



Month 37 Task Force Report and Recommendations



Month 37 Task Force

What is Month 37?

- Month 37 is the first month after our current debt reduction campaign, “Fulfilling The Promise”, ends.
- It’s also the name of the task force assembled in January to understand and address our long-term debt situation.



Month 37 Task Force

Empowered to analyze and recommended a plan to manage MUMC mortgage debt

- Jim Clark
- Dan Miller
- Don Carter
- Jeff Hayes
- Jim Haynes
- Lori Putnam



Month 37 Task Force

- Guiding Principle: *What is in the best interest of MUMMC?*
- 12 weeks-10 meetings-223 surveys-9 open town halls
- February- Understand & analyze our debt & expenses
- March-Listen to the voice of MUMMC
- April- Evaluate all data and formulate recommendation for Church Council vote



Understanding Our Finances

MUMC Financial Facts:

Church Operating Budget 2015 Actual: \$2,378,000

Church Operating Budget 2016: \$2,345,000

Improvements Mortgage: \$593,000

Family Life Center Mortgage: \$3,546,000



The Gorilla In The Room

What's our current mortgage situation?

- We have two mortgages:
 - **Improvements Mortgage**
 - Estimated payoff early 2017
 - **Family Life Center Mortgage**
 - Estimated remaining balance in January 2017:
\$3,500,000

***Our Gorilla In The Room is the
Family Life Center Mortgage***



The Gorilla In The Room

There were many alternatives, and these made the cut:

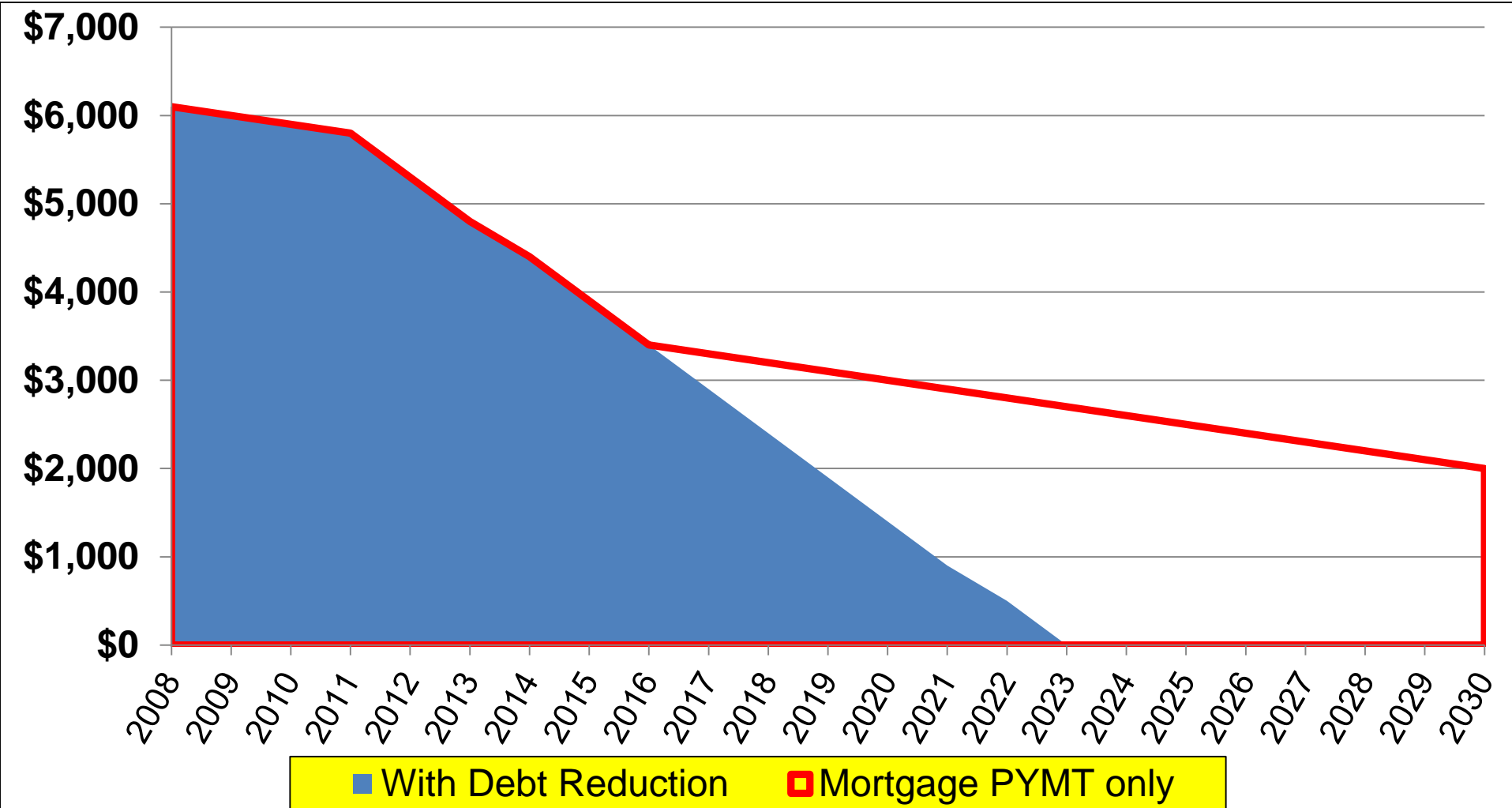
1. Minimum Required Scheduled Payments:

- Total annual debt service required to pay the mortgage: \$276,000
- Total incremental giving to the Church Operating Fund required to meet mortgage debt service requirement: \$140,000
- Adds over \$1,000,000 in additional interest
- Mortgage retired in 27 years

2. Maintain current capital giving levels of \$500,000 per year :

- Mortgage retired in 70 months

MUMC Month 37-Mortgage Projections





Survey Results

223 out of **900 MUMC** households completed surveys –
nearly 25%!

Here's what the surveys said:

- **76%** indicated they would support a continuing initiative to retire this debt as soon as possible
- **10%** indicated they disagree with another campaign
- **76%** said they would give at the same or increased level to retire this debt as soon as possible
- **12%** said they would decrease their giving or won't give at all



Recommendation

Debt Elimination Drive

Based on the analysis of our debt and the feedback of our church family, we believe it is in the best interest of MUMC to aggressively pursue a DEBT ELIMINATION DRIVE with a goal of paying off our mortgage debt in 70 months. This will remain separate from the operating budget and 100% of this giving will be dedicated to paying mortgage principal.

The **Debt Elimination Drive** will be organized, implemented, managed, communicated and staffed by MUMC member volunteers.



Motion

The Month 37 Task Force asks the Church Council to approve a debt elimination drive with a goal of paying off our mortgage debt in 70 months.



Questions/Discussion



Knock Out The Debt:

- 70 Month Drive To **ELIMINATE** Our Debt
- It Takes A Village (or, in our case, a church)
- Excite, Engage, Empower
- The **Month 70 Army**
- Constant Contact
- Prayer
- What does the Bible say about 70?