



Shepherd at 50 Questions and Answers

Initial answers are indicated in green.

Answers in turquoise were added 2/15/17

Answers in blue were added 2/20/17

How many classrooms are there currently in the school (including the portables)? How many are not being used for classes? How many students are there per class? How many classrooms are in the final plans?

There are 33 classrooms currently available to include the portables, the gym, the computer lab, the church parlor and the two church nursery rooms. On occasion the Worship Center has also been used as a classroom. All of the rooms listed above are used daily for classes. The average enrollment per class is 15-18 with child care classes currently full with waiting lists. Every effort is made to stay within the average number to provide optimum one-on-one and group activities in all classes.

The proposed plan reflects 34 classrooms without portables and the three rooms utilized in the church building. Many of the classrooms will be larger than their current sizes to comply with the most current suggested standards. The count may change slightly as we progress through the actual design process. However, the goals remain the same: to accommodate all students (infants – 8th grade) in one academic building while providing more appropriately sized classrooms. This design also offers the most secure environment for students.

Who is eligible to vote for Shepherd at 50?

All congregation members 18 years and older are eligible to vote. Members are expected to support the church financially. School parents and other guests are welcome to attend the meeting but may not vote if they are not church members. School parents and others are encouraged to contribute to the financial campaign and are encouraged to join the church (after the vote) if they are seeking a church home.

Is the voting for all three phases or just the first phase?

The exact wording of the ballot is available at shepherdlutheran.com/shepherdat50.

How much money does the capital campaign need to raise before the church will feel comfortable in proceeding with the building program?

Based on experience shared by the recommended capital campaign consultant, it is anticipated that at least \$2 million will be needed before proceeding with the building project.

Will the cost of the capital campaign need to be obtained before the capital campaign begins?

Most likely we'll take it out of savings as we did with the \$40,000 for the campus master plan. Pastor Chris intends to send a letter asking specific individuals to cover the \$54,000.

Is the cost of the consultant included in the capital campaign or is this over and above the campaign?

Cost of consultant is the \$54,000, which we'd cover without dipping into what is raised in the campaign. Money raised in the campaign would be used for the building payoff plan outlined in the ballot.

Is the cost of the consultant to be made as one lump sum or paid out over time?

The arrangement with LCEF Capital Funding Services calls for payment of their \$53,845 fee as follows:

- 10% upon signing agreement
- 20% at 10th week of campaign
- 30% at 14th week of campaign
- 40% six weeks after giving begins

Will there be any effort to reduce the current debt prior to incurring any more debt?

There are no current plans for a separate debt reduction campaign prior to the building fund campaign.

Please elaborate on what funding services we're getting for \$54K?

Raising a lot of money from within a congregation and its community requires a plan. Within the plan should be strategies, materials, organization, and proven ideas. LCEF Capital Funding Services will provide professional help in developing this plan. LCEF helps congregations to think seriously about the work they propose to do by bringing Biblical principles, stewardship training and discussions. LCEF will help set up teams of congregation members that will enable the congregation to effectively work together to generate funds and feel good about the funds raised to support our proposed cause. The flow of the campaign is outlined as below:

- Prepare and Orient
- Enlist and Train
- Build Awareness
- Unite in Prayer
- Journey in Worship and Bible Study
- Initial Commitments Events
- Commitment Celebration, Follow Up and Dedication Sunday
- 156 Weeks of Giving

Can we obtain a copy of the 4 committee reports?

Not sure which reports you are referring to. Any documents presented to the congregation are available on Shepherd at 50 page. If the documents you are looking for are not at this website, please let Shepherd at 50 know.

We previously asked at a town hall meeting if the committee was going to speak with local LCMS congregations on their future building plans and if there would be any discussion regarding the potential for a joint venture for a large gymnasium structure. I was informed this would be investigated. What was the outcome?

Pastor Chris has been in conversation with pastors of churches with current building programs. No opportunities for a joint venture were identified.

From the congregational meeting, it was mentioned that the learning environment was the number one priority for the church/school; however, the school's classrooms are not to note any difference for well over 10 years. Has there been any investigation from the committee to use the new projected gymnasium/administration space for classrooms?

Please be advised that the information shared at the meeting is not definitive architectural drawings, thus the number of classrooms could be more than the drawing presented shows. Your comment regarding utilizing new projected gymnasium/administration space will be taken under consideration when specific architectural drawings are undertaken.

The phasing of the master plan was informed by several factors, largely budget and space planning. We need to address the gym first in order to create more space within the existing academic building. It is not until the current gym is no longer occupied that other functions can relocate to this space, thus ultimately freeing up more room for additional classrooms. An approach considered by the committee was to concurrently renovate some of the classrooms along with the construction of the new gymnasium and admin building. However, this new construction is at the budgetary limit established by Shepherd for each phase. Not wanting to financially overburden the church, school nor those individuals giving to the plan, it was decided to move classroom renovations to the latter phases.

Per the information at the meeting, there are currently 413 students enrolled in Shepherd of the Hills. With the renovations, capacity was anticipated to be 571 from the architect's projection. How many additional classrooms would there be with this construction project (shown for each phase)?

Please be advised that the information shared at the meeting is not definitive architectural drawings, thus the number of classrooms could be more than the drawing presented shows. Once specific architectural drawings are completed more classrooms than the projected 34 could be realized.

413 students is how many are currently enrolled, not necessarily the current capacity. Post-renovation, enrollment could grow to 571 students and meet the Texas Education Agency suggested capacities per square footage as well as Shepherd's elected student-to-teacher ratios.

Can we attain a copy of the full architectural report prior to the vote?

Please be advised that there are no full architectural drawings or reports to view. The drawings presented at the meeting are those of the overall design person and are subject to change when specific architectural renderings are completed.

A master plan reviews a school campus holistically, with emphasis on student and vehicular circulation, safety and security, building code compliance, Americans with Disabilities Act compliance, building siting, space planning, and strategic modernization for future growth. It is not the intent of a master plan to develop finalized floor plans nor square footages.

What is the basis of cost estimates for the project? How was the 8 million for phase I and 20 million for the entire project calculated as being reasonable? Can you provide the calculations (i.e. this is not the same as what is the max amount we can secure a plan for)?

The cost estimates are arrived at using a few methods concurrently. We rely most heavily upon years of past projects with similar scope to determine construction costs. We determine the actual unit cost from these projects (i.e. \$xxx / square foot) and apply that to the proposed plans for the current project. If there is not scope from past projects that is applicable to the current project, there are many published resources available to determine unit costs. We also rely upon our relationships with local contractors to discuss the current labor and materials costs. By combining these methods, a fairly accurate estimate can be achieved for work that is imminent. As stated during the last Town Hall, it is nearly impossible to accurately predict construction costs that are several years away due to fluctuations in oil prices, steel prices, and amount of local construction work. All of these factors influence cost; thus these estimates are called 'rough orders of magnitude'.

What would be the structural look from Wurzbach? The building will likely obscure the church when driving down Wurzbach towards Bandera. The beautiful church will likely be no longer viewed until you arrive at the property address?

Please be advised there are no full architectural drawings at the present time. Your question will be presented when architectural drawings are being completed.

Determining the exterior appearance of buildings is beyond the formal scope of a master plan, although building heights, locations, and resultant sight lines are certainly considered while studying various options. The location of the new building is the best option in terms of minimizing impact to existing parking, connectivity to the existing academic building, correcting existing grading and drainage issues, preservation of heritage oak trees, and ultimately the best use of a very tight, landlocked site. The church is still visible while traveling east on Wurzbach.

We are aware from the congregational meeting that 35 parking spaces would be lost in this process. What percentage of overall parking reduction is that for the church?

The percentage is approximately 13%. As mentioned above, siting the new building where proposed has the least impact on parking. In discussions with church and school leaders, the only event that consistently fills the parking lots is Ramfest, held once per year.

With the proposed gymatorium space that would also have meeting rooms, what is Shepherd's plan with the two homes behind the church? Could the houses be utilized as classroom and possibly eliminate the use of two portable buildings ? (New comment added 2/20/17)

At this point, there have been no discussions by the Shepherd at 50 committee as to what the plan for the houses would be. Your question will be presented for consideration.

Did the committee discuss selling the homes behind the church to help offset the debt if it is no longer needed with the additional meeting rooms in the new space?

At this point, there have been no discussions by the Shepherd at 50 Committee as to what the plan for the houses would be. Your question will be presented for consideration

What is the projected flow of traffic for drop off/pick up with this new structure?

Please be advised there are no full architectural drawings at the present time. Your question will be presented when architectural drawings are being completed.

The only reasons I've heard for the gymnasium are that it provides two courts and the ability to host tournaments. Am I missing something?

The gymnasium would allow for a single school entry at the front of the campus. Currently people have to search for the school office and have to be buzzed into the cafeteria to access classrooms. This potential benefit of the gymnasium is important for access and security.

Athlete safety - the current gym has about a foot between sidelines and the wall. A junior high athlete running at top speed is likely to crash into the wall during a basketball game.

Locker rooms for changing and showering.

A greater sense of school pride for our student athletes. Our gym has a reputation as a small, old gym, and students notice the difference when they play in other facilities.

Circulation - gym activities have to pause as families cross the court to enter classrooms. This is an inconvenience and safety hazard.

The gymnasium would free the current gym space to become the cafeteria, which is currently very small and requires many lunch shifts throughout the day. This move would have a domino effect of opening up the current cafeteria for other uses and would set things up for phase two of the master plan, classroom renovations.

Ability to host wedding receptions. A nicer interior finish would need to be used.

Ability to rent out the space for profit.

Ability to host our auction and other events that don't fit into our gym.

Alternative worship space - possibility to reach more people through a contemporary service using the stage area. Other churches have seen people drawn to a non-traditional space as a second worship venue.

Would the loan be issued and construction started prior to the raising of all the amount stated in the capital campaign? If not, what are the consequences to the congregation if we do not raise the projected amount?

Construction would not begin until a minimum amount of at least 2 million dollars has been raised

Did the committee discuss the possibility of a capital campaign fund to lower Shepherd's current debts owned prior to taking on new debts?

There has been no discussion by the Shepherd at 50 committee to discuss a capital campaign to lower the current debt.

What was the average church membership and annual contributions over the previous 10 years?

Financial History

	Offerings	Attendance	Baptized Communicant	
2007	1,020,783	678	1274	925
2008	1,051,131	694	1161	967
2009	1,088,354	665	1188	975
2010	1,094,370	708	1187	980
2011	1,133,615	703	1141	937
2012	1,141,222	670	1094	895
2013	1,170,370	624	1058	869
2014	1,159,174	603	1068	891
2015	1,179,272	567	1072	895
2016	1,134,388	571	1112	912

Is the old church/current school administration building going to be demolished first to allow as much space utilization of the Gymatorium when built?

The recommendation from LPA is to demolish the old church to make room for the proposed new gymatorium. All of the materials that can be saved from this building will be utilized in the new building.

Answers to the following questions are being prepared by the Shepherd at 50 committee and will be posted when ready:

How much revenue does Shepherd project to receive by being able to host tournaments in this new space (keeping in mind consideration that there is minimal parking and likely would need to lease space and provide shuttled transportation to the site)?

What increase in church membership does Shepherd expect from a new gym?

What is the current appraised value of Shepherd and what is the projected appraised value after phase I if these plans were executed at today's valuation?

It appears based on the provided amortization schedule that Shepherd will still be ~10 million in debt in 2037 for just phase I and II, is this correct?

Can you provide the estimated percentage of each dollar given to the church for each of the following, if the gymnasium is approved?

- a. Outreach Church
- b. Gymnasium
- c. External real and charitable giving

It was stated at the congregational meeting that tuition would likely rise to assist in the debt assumption. What is the projected increase in tuition now? In the past 4 years tuition has already increased 12% which has outpaced the rate of inflation, as well as the national average of wage growth.

What has been the enrollment in the school the past 5-10 years? This information would enable the congregation to be able to have an appreciation if enrollment has been consistently increasing or if it is fluctuating or declining over time.

What percentage of children continue at Shepherd after the early childhood program (i.e. continue to kindergarten/first grade)?

What results have been obtained from valuation studies to determine at what price point tuition should be capped before enrollment numbers begin to decline?

It appears that the only loan offered by the CEF is an adjustable rate mortgage with a term reset every 3 years, is this correct?

The current amortization schedule is assuming a fixed rate of 3.5%. With the Federal Reserve projecting future rate increases as the American economic forecast is projecting stabilization, borrowing costs will continue to rise. Can you provide amortization schedules to the congregation for rate increases that we will likely incur as during the projected life of the loan (i.e. current payoff date/time does not make sense with the way the loan would be structured).

Did the committee discuss a greater capital campaign fund goal? It appears from the loan structure that the amount that needs to be raised is a minimum of ~35%. That would show the congregation's dedication to taking on this endeavor.

It also appeared from the loan application documents that the church must raise extra money to place in reserve, as we do not qualify for the current payments with our current offering. Even the bank's paperwork suggests a max loan amount of less than 4x of the church's revenue. What is the current revenue?

What is the total estimated to be paid to CEF over the term of the loan (just the 8 million construction project)?