

CONGREGATIONAL MEETING

5/21/17



PROVERBS 3:5-6

- ⁵ Trust in the LORD with all your heart,
and do not lean on your own
understanding.
- ⁶ In all your ways acknowledge him,
and he will make straight your paths.

OFFICIAL PROPOSAL & EXPLANATION

The leadership team is proposing that we purchase the Community Evangelical Free Church building located at 4501 Franklin Street for a price of no more than \$400,000 for the building with the contingency of the sale of our church building (4516 Derry St.) at an expected price of \$250,000 and with the intent to also sell our church office building (4600 Derry St.) at an expected price of \$120,000.

PURPOSE AND PROCESS



HINDRANCES OF CURRENT SPACE

- Space in the main worship space, children's area, and fellowship/multi-purpose space.
- ADA Compliance.

HOW CAN WE BE
FAITHFUL
TOWARDS
ACCOMPLISHING
OUR MISSION OF
MAKING
DISCIPLES?

Obstacle #1: Sanctuary Seating Capacity

- The 80% Rule: A theory that a sanctuary's seating capacity is only 80% of the number of actual seats.
- At CAC, we have about 135 seats setup every Sunday, which is about 108 using the 80% rule

Obstacle #2: Children's Ministry Space

- Our current facility has 1 Nursery, 1 very small Pre-K room (which was a storage closet before we re-purposed it), and one larger room that is separated by a movable wall for a total of 4 children's ministry rooms.
- The Jr. High youth walk across the street to the ministry center for their biweekly Sunday morning meetings

Obstacle #3: Fellowship Space

- Very limited space for a group social meeting.... Missionary meetings, soup nights, etc. are limited as a result

Obstacle #4: Access for people with disabilities

- No ADA access to top floor, No restrooms on the top floor, No ADA compliant restrooms



How did we get here?

- The Leadership Team began discussing the issue of church growth at the beginning of our 2016 LT term
- After much discussion and prayer, we decided to pursue the idea of multiple services
- Heeding the advice of Proverbs 15:22 “Plans fail for lack of counsel, but with many advisers they succeed.”, the team reached out to several other pastors who had launched successful multi-service structures
- Feedback from them and our denominational leadership was unanimous – such a structure for a church our size would create a feeling of a VERY small church and would place a heavy burden on those that faithfully serve during worship services
- In the fall of 2016, the LT decided against pursuing a second service
- Nearly at the same time, the pastor at CEFC approached CAC regarding a possible sale of their facility and our interest in it.

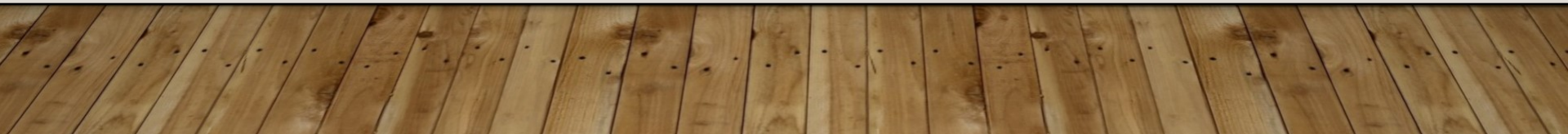
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How did we get here?

- At this point, CEFC had not officially voted to move, so the pastor asked CAC to keep our discussions in strict confidence
- A tour of the building was held, where we were pleasantly surprised that the CEFC facility:
 - Doubles our seating capacity
 - Has 7 nicely sized educational rooms
 - Has a fellowship hall that would seat 144 people, which is almost triple the capacity of our current “fellowship hall.”
 - Has ramp access to the sanctuary with an ADA compliant restroom on the same level as the sanctuary
- Since this time, the LT has been faithfully praying for the opportunity, seeking His plan for us.
- Additionally, several additional tours and building inspections have taken place, finances have been discussed and analyzed, the CEFC church body has officially voted to move, and the C&MA Eastern District Executive Committee has reviewed and approved a purchase of the CEFC property

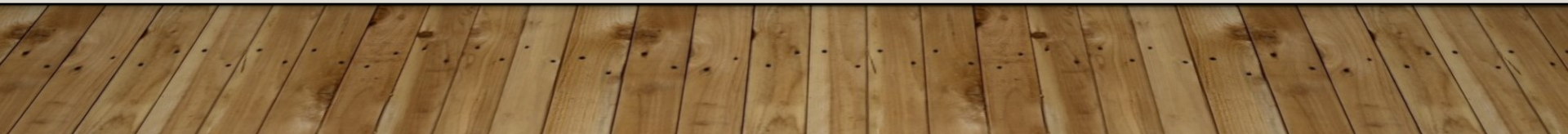
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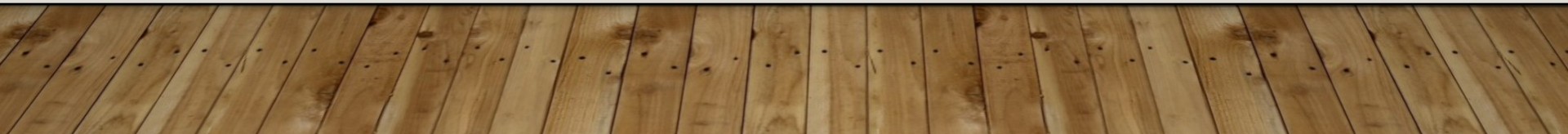
Summary:

- For the reasons mentioned, and due to the favorable financial analysis that Kevin will present, the CAC Leadership Team has concluded that the purchase of the CEFC property, along with the sale of our existing properties, is the next step God wants us to take towards accomplishing our mission of making disciples.

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FINANCIAL IMPLICATIONS



OUR CURRENT PROPERTIES / ASSUMPTIONS:

	Purchased	Price	Balance	Monthly Pmt
4516 Derry St.	Aug-08	\$250,000.00	\$139,743.49	\$1,382.99
4600 Derry St	Aug-13	\$98,500.00	\$55,800.01	\$378.49
				<u>\$1,761.48</u>

SALES ASSUMPTIONS:

Sell for \$250k	\$	110,300		Purch. Assum.
Sell for 120K	\$	64,200		\$ 400,000
Equity Gained	\$	174,500		\$ 144,500
Commissions (8%)	\$	(30,000)		\$ 255,500
Cash for Down Pmt.	\$	144,500		

ANTICIPATED MORTGAGE INFORMATION:

Annual	\$ 255,500	Mortgage
(\$21,090.62)	5.5%	Interest
Monthly	20	Years
(\$1,757.55)		

Type	Group	Account Description	What if?	Bud 2017	Act 2016
Income Total			\$ (191,909)	\$ (191,909)	\$ (191,909)
[-] Expense	+	District Fee	\$ 9,000	\$ 9,000	\$ 8,148
	[-]	Facility			
		Facility : Phone	\$ 875	\$ 875	\$ 936
		Facility : Rental	\$ 500	\$ 500	\$ 545
		Facility : DSL - ***	\$ 1,075	\$ 2,000	\$ 1,075
		Facility : Electric- ***	\$ 3,020	\$ 3,300	\$ 3,411
		Facility : Heat- ***	\$ 2,967	\$ 1,800	\$ 1,831
		Facility : Maintenance- ***	\$ 9,291	\$ 8,500	\$ 5,491
		Facility : Mortgage- ***	\$ 21,091	\$ 21,150	\$ 21,138
		Facility : Sewer- ***	\$ 480	\$ 980	\$ 972
		Facility : Trash- ***	\$ 1,279	\$ 350	\$ 407
		Facility : Water- ***	\$ 673	\$ 400	\$ 386
		Facility Total	\$ 41,250	\$ 39,855	\$ 36,191
	[-]	Health Insurance			
		Pastor Health Insurance	\$ 17,700	\$ 17,700	\$ 17,810
		Pastor Health Savings			
		Health Insurance Total	\$ 17,700	\$ 17,700	\$ 17,810
	[-]	Insurance			
		Insurance- ***	\$ 3,184	\$ 8,300	\$ 7,771
		Insurance Total	\$ 3,184	\$ 8,300	\$ 7,771
	[-]	Missions			
		Community Care	\$ 1,726	\$ 1,726	\$ 1,580
		Great Commission Payment	\$ 9,216	\$ 8,632	\$ 9,216
		Missions (Non-GC) Expense	\$ 8,900	\$ 6,905	\$ 8,938
		Missions Trip	\$ -	\$ 2,500	
		Missions Total	\$ 19,842	\$ 19,763	\$ 19,734
	[-]	Office			
		Office Equipment	\$ 1,200	\$ 1,200	\$ 2,931
		Office Expenses	\$ 705	\$ 705	\$ 340
		Office Total	\$ 1,905	\$ 1,905	\$ 3,271
	+	Other	\$ 14,267	\$ 14,267	\$ 17,709
	+	Payroll	\$ 81,661	\$ 81,640	\$ 76,049
Expense Total			\$ 188,810	\$ 192,430	\$ 186,683
Grand Total			\$ (3,099)	\$ 521	\$ (5,226)


Notes:

- Utility costs are actuals from CEFC
- New Mortgage would actually be less than current mortgages
- Maintenance includes cleaning 5hrs/wk. (\$2,600)
- Insurance Savings is related to flood insurance

OUR CURRENT PROPERTIES / ASSUMPTIONS:

	Purchased	Price	Balance	Monthly Pmt
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				<u>\$1,761.48</u>

SALES ASSUMPTIONS:

Sell for \$250k	\$	110,300		Purch. Assum.
Sell for 120K	\$	64,200		\$ 400,000
Equity Gained	\$	174,500		\$ 144,500
Commissions (8%)	\$	(30,000)		\$ 255,500
Cash for Down Pmt.	\$	144,500		

ANTICIPATED MORTGAGE INFORMATION: If the office doesn't sell

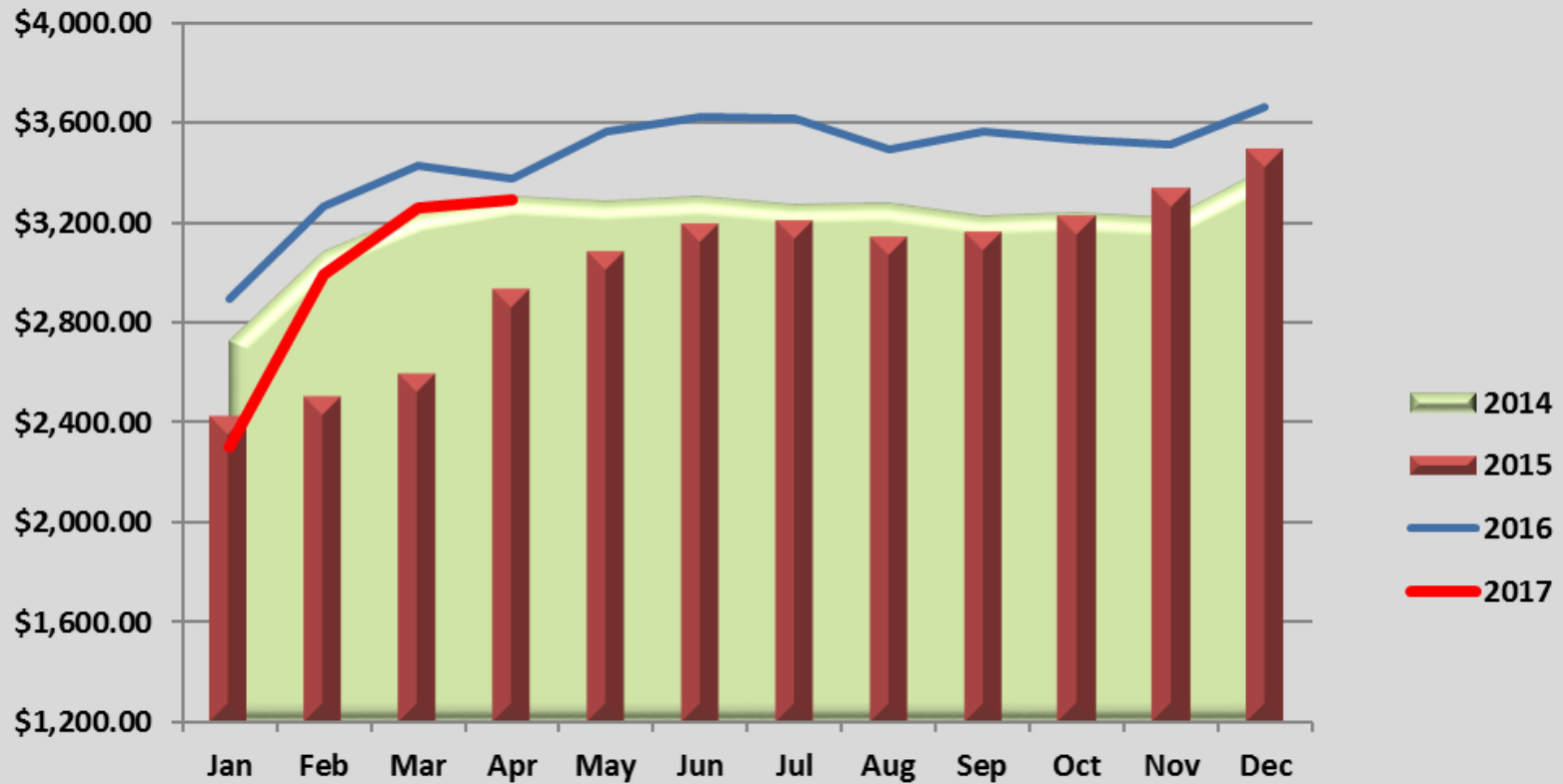
Annual	\$ 287,700	Mortgage
(\$23,748.62)	5.5%	Interest
Monthly	20	Years
(\$1,979.05)		

Type	Group	Account Description	Only sell church	What if?	Bud 2017
Income Total			\$ (191,909)	\$ (191,909)	\$ (191,909)
[-] Expense	⊕ District Fee		\$ 9,000	\$ 9,000	\$ 9,000
	[-] Facility	Facility : Phone	\$ 875	\$ 875	\$ 875
		Facility : Rental	\$ 500	\$ 500	\$ 500
		Facility : DSL - ***	\$ 1,075	\$ 1,075	\$ 2,000
		Facility : Electric- ***	\$ 3,820	\$ 3,020	\$ 3,300
		Facility : Heat- ***	\$ 3,467	\$ 2,967	\$ 1,800
		Facility : Maintenance- ***	\$ 9,291	\$ 9,291	\$ 8,500
		Facility : Mortgage- ***	\$ 26,020	\$ 21,091	\$ 21,150
		Facility : Sewer- ***	\$ 780	\$ 480	\$ 980
		Facility : Trash- ***	\$ 1,279	\$ 1,279	\$ 350
		Facility : Water- ***	\$ 673	\$ 673	\$ 400
	Facility Total		\$ 47,780	\$ 41,250	\$ 39,855
	[-] Health Insurance	Pastor Health Insurance	\$ 17,700	\$ 17,700	\$ 17,700
		Pastor Health Savings			
	Health Insurance Total		\$ 17,700	\$ 17,700	\$ 17,700
	[-] Insurance	Insurance- ***	\$ 4,997	\$ 3,184	\$ 8,300
	Insurance Total		\$ 4,997	\$ 3,184	\$ 8,300
	[-] Missions	Community Care	\$ 1,726	\$ 1,726	\$ 1,726
		Great Commission Payment	\$ 9,216	\$ 9,216	\$ 8,632
		Missions (Non-GC) Expense	\$ 8,900	\$ 8,900	\$ 6,905
		Missions Trip	\$ -	\$ -	\$ 2,500
	Missions Total		\$ 19,842	\$ 19,842	\$ 19,763
	[-] Office	Office Equipment	\$ 1,200	\$ 1,200	\$ 1,200
		Office Expenses	\$ 705	\$ 705	\$ 705
	Office Total		\$ 1,905	\$ 1,905	\$ 1,905
	⊕ Other		\$ 14,267	\$ 14,267	\$ 14,267
	⊕ Payroll		\$ 81,661	\$ 81,661	\$ 81,640
Expense Total			\$ 197,152	\$ 188,810	\$ 192,430
Grand Total			\$ 5,244	\$ (3,099)	\$ 521

Notes:

- Utility costs are actuals from CEFC
- Mortgage assumes 6mo of office mortgage.
- Maintenance includes cleaning 5hrs/wk. (\$2,600)
- Insurance Savings is related to flood insurance

Ytd Avg Wkly Giving



Note: Each of the last 3 years we have grown in total giving. Our assumptions for all of the “what if” scenarios showed us having our income the same. This year we have all but caught up to the 2016 pace.

STRUCTURE DETAILS

- Original construction in 1930 with additions in 1956 and 1975.
- Central air was installed on the top two floors in 2006 and window units are used in the basement.
- The Electrical service was upgraded to a 240 volt system in 2006.
- The boiler was replaced in 2014 including new zone pumps, controller, updated hot water heat zoning.
- The roof was inspected and found to be defect free outside of several gutter repairs in 2013.
- Significant cosmetic renovations performed throughout building.



NEXT STEPS

- Commit to prayer for this process.
- Prepare, list, and negotiate the terms of sale on our current properties.
- Negotiate the terms of purchase for the CEFC church property.
 - This will include inspections, negotiations on what items will remain at the facility, and gathering quotes on what physical enhancements need to be made prior to our move to the facility.

NEXT STEPS

- If the purchase price of the CEFC building exceeds the approved vote today we will hold an additional congregational meeting to seek approval for purchase.
- If the combined sale price of our properties will be 10% less than the approved vote today we will hold an additional congregational meeting to seek approval for sale of our current properties.

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DISCUSSION OF --- PROPOSAL

VOTE



SECOND STAFF PERSON UPDATE

- CAC has been (re)approved for a \$50,000 grant from the district office to be distributed over the course of four years.
- We have been in discussions with the Coalition for Christian Outreach to form a partnership to bring on a second staff person that will be targeted to youth, college students, and young adults.

SECOND STAFF PERSON FINANCES

- Year One: District Grant of \$18,000. CAC responsible for \$5,000.
- Year Two: District Grant of \$14,000. CAC responsible for \$9,000.
- Year Three: District Grant of \$10,000. CAC responsible for \$13,000.
- Year Four: District Grant of \$8,000. CAC responsible \$15,000.
- Year Five: District Grant of \$0. CAC responsible for \$23,000.

TELLER REPORT

Votes affirming the proposal: 34

Votes rejecting the proposal: 0