Mississippi Conference of The United Methodist Church

QUICK FINANCIAL ESTIMATE WORKSHEET

Name of person submitting worksheet: _____ Date: _____

Email Address: _____ Phone: _____

Name of New Project:_____

City/Town: _____ District: _____

Date set to start this ministry: _____

The following steps will help a church determine the financial scope of its relocation project.

1. Add up the total amount of funds presently on hand for the project. _____

2. Take the total annual financial support received for the church's operating budget for the past three (3) years and divide by three (3) to get a yearly average. _____

3. Multiply Line 2's number by 1.5 to 3.0 (choose a number between 1.5 and 3.0 depending on successful you believe your fundraising campaign will be.) _____

4. Multiply Line 2's number by .2; then subtract existing debt service found in the church's annual budget (which is:_____). This number is the maximum additional annual debt service your church can afford. (You may increase .2 to .25 or .33, however, the higher figure may compromise your ministry.) _____

5. Using the loan calculator at www.hsh.com/calc-amort.html to determine the amount and terms for a loan (if desired). Annual debt retirement payments must not exceed Line 4's number. Place total amount to be financed in blank. _____

6. Place the amount expected from sale of property (if applicable) in blank. Do not base this number on the property's insured replacement value, but rather on appraisals or the purchase price of similar church buildings in your area that have sold recently. _____

7. Amount anticipated from other sources of income (e.g., grants, facility rental fees, etc.). _____

8. Total the numbers in Lines 1, 3, 5, 6, and 7. 0 _____

9. Multiply Line 8's number by .15 to determine the total funds set aside for the project's contingencies. _____

10. Subtract Line 8's number by Line 9's number. This is the Guaranteed Maximum Price of the project (total amount your project can cost). _____

The Guaranteed Maximum Price is the number that your architect/builder must not exceed when pricing the project. The amount set aside for project contingencies (Line 9) will cover unanticipated expenses (i.e., change orders, increased cost of material, etc.).