

Strategic initiatives are opportunities that can present themselves multiple ways, including church-planting and a possible multi-site initiative. While there are many strategies and variables regarding another campus, we know that resources will be necessary. To this end, we have started a fund of \$26,500 to be earmarked for strategic initiatives within the 2018-2019 budget.

Additionally, our audit revealed a need for a cash reserve because it is vital to the future mission of Grace Church. We are 100% committed to faith that God will take care of our needs, which include wise, biblical stewardship to financially plan for the future. Through the audit, research, and discussion with other ministries, we believe that 3 months of operating expenses is prudent. This year’s budget gives us a start toward that goal and is represented in \$21,500 to cash reserves.

## Staffing

Grace Church has a history of generosity and love for people. Through our research and discussion with other churches we have discovered that the salary and benefit packages of many of our ministry staff are below th 25<sup>th</sup> percentile nationally for a church of our size. In order to continue to grow, retention of staff is pivotal; therefore, the board is recommending we take steps toward competitive staff packages. Even with those considerations, staffing costs have decreased by \$25,000 year over year.

## Capital

Capital is a constant need, especially for building upkeep and technical needs. Our staff has strived to effectively prioritize our most needed capital items. Included in these capital items are roof needs, carpet, HVAC, technical needs for a sound system in the gym and student center venues and a new mixing console in the traditional venue. The reality of three professional venues running simultaneously presents a unique challenge to provide technical consistency across all spaces.

## Debt Reduction

Grace Church has long attempted to reduce debt and direct resources toward ministry needs. This past year we refinanced our loan in late 2017 from 5% interest to 4.125%. Our current debt was incurred through our 2008 Student Center building project which is serving its purpose and represents many lives changed both through Next Generation ministry and in the Student Center venue on Sunday mornings. With that said, we have reserved \$313,881 for debt reduction, which is \$39,072 over and above our required payment. We are thankful for generous gifts amounting to roughly \$275,000 this year that have contributed greatly toward reducing our overall debt to \$2,676,000.

## Great Commission Budget 2018-2019 - \$3,778,280<sup>1</sup>



<sup>1</sup>Budget breakdown can be viewed at the church office by appointment.