

## **Report to Church from Phase One Implementation & Budget and Finance Committees**

January 8, 2012

I have some exciting news to report today. On January 3 your Phase 1 Implementation Committee and your Budget and Finance enthusiastically and unanimously approved construction of the new Cross Roads addition. Our church, and I am certain our committee members, have been in prayer about the decision we faced. Because of that time in prayer, it was so evident to me that we all felt a strong sense of affirmation that this was what God wanted us to do. Our committees have had a lot of meetings and candid discussions over that past two years and to see our entire group come together in such a positive way on such an important decision was wonderful to witness!

We received a guaranteed maximum price of \$2,038,425 from Orion Construction to complete the project. I also need to mention for the record that the church voted on April 25, 2010 to grant the two committees the authority to move forward with the project subject to their joint agreement, which has now been unanimously reached.

For those of you who are relatively new, let me explain that the Cross Roads addition will be an addition to our current church facilities which will be located in what is currently a small parking lot between the educational building and the current library/foyer area. It is called Cross Roads because it will connect many of the major portions of our church and make navigating this building much easier. It will provide an attractive natural entrance, which our church has long needed. It will also go a long way toward addressing the handicap accessibility issues in our buildings. The project includes new handicap accessible restrooms, a new library/media center, attractive additional gathering space around our sanctuary and a new exit from our sanctuary that will open into what is now the current library.

Let me share a few other facts that I think are important. Our initial cost estimate from our architects was \$2.7 million and thru their work, along with our contractor and our committee, we have reduced the cost by almost \$700,000. Current interest rates are at an all time low, even lower than they were when we started this in 2009. Construction costs remain low so it is advantageous for us to move quickly, as they are expected to rise very soon. Our committee strongly believes that by moving forward on this project, we are sending a very positive message about our church to a prospective pastor as well as the entire church body.

To let you know what to expect, our Trustees will be signing a contract with Orion very soon. At that point they will begin getting the appropriate permits and we'll see some evidence of work being done in the very near future. The initial work will involve moving utilities and other work within the building envelope, which must take place before the actual building construction begins. The building completion is forecasted to be December 14 of this year, which would be a GREAT Christmas present for our First Baptist family!

We all know it is difficult to predict an exact date of completion and our project is more complex than most because it involves not only new construction but also tearing down and

moving things. That being said, Orion has a great track record of completing their building projects on time and within budget.

Our committee thought it would be helpful to remind everyone how we got to this point so I'll try to do that.

In May of 2009 our church approved a recommendation from our Facilities Master Plan Committee to implement Phase 1 of their plan which included building repairs and maintenance and constructing the Cross Roads facility. That was followed by a capital campaign in the fall of 2009 with a goal to raise \$3.5 million which is the amount required to fully implement the plan and be debt free.

The church actually pledged \$1.8 million and to date we have received \$1,525,229 of that pledge. We have one year remaining on the three year pledge period and are hopeful that we will reach that goal.

The phase 1 Implementation Committee, which I chair, was established and approved by church vote in December of 2009. Other members of that committee include Gerald Caudill, Kendall Barrett, Betty Dixon, David Peterson vice chair, Ida Read, Jason Lamons, Hubert McCullough, Libby Green and Andy Womack. The ex-officio members include Chair of the finance committee which was Gary Green and now will become Jerry Allen and Phil Potratz as a staff member. The finance committee members who were present and voted to approve the project, and remember they serve 3 year terms and rotate off yearly, included Gary Green outgoing chair, Jerry Allen incoming chair, Doug Brown, Nancy Bragg, Lara Coty, Kippy Todd, Nancy Moore, Brother McCullough and Judy Campbell deacon Chair 2011 which position serves as an ex-office member of Budget and Finance and staff representative Phil Potratz.

Next I want to recap what has been done thus far relative to the goals of the Phase 1 Master Plan:

1. Our maintenance and improvement projects are complete at a cost of \$405,000.
2. Our bank loan in the amount of \$785,772.67 is now paid in full. You'll recall the proceeds of the loan were used to acquire the Employment Security building and the law building at Vine and Academy.
3. We have building plans and construction documents and have paid most of that cost.
4. We have \$141,000 in our capital fund account.

Now we move to the construction phase. We must finalize a loan to fund what our capital campaign didn't. We expect to borrow a maximum of \$2 million for construction and after we receive all of our capital campaign contributions we expect to have a permanent loan for approximately \$1.6 million. I should also mention that we are attempting to sell the lot we own on Academy and State Street and hope to receive \$200,000 for it, which will be used to further reduce our indebtedness. We will be making monthly interest payments during the construction period and then begin monthly principal and interest payments with an

amortization term of either 15 or 20 years. We of course hope to have this paid off much more quickly.

In summary, while it has taken us longer that we would have preferred to get to this point, I think we can all see that while much is to be done, a lot has been accomplished.

As I close I want to encourage you, should you have questions, to ask any member of the committees and if we don't have an answer we will get you one.

Finally I want to ask two things of each of you. First be in prayer for our church and its leaders as we move forward with this project. Second, PLEASE support your church financially by giving to our budget consistently AND by supporting our capital campaign. You can do that by completing your pledges. If you haven't made a pledge I would ask you to prayerfully consider doing so. It is NOT too late! If you have made a pledge and completed it I encourage you to continue giving if you can do so. If you don't feel comfortable in making a formal pledge you can still contribute and I hope you will!

I look forward to the days ahead and we move to complete our Cross Roads addition.

Charlie Myatt  
Chair Phase 1 Implementation