

Voters Meeting

June 29, 2008

Agenda

- **Call to order – Rick Masselink**
- **Presentation of Findings**
- **Recommendation of Board to Congregation**
- **Call for Motion**
 - **Call for Motion**
 - **Open Discussion (amendments as necessary)**
- **Call for Vote (as necessary)**



**Good Shepherd Lutheran Church
& Early Childhood Center
700 W. Whitestone Blvd. Cedar Park, TX 78613**

Presentation of Findings
for
Whitestone Campus Redevelopment
in response to
Congregation Acceptance of Master Plan Concept

Congregational Meeting
June 29, 2008

Review of Meeting Purpose

- In December 2007, the congregation voted to accept a Master Plan concept for the redevelopment of GSLC's Whitestone campus. Furthermore, by motion, it directed the Board of Directors to develop a detailed phase 1 design, costs and timeline and present to the congregation.
- Beginning in February 2008, monthly updates have been distributed to the congregation describing the status and projections as the design work has proceeded. Work has been split into two parts for clarity:
 1. Site Development
 - Drainage and water detention
 - Utilities (onsite/offsite)
 - Demolition
 - Excavation
 - Parking and Paving
 - Landscaping
 2. Building Schematic Design
 - New Worship Center (phase 1A)
 - New Activity Center (phase 1B)

Review of Meeting Purpose

- Over the past 2 months, design presentations to individuals on Sunday mornings, staff, ministry groups, leadership and small group leaders have produced excellent input that has been used to develop the final draft design.
- On May 31, 2008, the *Imagine* building fund campaign came to an official close. Contributions are still being received.

Purpose of Today's meeting is to present a final draft design, costs and timeline to the congregation as required by congregational mandate. Additionally, a recommendation will be made by the Board of Directors for the congregation to consider as our next step.

Who Is GSLC?

Mission:

The mission of Good Shepherd Lutheran Church is to glorify God by bringing all people into a living personal committed relationship with Jesus Christ.

Vision:

The vision of Good Shepherd Lutheran Church is that we will be a real presence of Christ in the community.

Ministry Needs Summary

GSLC is a church that carries out it's mission and vision through:

Four Core Ministries:

Early Childhood Center

Discipleship

Worship

Care Ministry

Design Basis Parameters

As presented in past congregational meetings, focus has continued to be on the following:

- Large enough sanctuary for two services plus growth
- Increased discipleship facilities
- Updated ECC facilities
- New activity/youth center
- Site work and Infrastructure

Site Work (Infrastructure)

- **Site work would include all of the parking / paving, drainage, utilities, excavation, demolition, playground movement, and landscape features.**
- **Would include up to 500 parking spaces and 360 degrees access around property**

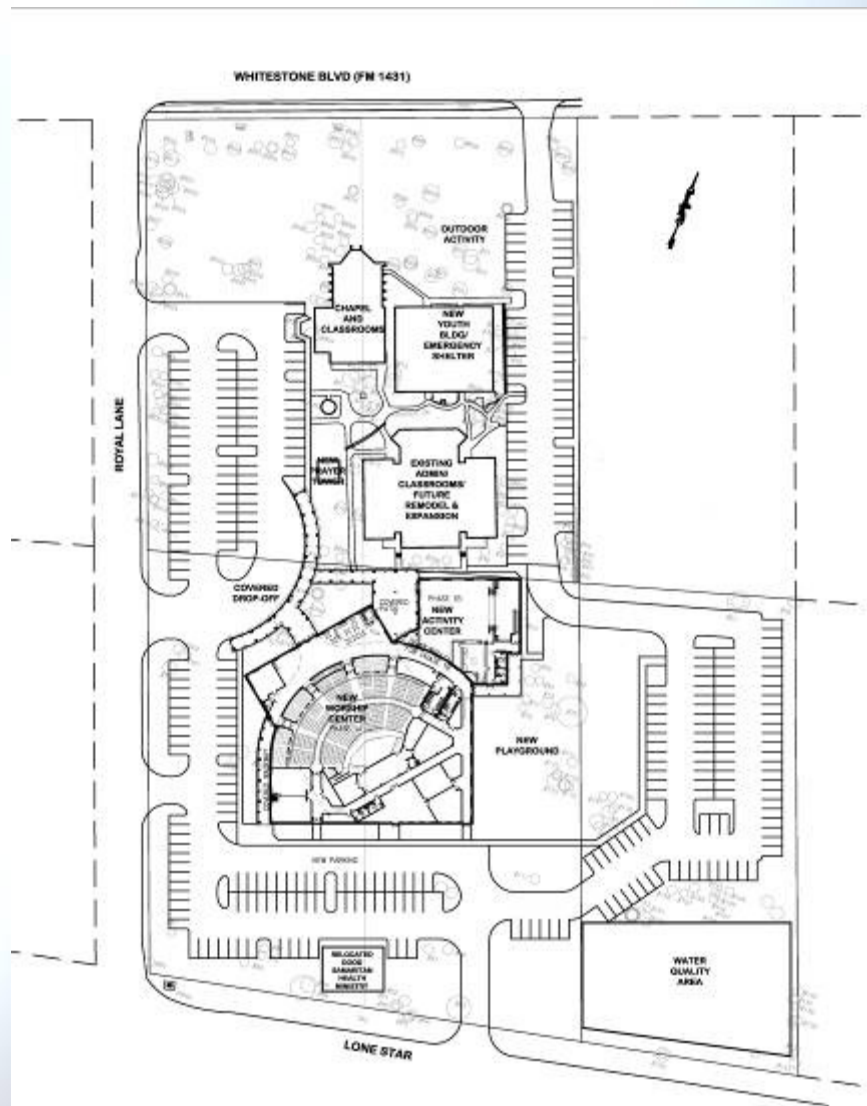
Schematic Design

- For the purpose of providing options, planning and costing, the schematic design has been broken down into a phase 1A and phase 1B based on ministry need and facility function.
- Design has taken into consideration the ability to complete construction separate or concurrent.

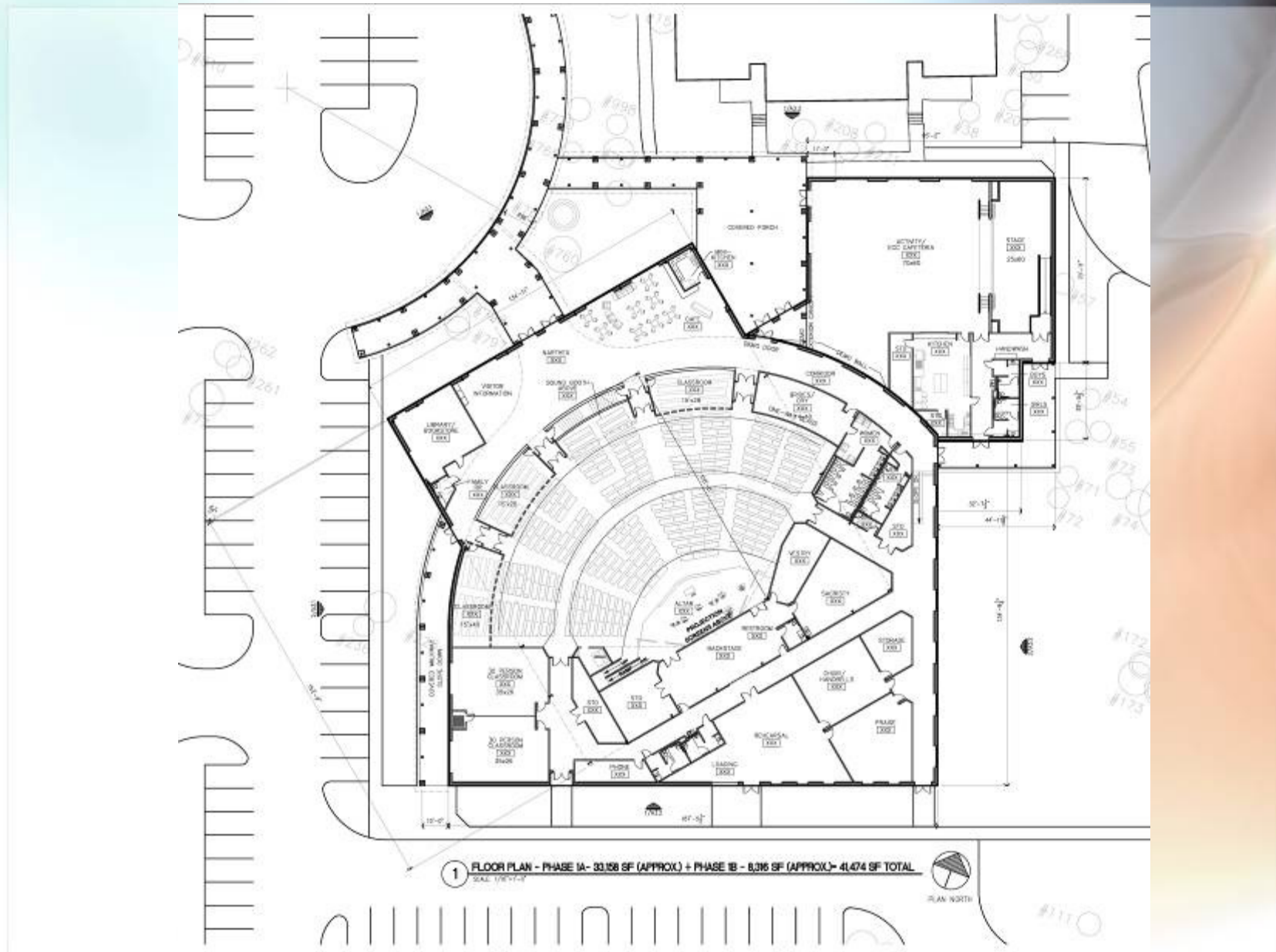
Accepted Master Plan Concept



Phase 1A and 1B Design



Phase 1A and 1B Design



Identified Ministry Needs of Facilities

- **VISION:** To be a presence of Christ in the community!
- **STRATEGY:** To be intentional in keeping a substantive Lutheran identity while facilitating Kingdom growth.
- **SPECIFICS:** Build facilities that will enhance our means to do ministry in the following four core ministry areas and be utilized 5-7 days a week.

Identified Ministry Needs of Facilities

- **WORSHIP (Worship Center)**
 - A new worship facility could be designed in such a way as to be more inviting to the community.
 - A worship facility could be designed to allow for combined GSLC worship opportunities.
 - A worship facility could be designed to better facilitate multiple styles of worship.
 - Our campus could be intentionally designed to accommodate concurrent worship services should the need arise.
 - Our campus could be intentionally designed to continue to accommodate the birth of other Christian congregations.

Identified Ministry Needs of Facilities

- **DISCIPLESHIP (Classrooms and Worship Center Auditorium)**
 - Additional classrooms could provide for multiple levels of adult education.
 - Additional classrooms could provide for on-campus small group Bible studies.
 - An auditorium venue could be designed to accommodate community based educational opportunities.
 - An auditorium venue could help facilitate significant growth in VBS ministry.
 - An auditorium venue and/or larger worship facility could allow for very large on-campus Student Ministry worship events:
 - An auditorium venue could allow for community based workshops, lectures, concerts, theatre, etc.
 - An auditorium venue and classrooms could be designed to serve as an extension of our Concordia University campus and ministry;
 - Our campus could be designed to serve as a “proving” ground for future church leaders: e.g.: educators, musicians, administrators, congregational leaders, etc...
 - Our facilities could be designed with the intention of facilitating the training of pastors, missionaries, deacons, deaconesses, etc...

Identified Ministry Needs of Facilities

- **CARE MINISTRY**

- Our current Community Care services: e.g., food, shelter, clothing, job training, emergency medical care, emergency funds, could expand significantly.
- Our facilities could be designed to provide for on-campus Christian counseling services.
- Our facilities could be designed to provide a much needed community based disaster response center.

- **ECC (SCHOOL)**

- Our campus could be designed to provide enhanced security for our kids and families.
- Our school facility could be designed for intentional future ECC growth.
- Our school playgrounds re-designed to meet the growing and ever-changing needs of our children.



Current Cost Estimates

Current Cost Estimates

- **Site Work (Infrastructure)**

Drainage and water detention

Utilities (onsite/offsite)

Demolition

Excavation

Parking and Paving

Landscaping

Estimate: \$1,627,801

Plus \$65,000 in fees and bond

**includes site work for new building pad*

Current Cost Estimates

- **Phase 1A**

New Worship Center

Narthex

Classrooms

Estimate: \$6,083,794

**includes Architecture and Design Fee, construction fees, furnishings, bond and 10% contingency*

Current Cost Estimates

- **Phase 1B**

**New Activity Center
Kitchen / Cafeteria
Assembly and Overflow**

Estimate: \$1,577,463

**includes Architecture and Design Fee, construction fees, furnishings bond and 10% contingency*

Summary of Catch the Spirit and Imagine Campaign Expenses (2003-2007)

| Category | Cost(s) |
|----------------------------------|-----------------------|
| land cost | \$ 535,613.16 |
| engineering/architect fees | \$ 323,287.68 |
| real estate development services | \$ 81,299.88 |
| imagine campaign consulting | \$ 42,000.00 |
| misc. supplies/signs/meetings | \$ 43,273.72 |
| Whitestone Master Plan expenses | \$ 23,041.00 |
| taxes | \$ 78.37 |
| Total Expenses | \$1,048,593.81 |

Current Accounting of Building Fund (to-date current)

after sale of Parmer Property, 10% proceeds to mission/ministry and property debt payoff)

- **Cash Balance in CEF as of 06/18/08 - \$1,605,100.17**
Receivables:
 - Debt to self - \$145,256.82 (to be paid in 2008 from reserves or budgeted in 2009)
 - Promissory Note Balance (Fellowship Bible Church) - \$275,000.00 (3.5 years)
 - Promissory Note Interest Balance (Fellowship Bible Church) - \$26,892.28 (3.5 years)**TOTAL ASSETS (CASH + RECEIVABLES): 2,052,249.27**

- **Expenses to date = \$51,953.26 (onsite projects, Civil/Architectural Design, Construction Management)**
Short-term and long term Liabilities:
 - Civil Design, Schematic Design and Construction Management: \$170,638.00**TOTAL EXPENSES PAID + OUTSTANDING CONTRACTS: \$222,591.26**

- **TOTAL ASSETS – TOTAL LIABILITIES = \$1,881,611.27**



Taking Action

Finance Philosophy

- **Capital projects should not be funded from the General Fund if possible.**
- **Capital projects should not leverage future growth. (i.e. service debt based on achieving growth) In this way, cash for the next phase of growth remains available AND current and future direct ministries can be funded.**
- **Current borrowing ability utilizing general fund for debt service is approximately \$1mm.**

Finance Philosophy Cont'd

- **Capital Projects (new facilities), while more efficient will increase operations and maintenance which should be funded from the General Fund**
- **Texas averages approx. \$4.50 per sq. foot M&O (40,000 sq/ft) = ~\$15,000 per month**

Analysis

- **GSLC's ability to service debt with the General Fund is limited**
- **Infrastructure is needed immediately in preparation for future building AND for current operations**
- **It is believed that increased infrastructure and modest improvements of existing facilities coupled with ongoing enhanced ministries could add 100+ persons per week attendance**
- **Based on current attendance, current Sanctuary could hold an additional 150 persons / week attendance if infrastructure is improved.**



Board Recommendation for Action

Summary of Options

- **Some Options Before GSLC**

| | |
|-----------------------|--------------|
| – Site Work: | \$ 1,692,801 |
| – Site Work + 1A: | \$ 7,776,595 |
| – Site Work + 1B: | \$ 3,270,264 |
| – Site Work + 1A +1B: | \$ 9,354,058 |

***note: Worst case scenarios; Combined projects would be less if done all together**

Board Recommendation(s)

- Recommend approval of current design plan for phase 1A and 1B and request ongoing value engineering before finalizing.
- Immediately begin construction on Site Work Infrastructure in preparation for new construction and to make immediate positive impact on GSLC's existing ministries. (using cash on hand)
- Continue accepting contributions for GSLC Building Fund. (no professional campaign planned at this time)
- Set goal of a \$9mm building fund begin building construction of phase 1A when contributions/pledges of \$5mm received AND weekly worship attendance reaches an average of 700 across 3 services.