

THE FINANCIAL PLAN



3 Great Pond Road
North Andover MA 01845
978.123.4567
www.northparish.org

The North Parish Board of Trustees, supported by the Finance Committee and the Design/Building Task Force, has assembled a strong and highly credible financial plan that will enable North Parish to implement this project. The overall Project Budget, not including the preliminary costs incurred and paid prior to the recent congregational vote to proceed, can be summarized as follows:

PROJECT BUDGET AS OF JUNE, 2013	
Construction Hard Costs	\$1,715,000
Architectural and Engineering services	218,200
Legal, Insurance, Admin	12,000
Signage, Furniture, Fixtures, Equipment	11,000
Capital Campaign Expenses	20,000
Mortgage Fees and Expenses	35,000
Mortgage Interest (non-operating component)	20,000
Contingency	100,000
Total Project Budget	\$2,131,200

This Project Budget reflects a careful assessment of need, program responses, design parameters and likely costs, and the Board and the Building Task Force believe it represents a solid projection that will not be susceptible to the changing goals and evolving scope requirements that made our last building project so challenging to manage.

The Board has also identified several potential sources for funding this cost. The most important, by far, is this Capital Campaign, which in accordance with the June 2nd vote is targeting a minimum commitment from the Members and Friends of the Parish of \$1,500,000, although our true objective is to raise all of the required funds through this campaign. The Finance Committee has calculated that if necessary, the costs we currently incur that are related to Old Center Hall (primarily rent and utilities) could be redirected to support a mortgage of approximately \$400,000 with no effect on our Operating Budget (except for the savings associated with future rent increases we will no longer be subjected to). The balance of the funding requirement, if any, could be supported through a number of means, including internal fundraising events, gifts from foundations and other outside sources, a mortgage greater than \$400,000, or the application of financial investments or other assets currently held by the church. Given the importance of this project to the future of North Parish, both the Board and, through its nearly unanimous vote of support at the Special Meeting held on June 2nd 2013, the Members of the Congregation, have affirmed that they believe the overall Financial Plan to be feasible and that the Project should proceed – subject to a successful Capital Campaign that raises at least the minimum target of \$1,500,000.