

# Building Faith

## Phase 1 Review

### Financial Summary

All figures shown are as of 03/31/2024

Cash Balance of General Fund	\$278,000	
Phase 1 Construction Cost to Date (Paid)	\$663,000	
Outstanding Payments Due (To Be Paid)	\$239,000	
Phase 1 Anticipated Total Cost	\$902,000	See Note 1
Phase 1 Budgeted Total Cost	\$951,732	See Note 2

Note 1 - In addition to payment to the General Contractor, this includes payments for architecture, interior design and geotechnical testing services.

Note 2 - Accordingly, the budgeted figure included general contractor, architecture, interior design and geotechnical testing services. These figures do not include other building project related costs such as furnishings, audio equipment, storage space rental, Middle School rental and similar ancillary costs incurred which had been planned for but are not directly associated with the construction bid cost.

### Loan Summary

Construction Loan Amount	\$500,000	See Note 3
Current Amount Borrowed	\$ 0	
Amount Projected to be Borrowed	~ \$186,875	See Note 4

Note 3 - The loan interest rate is 7.34%. The loan maturity date is November 17, 2024, meaning the church is obligated to pay interest only for any funds borrowed up to that date. After the maturity date, the church is obligated to pay principal + interest for any amount borrowed.

Note 4 - Amount to be borrowed will depend on due date of final payments, amount to be held for regular operating expenses, and tithe contributions. Also, amount may be significantly less as capital campaign contributions offset the need to borrow in November. Year to date contributions have exceeded expenses by \$22,000. Contributions are below budget but the budget was intentionally conservative to include charges for loan interest, associate pastor salaries, etc. that are not currently being paid out.

### Other Relevant Figures

Faith 2024 Annual Budget \$903,501      3-Month Operating Budget & Desired Cash Reserves \$225,875

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## Building Strategy Phase II & III

Projected Cost of \$3.5MM based on April 2024 estimate from Kevin Price Construction

As we look to expand our facilities in Phase 2 and Phase 3 of the building project, we want to make sure we are utilizing financial resources strategically. To do this effectively, we will strive to combine three primary objectives:

- The desire of the church members and leadership to minimize the use of debt throughout this project with the ultimate goal of completing Phases 2 and 3 without any long-term debt outstanding. Any debt or line of credit to be used for Phase II & III would require a congregation vote for approval. The line of credit for Phase I that was approved for \$500k matures in November 2024.
- To move through this expansion project efficiently, maximizing the value of our dollars by building in line with the Master Plan and working with contractors at a pace we can control but that also allows them to schedule and prioritize our project.
- To make additional office, classroom, fellowship hall, and sanctuary space available as soon as possible. There is an immediate need for space today so delaying the start of construction would delay the gospel impact of the project.

Before starting with Phase II, any debt that is accrued from Phase 1 will be paid in full. The project would then commence in stages following the outline below.

Stage 1: Proposed Start Date: Fall 2024 – Begin work on detailed architectural and civil plans for Phase II as well as any permit or zoning changes needed to be approved by the county. All prep work that can be done prior to construction activities beginning.

Stage 2: Proposed Start Date: Summer 2025 - Acquire civil permit from the county. Complete grading for the new building and parking lot, any septic/sewage work underground, and utility prep work needed for Phase II.

Stage 3: Proposed Start Date: Fall 2025 - Acquire architectural permit from the county. Construction of new building, including fellowship hall, kitchen, and classroom spaces. All exterior work including the parking lot and all structural interior work will be completed here. Includes power, water, HVAC, and other utilities.

Stage 4: Proposed Start Date: Spring 2026 - Finalize interior construction throughout the new space. This will include all paint, flooring, and ceiling details throughout the building. Includes full build out of classrooms and bathrooms.

Stage 5: Proposed Start Date: Summer 2026 - Finalize fellowship hall and kitchen, including tables, chairs, kitchen appliances, AV system, etc. Completes Phase 2 of the Master Plan.

Stage 6: Proposed Start Date: Fall 2026 - Phase 3 of Master Plan. Sanctuary expansion.