

How much Media budget?

By: Anthony D. Coppedge

The concept of Media budgets is relatively new (aside from broadcast oriented churches), and the amounts jump dramatically from church to church. So how much should you set aside for your Annual church Media budget? The best way to answer that is to look at what drives the budget.

Budgets for churches are driven by three main components:

- 1) **Vision** from church leadership (value - how important is Media)
- 2) **Content** and frequency (application – what is required of Media)
- 3) **Personnel** – the ability & quantity of Media personnel (expertise – who can provide Media)

These three factors have more importance on the budget total than do attendance, membership, Denomination, operating budgets or location.

There need to be at least 5 budget line items for Media:

- 1) Hardware upgrades/new hardware
- 2) Software upgrades/new software
- 3) Preventative and ongoing maintenance
- 4) Personnel training (conferences and tradeshow) and education
- 5) Peopleware – outsourcing of contract labor for projects and special events

New Construction Budget

Another useful bit of data that can help give context to the question of 'how much' are the budgets for A/V/L (Audio, Video, Lighting) technical systems in new construction projects.

It's not uncommon to see 8% of the total budget allotted to provide a rudimentary A/V/L system. 12-15% of the total new construction budget will provide a solid intermediate system and 20-22% of the total budget will build a technically-savvy venue.

So for a \$1 million dollar new building campaign, anywhere from \$80,000 (rudimentary) to \$220,000 (technically savvy) can be budgeted for the technical systems alone.

Annual Operating Budget

Even though Media budgets vary greatly from church to church, it's safe to apply 5-10% of the A/V/L system cost (if budgeted correctly using the above three averages) as a yearly operations and maintenance amount.

So if you spent \$150,000 on your A/V/L system, then anywhere from \$7,500-15,000 a year can easily be spent making sure your systems remain in perfect operational order and that you're getting the software and hardware updates, as well as replacement parts, that are necessary to keep your technology from becoming obsolete or failing due to inadequate preventive maintenance.

Once a church hires part or full-time personnel, the costs change yet again, not only for the salary, but also for the increased content and education expenses associated with any employee. This is especially true when dealing with high-technology personnel, where the technology changes so rapidly that a learning curve is always in effect.

A “rule of thumb”?

Even though there's not hard scientific data on the “average church Media budget”, I will point out one bit of scientific data from a report that I co-authored. This first report points to an initial budget for projection systems. Three more reports are underway (audio, lighting and systems integration), though none will ask about yearly Media operating budgets.

The main bit of data shows that of the churches that participated in the survey (n=650), 45% of them spent more than \$11K on their projection system. This data is striking when the average size of the church in the survey was revealed: Under 300 in attendance.

While it points to a decent initial projection budget, it doesn't give us any hard data about operating budgets. Again, though, I have tertiary data that can help define the question.

There size or age of the church also isn't always a good indicator. An example of this is a church upstart that uses my consulting services and has a very aggressive Media Ministry. Since their first church meeting in a family's home three years ago, they've used Media as a support tool. They're still in temporary facilities, but have invested in a full time Media minister, creative director and a complete non-linear editing system, video switcher and projection system!

So what's the budget number?

At the end of this article I've still not given you an absolute answer for 'how much Media budget' is necessary. That's because the Vision of the church leadership will drive this amount based on the perceived and felt needs of creating and implementing dynamic content and quality technical performance. The best advice is to get with your Pastor and learn how Media fits into the overall vision of the church and then develop a budget that helps to accomplish that vision through the application of technology.

WEB: www.anthonycoppedge.com
EMAIL: anthony@anthonycoppedge.com
PHONE: 817.819.7288

Copyright 2004-2008
Do not duplicate in any form whatsoever
without the written permission from Anthony D. Coppedge.

How much Media budget? Leasing VS. Owning

By: Anthony D. Coppedge

I've received dozens of emails about budgeting for Media. In the last issue, I talked about the three main components that drive church budgets. Do you remember them? They are:

- 1) **Vision** from church leadership
- 2) **Content** and frequency
- 3) **Personnel** - the ability & quantity of Media personnel

If you can't identify and define those three critical components, the rest of what I'm about to teach you will end up being an exercise in frustration.

In this issue, we're going to talk about leasing versus owning equipment as it pertains to setting your church Media budget.

Which is better?

The short answer to the question, "Which is better - leasing or owning?", is "YES". Huh?

That enigmatic answer means that the decision to lease equipment or spend the cash owning equipment is best decided by some key decision-making factors and that either leasing or buying could be the right answer.

Decision-Making Factors Ask these questions about each piece of equipment:

- 1) Will the technology change dramatically in 3 years?
- 2) Will the venue change dramatically in 3 years?
- 3) Will our application (how you use the equipment) change significantly in 3 years?
- 4) Will the technology cost substantially less in 3 years?
- 5) Can the equipment be upgraded easily for 3 years?

I pick 3 years as a benchmark because if you're making enough changes or if your church is experiencing significant growth within that time frame, chances are a lease will make more sense than purchasing for what I call "**high-technology items**".

High-Technology Items

Any technology that has a rapid growth curve and/or rapid depreciation value is subject to this group.

It's safe to say that computer-based technologies will be less expensive and significantly more powerful within 3 years. It's also a good argument that non-linear

editors (video and audio) will be more powerful, easier to use and cost less in as little as 3 years. The case could also be made for automated lighting fixtures or large-format audio mixing consoles.

It might be easier to qualify it with this statement: "I'll be stuck with this equipment and I'm not confident that it is technology that will suit us for 5 years or longer." Sure, that's a little flippant, but the point is that if the device you're thinking about purchasing has a good chance of not meeting your needs for at least 5 years, you ought to consider leasing.

Conversely, if you're going to be in a facility for a number of years and you don't see the application (how you do what you do) changing significantly, then purchasing (owning) certain technologies will make more sense.

Common examples include speakers, amplifiers, microphones, video monitors, video tape/DDR decks, switchers, routers, distribution amps, screens, communications headsets/matrixes, lighting dimmer packs, many lighting consoles and most conventional lighting fixtures.

The majority of these devices do change somewhat, but for the most part are mature technologies that don't see quantum leaps every few years. It can make a lot of sense to go ahead and include these items in a building campaign or capital funds program. You can also add them to annual budget items for upgrades, repair and replacement.

One lease doesn't fit all

There are three basic lease types:

- 1) **Lease % buy-out**
- 2) **Lease \$1 buy-out**
- 3) **Lease only**

The first two lease types can be compared to getting a loan from a bank, except the monthly payment can be lower. With the first type, you'd have a "balloon payment" (large cash outlay) at the end of the lease. The second type is closest to a loan, with a \$1 purchase option at the end of the lease.

Personally, I'm not a big advocate of those two lease types for churches. I prefer the third type of lease for several reasons.

First, the idea that changing out "high-technology items" is to keep your church on or near the front edge of the technology curve. Second, when working with a leasing company that specializes in Audio, Video & Lighting, they're going to be able to get you a better rate on the equipment, because they can sell it easier than a standard leasing company. Finally, the whole point isn't to lease-to-own. This isn't *Rent-A-Center*(tm)! The point is to keep your church technologically relevant so that you have the tools to support the vision of your church leadership.

It's also important to know you can have leases structured where certain equipment (computers) renews faster than other equipment (automated lighting fixtures) types. These multi-tiered leases generally make the most sense while keeping the church more cash-fluid during their growth curve.

When I consult with churches, I often create a ***technology roadmap*** that helps the church understand which areas of equipment upgrades they'll need to consider over 1, 2, 3 and 5 year increments. This roadmap shows the value/cost ratio for leasing versus buying and is very helpful to churches that are experiencing serious growth in their church and Media Ministries.

There's a lot more to this, but I wanted to give you some solid information as you continue to learn about budgeting for Media.

WEB: www.anthonycoppedge.com

EMAIL: anthony@anthonycoppedge.com

PHONE: 817.819.7288

Copyright 2004-2008

Do not duplicate in any form whatsoever
without the written permission from Anthony D. Coppedge.

How much Media budget? *Equipment Life Cycles*

By: Anthony D. Coppedge

How often should we upgrade? When are we just throwing good money after bad?
How much should we budget for upgrading our equipment?

In the previous issue, I talked about leasing vs. owning your equipment. In this Month's follow-up article, I added two of my guru friends, Greg Persinger and Armando Fullwood to talk about these important questions.

In addition to setting initial budgets for starting a Media ministry and knowing when to lease or purchase technology, you'll need to know about equipment life cycles and the associated costs.

Video Life Cycles

As I mentioned in my last article, you'll find that some technologies will change more rapidly than others. Signal processing and support equipment such as VTRs (Video Tape Recorder), switchers, routers, monitors and even tripods won't change very often. But rapidly developing technologies, such as video cameras, Non Linear Editors (NLEs) and projectors will have more frequent technology leaps.

Some of your gear, such as racks (for mounting equipment), communications equipment, projection screens and CCU (Camera Control Unit) cables will last for 10-20 years. It's also safe to say that most of the signal processing and support equipment has life cycles of 7-10 years. But the rapidly developing technologies have a more limited useful life span ranging from 3-5 years.

One way to extend the life of hardware is to look for equipment that can be upgraded. For example, it may cost more money up-front to buy a camera that has the option of a CCU, studio kits and aspect ratio conversion than it is to purchase a less expensive camcorder, which has no upgradeability. These types of strategic decisions will be important to point out to your church Business Administrator, who understands the *amortization* of equipment prices.

New technologies in video are happening faster than they are in audio (audio's been around longer), meaning that some of the most expensive equipment will be video related. For example, while your church may think that HDTV will never affect them, I submit that designing any new facility without using 16:9 for projection and video is a short-sighted idea. This is where your video consultant can help your church understand how 16:9 – regardless of HDTV – makes a lot more sense for strategic, long-term planning.

Audio Life Cycles

"A solid audio system design and acoustical room design with proper planning will provide the church with a life cycle of 7-10 years for most of their audio equipment," notes audio guru Fullwood, "while a bad design will be replaced in 3 years!"

Even when gear isn't to blame for audio issues, churches often spend money to replace perfectly good hardware when the room acoustics are the true culprit. "Part of the *perception* of gear life cycle has to do with the quality of the acoustical room design," Armando explains.

He goes on to note that there are definite trends when it comes to the top upgrades for audio in churches.

The first are audio mixing consoles. Simply put, as the church grows it will often physically need more inputs. He says that coinciding with this trend is the explosive growth of digital audio consoles. Many churches are moving from analog to digital consoles for a more 'Volunteer-Proof' system of using preset scene snapshots that can be saved and tweaked easily in the console.

He also notes that personal monitor mixes have become one of the key upgrades. Most churches will upgrade their main Front of House (FOH) console before any other purchases. Fullwood advocates having identical FOH and Monitor mix consoles for churches implementing a true production model.

Other upgrades have included wireless mic systems, as the pricing of good wireless systems has come down dramatically. In addition, headworn mics have been a recent trend with Pastor and musicians.

Each of these areas may not be true equipment upgrade *needs* as much as they are *perceived* needs. That is, a church's current microphones and FOH mixing console may be perfectly adequate, but because the format of the service evolves and more production needs arise, the *desire* to use more flexible technology has created upgrade opportunities.

"Audio gear, on the whole," explains Fullwood, "has a 7-10 year life cycle. But when the way churches approach their services and events change, the technology might also need to be upgraded before it is actually obsolete."

Lighting Life Cycles

Greg Persinger, a renowned lighting designer in Nashville, TN, weighed in on the life cycle issues associated with lighting. Greg points out that the type of technology will make a difference in the expected life cycles.

Conventional fixtures will last the lifetime of your building – easily 20 years. These are standard incandescent fixtures, with no electronics; par-can, ellipsoidal, fresnel and ETC's venerable Source Four are all conventional fixtures. With these, it's only necessary to replace lamps when they burn out. A safe bet is to budget for two lamp changes per year, per fixture, but your mileage may vary.

Automated fixtures, also called "intelligent lights" are moving lights. These fixtures have a shorter life span of approximately 5 - 7 years.

When setting maintenance budgets for these expensive fixtures, Greg offers this practical rule of thumb: estimate the number of hours per week that you're going to use the fixture and calculate how many weeks you can use it within the rated lamp life. Take this number (cost of lamps times the quantity needed per year) add the cost of a technician to change/maintain fixtures and double that total for the annual budget per fixture.

"Eventually, you'll burn up a logic card, and at \$1,500 or so, you'll be able to dip into an automated fixture maintenance fund that has doubled every year – and your fund will be able to handle it after a few years when this eventuality happens," explains Persinger. "It's much easier to come up with \$1,500 when you've had a dedicated maintenance budget that has saved money for just such an eventuality."

Unlike conventional fixture lamps, Greg says to never extend automated fixture lamps beyond their rated lamp life because, as he puts it, "the lamps will explode. This will cause more damage to the fixture, significantly increasing the maintenance cost per fixture."

Dimming systems – you get what you pay for, but a good quality system will last 20 years, with good preventative maintenance. Infrastructure is all important. Two things when you build or remodel: hang positions and electrical work for the dimming system are much less expensive to implement during construction, while adding fixtures is easy to do at any time. The installation costs for electrical infrastructure are approximately *3 times more expensive* after the building is built or retrofitted.

Setting the dimmer's maximum output to a lower voltage (by a slight amount) can help you extend lamp life – but there's a color temperature shift to a warmer color as a result. Greg also says many manufacturers make *short life* and *long life* versions of many lamps. The short life lamps (300 hours) have higher color temperatures, better suited for video, whereas the longer life versions (up to 2,000 hours) have a lower color temperature.

Lighting consoles – Persinger points out that most churches won't need to upgrade if they picked a good console that accomplishes their goals. Greg summarizes it this way: "When your console quits doing what you want it to do, it's time to upgrade."

Greg believes that it's good practice for many churches to keep conventional lighting consoles even if they add automated fixture consoles for easier volunteer training.

"If your worship service is highly produced with a strict script, then a single console could work," reasons Persinger, "but most churches have changing needs that take a significant amount of programming time for automated fixtures, tying up access to the conventional fixtures."

Long Term Thinking & Preventative Maintenance

"Try to plan with the end in mind," Fullwood reminds us. Think about what you need to do, what you want to do and when you want to do it in regards to technology.

There's no escaping this fact: Media is expensive, and the costs never end. Welcome to it, now get with it!

Here's a short list of helpful preventative maintenance ideas:

- Dust is not our friend! Equipment should be wiped down after every use.
- Preventative maintenance every three months for all technical systems.
- Vacuum out the dust bunnies, vents on amplifiers and clean the tops of all equipment to remove dust build-up.
- Don't break seals – that can void a warranty. Compressed air for cleaning out stuff is inexpensive and easy to do.
- Test all cables at least every 3 months (cable testers are a good investment!)
- Label every input, output and connectivity cable.
- Invest in Velcro cord-wraps. You can even have these with your Media Ministry logo added for very little money.
- Coordinate your quarterly Preventative Maintenance weeks with your dealers so they can service gear they've sold you while you have the manpower, lifts, ladders and time set aside.

- Anthony D. Coppedge

WEB: www.anthonycoppedge.com

EMAIL: anthony@anthonycoppedge.com

PHONE: 817.819.7288

Copyright 2004-2008

Do not duplicate in any form whatsoever
without the written permission from Anthony D. Coppedge.

How Much Media Budget?

Planning for Growth & Adding Staff

By: Anthony D. Coppedge



On the bell curve of church growth, the big up-tick in explosive, exponential growth starts around 600 in attendance and climbs up rapidly towards 1,500-2,000 people in attendance for weekend services. The churches that are experiencing this first-hand can tell you that the major challenges that face them are logistically taxing, time-sensitive and budget-limited.

The reality is that the typical small church mindset goes against the demands of a big church. Staffing is considered a major issue, as they have not seen the giving (tithes and offerings) increase at the same pace as numerical growth. In fact, it's often stated that a new, unchurched person will "visit" for a year before they give any money (beyond the pocket change that might be tossed in the offering bag).

This means the growing church has the needs of a larger church but is limited with the staff, resources and budgets of a smaller church. No two ways about it, that's a quandary.

But there are practical ways for churches to continue their growth, including adding much-needed technology, without breaking the bank.

Gifts Assessment

An interesting aspect of churches as an organization is the diversity of personnel resources that *want* to be plugged into something exciting. Let's face it: a growing church attracts attention, as people want to be part of something successful and exciting.

My friend Armando Fullwood points out that people who would support his local sports team were few and far between when the team wasn't winning. But as soon as the franchise began a hot-streak of serious success, fans came out of the woodwork. People who didn't really follow the sport would wear the hats, shirts and jerseys with the team's logo, just to be a part of the excitement.

That's why we need to assess our membership in a "newcomer's class" with a gifts assessment test. It's important for both the church and the new member to find a fit in ministry, and it's advantageous for both to find the right fit the first time to encourage additional service. A quick search of the Internet will yield a slew of free

resources to help your church develop this very important aspect of ministry. Once you've found those with giftings associated with your area of ministry, contacting them and asking them to check out the volunteer role is essential. Having them shadow a volunteer leader for a weekend service is an easy, non-threatening way to allow their own giftedness to find satisfaction in an area of ministry that fits their natural abilities.

There's always a significant group of people who attend the T3 Conference where I teach who tell me that they have a hard time recruiting technical help. Unless you're an absolute gear-head, looking at a 40-channel console isn't the most reassuring moment for a newbie, nor is sitting in the video booth listening to the lingo of the video world.

We need to make sure that people can observe before they commit to service. A frustrated volunteer who they are not naturally inclined in your ministry will not be likely to go and find another ministry they can serve. Many will have a bad taste in their mouth from being plugged into the wrong area and might disengage from serving entirely as a result.

Grow Your Own Staff

When looking to hire individuals for *any* ministry, looking within before looking outside the church is one of the best ministry decisions you can make. That's because someone who has shown commitment, loyalty and passion for a ministry is an ideal candidate for a new staff position.

And that doesn't mean paying a pittance of a salary, either.

If you can't afford to pay the person a reasonable salary, don't insult them with a stipend for doing what amounts to a part or full-time job. The Biblical mandate for this is found in 1 Timothy, chapter 5, verse 18. "For the Scripture says, "Do not muzzle the ox while it is treading out the grain," and ***"The worker deserves his wages."*** (emphasis mine).

Some of your best people will come from volunteers that God taps for a ministry calling on a church staff. And yet others will be incredible volunteer leaders, but never have a calling to leave their secular job. Ministry is not limited to church staff members; it's what you do where you are that defines ministry.

A leader should be an enabler more than a doer

So many of us in the technical ministry areas have become involved because we liked the hands-on aspect of *doing* the work. But for those of us called to leadership of a technical media ministry, our greatest role will not be in doing the work, but in enabling volunteers.

There's an axiom I try my best to live by: "If it's something that anyone can do, I should probably not be doing it. If it's something only I can do, that's where I should do the work." A great leader will constantly be working themselves out of a job.

By spending time training others instead of always doing the tasks yourself, you'll find bigger opportunities to grow your technical ministry than you can ever hope to accomplish by yourself. This can be a tough concept to live out for those who respond with "but I can do the work better and faster if I do it myself".

That's probably true, but you'll never see the fullness of what is possible with your team until you force yourself to spend time training others on a continual basis.

Don't worry that you'll literally work yourself out of a job by delegating and supervising the work of others. Any good church Pastor will give you more responsibility, budget and honor by equipping volunteers to do the work. Again quoting my friend Armando, his Pastor told him, "I don't pay you to be here to do the work. I pay you to make sure the work gets done." That is an example we should all follow.

When is it time to add full time staff?

The main litmus test for adding staff is when you're saying "no" to more ministry projects than you're saying "yes" to on a regular basis. If the need is actually that great, you'll need to present a plan, budget and set of expectations for meeting the current perceived need.

When enough ministries and/or leaders are needing the additional help of quality technical support and media savvy personnel, ask each of those ministries to define what they need to accomplish, how often they will need the support and what they're willing to pay (internal billing) to see it done.

I believe that as a support ministry (one of the two purposes of a media ministry), we should be holding other ministries accountable for the time, labor and equipment necessary to fulfill their requirements. We should also be held accountable for our work and project management skills, so that we can present the value of a healthy media ministry to our church leaders.

As your church grows, you'll be faced with the very challenges I described in this series on a media budget. I hope that these last four articles can help you develop a strategy and implementation plan for developing, growing and sustaining a robust technical ministry.

WEB: www.anthonycoppedge.com
EMAIL: anthony@anthonycoppedge.com
PHONE: 817.819.7288

Copyright 2004-2008
Do not duplicate in any form whatsoever
without the written permission from Anthony D. Coppedge.