

PRELIMINARY APPROVAL – SOUTH DISTRICT BOARD OF L&B
JUNE 16, 2016 2015



HUTTODISCOVERY
UNITED METHODIST CHURCH

HDUMC BUILDING COMMITTEE

CHAIR – MATT GREENLEE

DELORIS BEARD

MARIANNE BROWN

SCOTLAND CHAMBERS

JUDY COATS

DAVID ESTES

LESLIE HEINE

DONNA HOWELL

MICHEL HUDSON

VICKI LOWREY

YVETTE PRITCHETT

MARK WINKELMANN

REV ALAN MCGRATH

REPORT STRUCTURE

- ❖ **Statement of the need for proposed facility**
- ❖ **Preliminary Financial Plan**
 - **Report of reduced debt**
 - **Report of successful capital funds campaign**
 - **Loan information from Texas Methodist Foundation**
 - **Total Project Budget**
 - **Other Costs**

Need for Proposed Facility

- Initial project approval with Study Committee Report – September 17, 2015 by South District Board of Location and Building.
- Approval of Study Committee Report by HDUMC Charge Conference – September 29, 2015.
- As stated from the Healthy Church Initiative Prescription Report (March 30, 2014):
 - “Hutto Discovery UMC is in a prime location in a dynamic community that is experiencing rapid expansion. With ten acres of land there is great opportunity for growth. The potential for this church to reach 1,000 people for Jesus Christ in the next 5-10 years is a reasonable expectation.”
 - The current facility “is inadequate for serving the current congregation much less the Hutto Discovery community.”

Preliminary Financial Plan

Report of Reduced Debt

- With courage and discipline, Hutto Discovery has recovered from a large debt incurred from an uncompleted plan to relocate a historic sanctuary and build a fellowship hall (2006-2008).
 - Debt load amounts:
 - 2012 - \$350,102
 - 10/1/14 - \$272,358
 - Off and Running – One Year Debt Reduction Campaign (2015)
 - 40 pledge cards received, 65 active members contributing
 - Total raised from campaign - \$93,132
 - 11/11/15 - \$88,000
 - Current - \$38,424
 - Following council from Texas Methodist Foundation (Robert Hoppe), we have continued our regular payments on this remaining amount to use gathered funds for current project.
- Successful Capital Funds Campaign (Strive for the Future – March 2016)
 - Campaign Consultant – Dick Young with TMF and now theSRDgroup
 - Strong participation and leadership from many key HDUMC leaders
 - TMF Model Goal Proposal = \$424,000
 - Total Pledges to Three Year Campaign = \$604,406 (143% of TMF Goal!)
 - 61 Giving Units Returning Pledge Cards
 - Current income from campaign = \$111,975
 - Outside of Campaign: Estate Gift of \$100,000 received in early 2016
- Loan Information from Texas Methodist Foundation
 - See attached Cash Flow Model (run 3/8/16) and letter from TMF
 - 20 Year Note from TMF
 - Payments have been in operations budget for many years
 - Current debt services budget \$27,960 is 13% of annual budget
 - Cash Flow Model shows debt services growing over next three years (3%, 5%, and 3%)
- Total Project Budget
 - Texas Methodist Foundation believes Hutto Discovery UMC can safely undergo building project in the amount of \$1,028,000
 - Hutto Discovery UMC total project budget = \$975,000
- Other Costs
 - Included in the \$975,000, separate sub-committees have worked together to set a budget for our “owner responsibility” items at \$50,000.
 - Includes nursery, kitchen, A/V, and tables/chairs for main room and classrooms.
 - The Hutto Discovery UMC Finance Team expects the need to increase the 2017 budget by \$10,000 to cover additional costs for utilities and cleaning for new building.