

Your Capital Budget

The Agenda

- The Initial Assessment.
- Getting the Details
- Estimating What You Will Need to Spend
- Run to Ruin or Replace on a Regular Schedule
- Strategies to Develop Your Building Fund

How to Built a Capitol Budget

The Initial Assessment

- Do an Assessment of the Building.
- Determine what repairs and improvements can be accomplished quickly and at relatively low cost that will avoid more costly repairs later.

How to Built a Capitol Budget Getting the Details

- List all the building systems you need to keep in repair.
- Estimate the shelf life of each system and how old it is right now.
- Estimate the cost of replacing each system.

Estimating What You Will Need to Spend

- Determine what funds are now available.
- Determine how much money you will need to replace each system at the end of its estimated shelf life.
- Plan to raise and put aside enough money to replace each system at the end of its estimated shelf life.

Estimating What You Will Need to Spend

System	Expected Life	Life Remaining	Cost to Replace	Amount need to have available at specific Year	Average yearly set aside
Heating/AC	20 years	5 years	\$ 25,000	2023 \$25,000	
Roof	20 years	10 years	\$ 25,000	2028 \$25,000	
Lodge Room Rug	25 years	15 years	\$ 5,000	2033 \$5,000	
Kitchen	15 years	10 years	\$ 2,000	2028 \$2,000	
Plumbing	40 years	20 years	\$ 2,000	2038 \$2,000	
Painting (interior and exterior)	12 years	7 years	\$ 10,000	2028 \$10,000 2040 \$10,000	
Parking lot resurfaced	5 years	2 years	\$ 10,000	2020 \$10,000 2025 \$10,000	
Parking lot redone	15 years	13 years	\$ 40,000	2031 \$40,000	
TOTAL				\$139,000	\$6,318

Run to Ruin or Replace on a Regular Schedule

- There are two approaches to maintaining your facility.
 - Defer maintenance until it breaks.
 - Replace on a regular schedule.

Strategies to Develop Your Building Fund

- Reserve a percentage of your annual dues income for the building fund.
- Send out an annual appeal with the dues notice asking for contributions to the building fund.
- Plan annual fundraising projects with the proceeds dedicated to your building fund.

Strategies to Develop Your Building Fund continued

- Solicit Bequests.
- Use assessments as a last resort.
- Do you need your building or can you join with other Lodges or Masonic bodies to share a building.