

CAPITAL APPEAL FINANCIAL ADVISORY TASK FORCE
September 2020 Report to Council

In the final stages of our capital appeal financial status, we are proceeding with caution and some concerns.

We have received approximately \$850,000 in pledges and non-pledges. Last month our revenues were \$19,500, up from the \$12,000 in August and certain earlier months and are at about our monthly average for the first eight months of the year (\$19,300). We have a balance of \$436,000 after paying current invoices. We have estimated that we have yet to receive approximately \$450,000 from existing pledges and giving. Final Phase 1 invoices and Phase 2 costs have yet to be paid.

We plan to conduct a review of pledge performance on a more individual level later this month and will report to Council in our November report. This will provide more specific information on our estimates of remaining pledges we can expect to realize.

We have provided an opportunity for our members to make additional capital project pledges through a remittance envelope included with our about to be published Trinity magazine (along with the initial contact for commitments/pledges for our 2021 operational budget). We also expect to communicate via letter and/or personal contact with congregants who have not yet pledged to the Appeal and may now be ready to do so. We are also planning discussions with others who may be prepared to increase their pledged dollar amounts for the Appeal.

Given the President's newly reported cost of the final contract for Phase 2 of our project, there are some important issues that need to be addressed:

The amount of the overall project cost now exceeds by \$48,000 the amount approved and authorized (\$1,175,000) by the congregation on September 30, 2019.

The actual amount of the final contract (\$1,011,000) exceeds the initially proposed estimate of \$853,000 by 19%. It requires the full depletion of the budgeted contingency in the Plan of Finance also approved by the congregation at its September meeting with an additional \$48,000 still needed as identified above. (No funds for construction contingencies such as material costs/construction complications will be available as was initially budgeted in project costs.)

Non-contractual project costs of \$212,000 still remain.

The estimated additional revenues included in our Plan of Finance, while we believe to be reasonable, may potentially be somewhat overly optimistic given our current environment and are not guaranteed.

If the congregation approves an increase in the total project costs, as appears necessary, a short term loan (as approved by the congregation) will need to be extended for a longer period of time with additional interest costs which likely may have be included in our operational budget expenditures.