

**BUDGET MEETING  
PRESENTATION Part 2**

**Plan B**

Mac presented the preferred vision for our church:

Transfer properties to charities April 2020

MLP to finance construction of the multi purpose facility

Cascade to pay 2,000,000 for building and their portion of lot 2 (2.3 acres)

CBC to pay 3,000,000 for building and their portion of lot 2 (.5 acres)

Lot 3 (2.2 acres) to be held by MLP for potential use by either charity, or eventually sold.

**Why this recommendation?**

Easier for Cascade to secure financing in 2 years time

Gives CBC 2 years to organize financing

MLP in solid position to organize financing due to strong capital appreciation of land.

We have a verbal commitment from partners to stay invested until April 2020

**Why sell by July 31?**

Summer move much easier

Opportunity to rent at UFV exists

Opportunity to become established and develop a presence in the community right next door to our construction site

Security of having cash in hand

**Cash Movement August 1st**

Church sells for 1,700,000

Transfer to Prospera - 225,000

Balance transferred to MLP 1,475,000

CBC current interest in MLP +200,000

CBC interest in MLP Aug 1<sup>st</sup> 1,675,000

How can our funds and interests be secured?

**CBC financing of building**

Building costs projected 3,000,000

Assets with MLP by Aug 1st 1,675,000

Shortfall 1,325,000

**How do we cover shortfall**

Shortfall 1,325,000

Fundraising to Date -100,000

Lease based Mortgage (50K/yr) -550,000

Balance of Shortfall 675,000

This needs to be raised or financed by April 2020.

**Budget implications 2018**

Rent payable to UFV for 5 months

Cost 3,000 - 5,000/month depending on space

Lets call in 4,000/ month

Occupancy costs will be lower

Some ministry costs will be lower

**Budget implications 2019**

Let's assume a completion date Jun 30, 2019

Rent payable to UFV for 6 months \$4,000/m

Rent payable to MLP for 6 months \$4,000/m

**Budget implications 2020**

Rent payable to MLP for 3 or 4 months \$4,000/m

**Why \$4,000 a month to MLP?**

Debt Servicing costs	\$195,000/yr
Made up by	
Cascade current payment	\$100,000/yr
Cascade gym payment	\$ 50,000/ yr
CBC payments	\$ <u>48,000/ yr</u>
Total	\$198,000/yr

Larry Les addressed a question regarding security of these monies, replying that it is recommended by banks, lawyers that we put a (registered) prepaid lease into effect.

Pastor Matt noted his preference for renting at UFV, he and the pastors having toured the facilities and met with the staff this week.

**ON MOTION IT WAS RESOLVED:**(Norm Kruse/George Miller) Recognizing that the Limited Partnership will build the facility and the church will acquire an interest in that building, with professional advice. Discussion and Carried.

**ON MOTION IT WAS RESOLVED:** (Reg Gienger/Gord Boswell) that we advance the closing date to July 31<sup>st</sup>. Discussion and Carried.

**ON MOTION IT WAS RESOLVED:** (Karen Johnson/Pat Boswell) that we authorise the Board to find adequate facilities to rent, and to rent our church from the Limited Partnership until our church building is completed. Discussion and Carried.

The meeting was adjourned with prayer at 8:30 pm.

Respectfully submitted  
June Hunt, Secretary