

Special Congregational Meeting Presentation Slides Content

ECC Building Expansion Special Congregational Meeting July 19, 2022

Agenda

1. Prayer
2. Acceptance of Agenda
3. Presentation
3. Discussion/questions
4. Motion*
5. Adjournment

***Motion wording is on the ballot and a later slide**

The Vision

- reach those in our community who don't yet know Jesus Christ
- a place for ministry and outreach to happen for generations to come
- the ability to manage growth as it occurs, not after
- growth in faith, regardless of the vote outcome

The Need

- expanding for future growth
- use of gym for Children's Ministry
- weddings - connect with non-church couples
- space to host more community groups & events
- dedicated youth space
- pre-school/daycare

Expansion Overview

- 2006 - Existing facility built
- 2013 - Debt free
- March 2014 - Core Team members vote to save for expansion
- 2015 - Est. project cost \$6M
- March 2021 - \$4M saved

Expansion Overview Cont'd

- Spring 2022 - Development Permit application
- June 2022 – Tender issued

- June 30 – Tender results
- July 4 – Pastor’s Council decides to proceed with debt load vote

Tender Process & Results

- Feb 2022 - Tender est. \$7.3M
- June 2022 - Post tender cost \$7.8M
- Some costs not in the tender

Costs Not in Tender

- \$1.64M
- Electrical design, architect fees, audio/visual/lighting, security system, furniture/appliances

Total Project Cost

- In tender - \$7.98M
- Not in tender - \$1.64M
- **TOTAL: \$9.62M**

Additional Monthly/Operational Costs

- Mortgage payment – based on 20 yrs. @6% - \$27,000
- Operational expenses - additional \$7,000/month
- Stormwater management no longer an issue

Examples of Possible Deferrals

- Basement – shell only – \$386,000
- Some A/V/L rough-in only - \$157,000
- Deferrals could impact programs, Sunday gathering experience and revenue

Debt Load Required

| | |
|---------------------------------------|----------------|
| TOTAL PROJECT COSTS | \$9.62M |
| (including items not tendered) | |
| | \$4.9M |
| Funds Available | |
| (as of June 30, 2022) | \$342,705 |
| Paid to Date | |
| (as of June 30, 2022) | \$3.85M |

**Debt Load Maximum
(approved by PAOC)**

\$500,000

Additional funds to be raised

Debt Load Motion (on the ballot)

**The Eaglemont Church Pastor's Council proposes the following motion:
That the membership of Eaglemont Church authorize the church to incur a debt load of up to \$3.85M for the construction of the building expansion.**

The ballot response:

YES, I support this recommendation _____

NO, I do not support this recommendation _____

What a "Yes" Vote Means

- Accepting the max. \$3.8M debt load (could be less)
- Knowing that monthly mortgage payments will be \$25-\$27K & additional operational costs of \$7K/month

What a "No" Vote Means

- Not undertaking a debt load; continuing to save
- Recognizing there will be cost escalations for construction & possibly interest rates
- Recognizing need to revisit drawings, re-engaging Construction Manager, re-tendering, reapplying for permits – est. \$300K

Yes/No Vote Pros & Cons

YES

- Pros**
- less costly to build now than later
 - ability to expand ministry/outreach immediately (ie. weddings, pre-school, youth)
 - space for growth when and as it occurs instead of plateauing
 - giving trends typically increase with construction

- Cons**
- \$3.85M debt load + added \$400K/yr for operations will be challenging
 - construction inconvenience
 - current attendance makes expansion seem unnecessary

NO

- Pros**
- less burden with no debt or increased operational costs

- Cons**
- \$300K spent to date can't be recovered and would need to be spent again
 - continued inflation and higher interest rates will outpace ability to raise funds
 - harder to raise funds for project with unknown start date