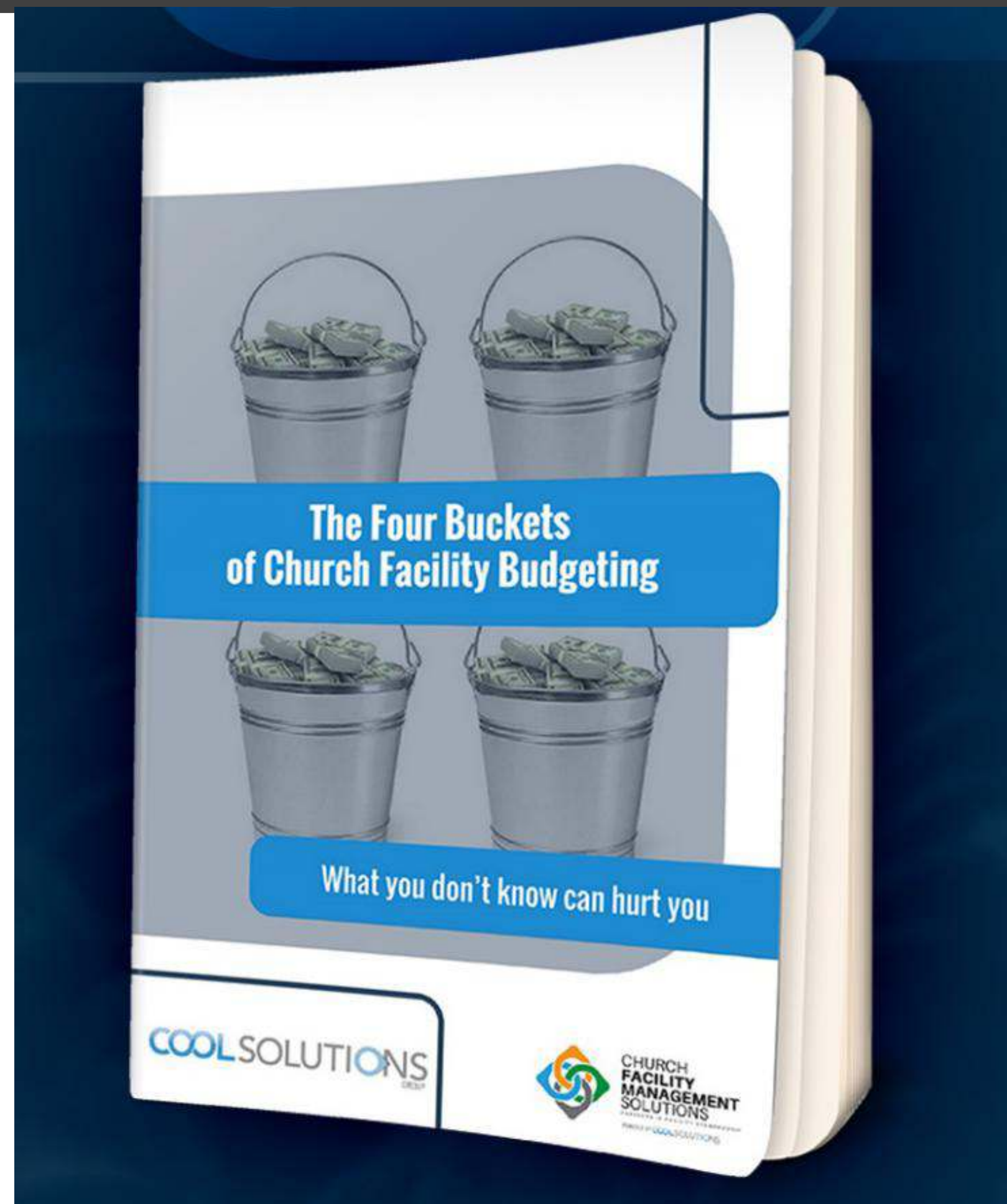


The Four Buckets of Church Facility Budgeting



Operational

- **Utilities** - \$1.00-1.50/SF annually
- **Janitorial** (labor, material, paper products, major cleaning like carpet extractions, window cleaning, etc.) \$1.75-\$2.50/SF annually.
- **General Maintenance** - The national average is \$2.50-\$3.50/SF
- **Staff** - Based on national surveys by our firm and [IFMA](#), a well-run organization has one Full Time Facility Staff Employee for every 25,000 - 35,000 SF.



Deferred Maintenance

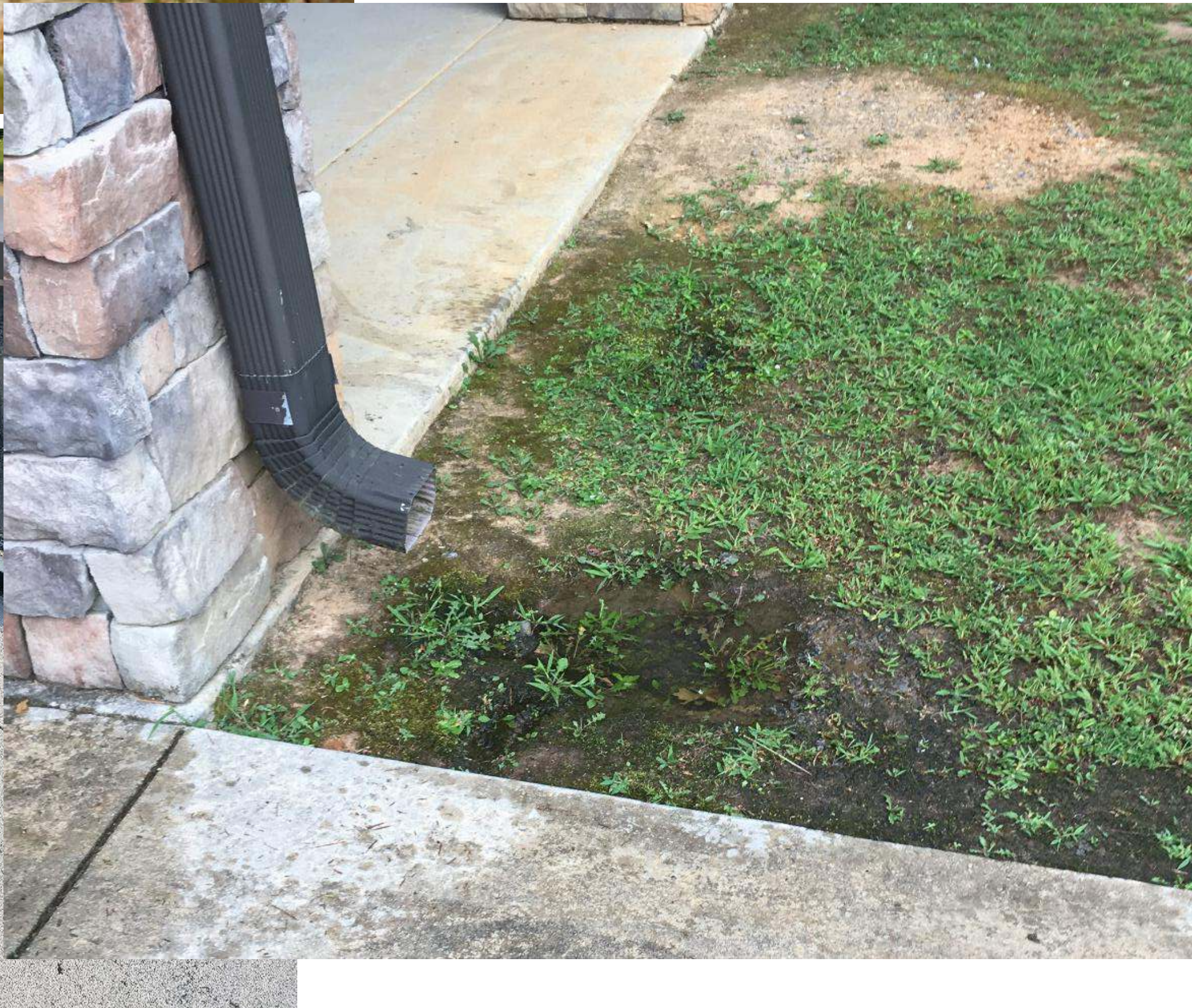
- The practice of **postponing maintenance activities** such as repairs on real property in order to save costs, meet budget funding levels, or realign available budget monies.
- The failure to perform needed repairs could lead to **asset deterioration and ultimately asset impairment**.
- Generally, a policy of continued deferred maintenance may result in **higher costs, asset failure, and in some cases, health and safety implications**.



“Every \$1 in deferred maintenance costs \$4 of capital renewal needs in the future.”

“If a necessary repair is deferred and allowed to remain in service until the next level of failure, the resultant expense will be 30-times the early intervention cost.”





- **The National Education Association** - The teachers union estimated the nationwide cost of repairing, renovating, or building school facilities and installing modern educational technology at **\$322 billion**
- **U.S. Green Building Council's Center for Green Schools** Estimates modernization costs that would enable U.S. schools to meet current education, safety and health standards. **The grand total: \$542 billion.**



CAPITAL RESERVE (Life Cycle Planning)





**FACING THE
INEVITABLE
Life Cycle
Planning**

3

FACTS



FACT 1:

**ALL BUILDINGS
DETERIORATE AT AN
ANNUAL RATE OF 1-4%**



FACT 2:

AS SUCH, NEARLY EVERY
PHYSICAL COMPONENT OF
YOUR FACILITY WILL BE
REPLACED OR HAVE A
MAJOR OVERHAUL



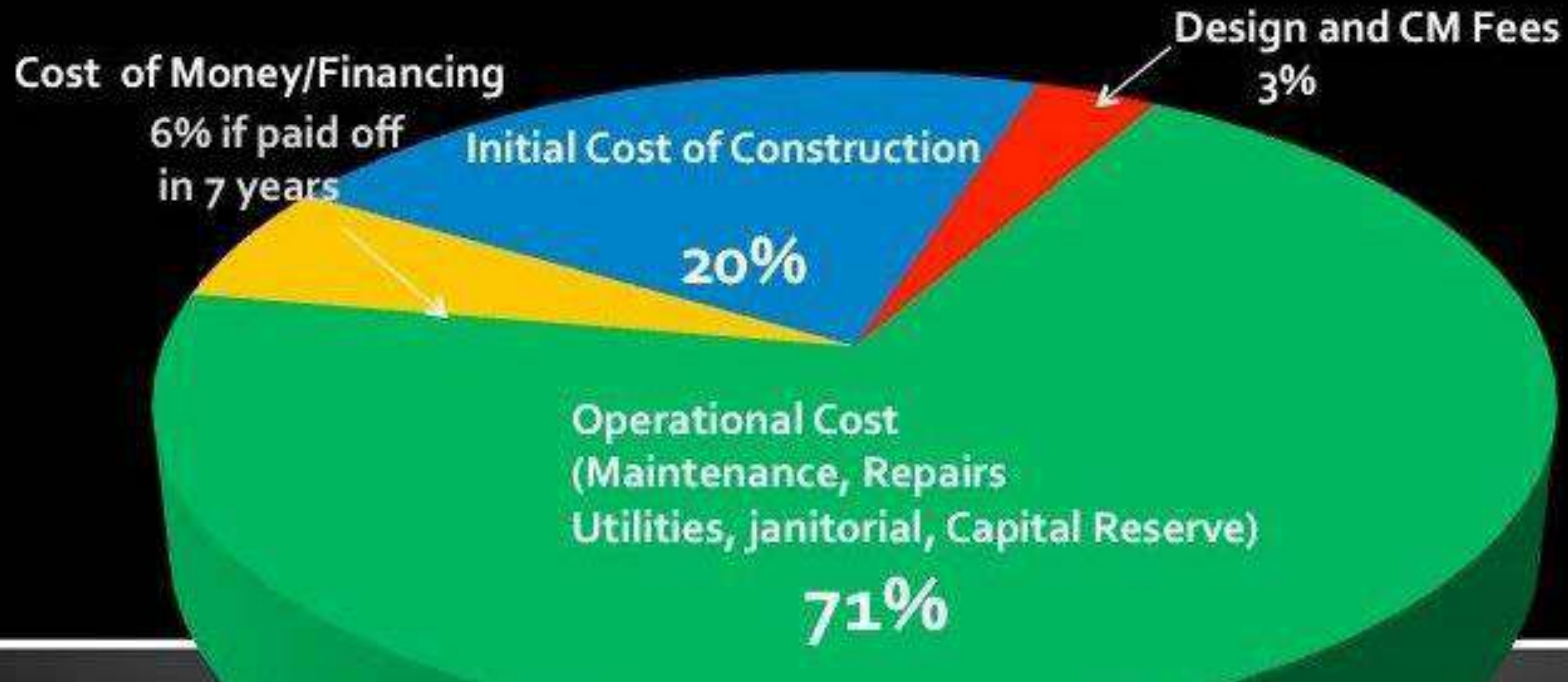


FACT 3:

**ALL THE ABOVE WILL
REQUIRE DOLLARS**



TOTAL COST OF OWNERSHIP – 40 Years



Capital Projects:

- Renovations
- Additions
- New Construction
- Repurposing





Operations



Cap X



Projects

**BEST
CASE
SCENARIO**



SMART CHURCH

S O L U T I O N S

eSPACE



The Four Buckets
of Church Facility Budgeting



What you don't know can hurt you

COOL SOLUTIONS
GROUP

