



14 May 2009

Dear Family and Friends

Whilst you may have seen the latest plans posted on the notice board, it has been some time since we provided an official update on the property project. This update is very exciting and also very important, so please make sure you take the time to read it carefully and pray through the issues and concerns that it triggers. Firstly, please be aware that we have scheduled a "Property Forum" for Sunday 31st May at 2:00pm to discuss the matters of project financing and other important matters, so please put this in your diary. There simply isn't enough space in this update to cover off all of the details, particularly those relating to finances, so if you have questions, please contact Steven Tye or hold these over until the forum on 31st May.

Project Status

After receiving conditional approval from council on the revised plans in early February, we have been in discussion with [Sanders Turner & Ellick Architects \(STEA\)](#) to refine some of the conditions of approval and to establish a relationship with a builder to provide an accurate budget estimate for the project. We have been in close consultation with builder, [Dave Harney](#) who is a Christian based in Townsville who has been involved in a number of large church construction projects throughout Queensland including Mackay Christian Family amongst others. In April, members of the Deacons and Property Committee met with Dave to discuss the project and were encouraged by his knowledge and experience in completing church projects, including strategies to engage church members and to minimize project cost. Dave has provided an itemized budget for the project which is discussed below. We are more than satisfied with the honesty of this proposal given comparisons with other regional projects known to be as much as twice the cost per square meter. Dave also provides his services to us at a discounted rate.

Praise Points:

- For the diligent and gracious services of Steve Turner and Andrew Allen from Sanders Turner & Ellick Architects.
- The provision of an experienced builder and project proposal at discounted rates.
- God's financial provision to date for the project.

Right now the timing of the project is determined by the decision-making of the church. Whilst there are still planning activities to occur with [STEA](#) to create detailed plans and to arrange the necessary engineering services, these will not be started until after we have a resolution from the church on the future of project in relation to the funding, which will be the purpose of the Property Forum to be held on the 31st May.

Project Cost

Now down to the nitty gritty. You will recall from past updates that the Project Committee has always based its estimates around a total project budget of \$1,200,000. This budget was set almost 18 months ago when we first actively engaged with architects to design the building. In this time, some additional challenges including increased cost of materials and labor and increased complexities with the building itself have necessitated a revision to that estimate, provided by Dave Harney and Steve Turner. This estimate places the total construction cost at \$1,500,000 plus an additional \$200,000 provision for professional fees, engineering, fitout, headworks, demolition and contingency. Therefore, the total project budget is set at **\$1,700,000**. This is a challenging figure, but as we all know, we serve a God that makes the impossible possible; and if this project is the will of God and we submit to Him, He will make our paths straight. (Proverbs 3:5-6).

⁵ Trust in the LORD with all your heart and lean not on your own understanding;
⁶ in all your ways submit to him, and he will make your paths straight. - *Proverbs 3:5-6 (TNIV)*

Current Cash Position

Firstly, as a result of God's provision through generous givings of current and past church attendees the church currently has strong cash reserves. In 2007, a separate "fund" was created to record specific donations towards the building project. At the start, donations to this fund were very strong, though in recent times, due primarily to the fact that the message of continued financial support has been lost through the length of the project and the natural turnover of church attendees, specific contributions have declined. At the same time however, the general MBC fund has grown to a very healthy position. Between these two funds, MBC currently has approximately \$300,000 in cash which could be contributed towards the building project whilst leaving sufficient reserves for the continuation of MBC ministries and operations. (The allocation of these cash reserves would be subject to approval by the church in a general members

meeting). Therefore, it is reasonable to expect that in order for this project to proceed, we will need to find funding and financing solutions to the tune of **\$1,400,000**.

Financing Strategies

It is reasonable to expect that the vast majority of the cost of this project will need to come from people like you – regular attendees of the Church to make a financial commitment which needs to be above and beyond your existing regular offering. The first priority of MBC is not to build a building but to serve God through existing ministries which must continue to be funded. Therefore, contributions to the building fund must not be a substitute for normal tithing. Still these are very challenging financial times for our families and it is accepted that some may not be in a position to give what they would like. Attendees will be asked to submit pledges for their commitment to this project.

Through this arrangement, the required funds will need to be borrowed and repaid over a period of 15 years. Some arrangements may exist for low rate loans, however using standard BapLink rates, the repayment of \$1.4M over 15 years will require repayments of:

- \$153,000 per year -or-
- \$12,750 per month -or-
- \$2,935 per week

Other strategies exist to reduce the amount required to be repaid. These include the temporary investment of funds with BapLink by church members to offset the interest incurred on the loan. Other creative strategies are being considered and we are certainly welcome to any others ideas that you might have.

Volunteers

There will be opportunities for church members to provide practical assistance and skills towards the project which will reduce the cost of the project. This can include cleaning, painting, landscaping, block construction and other labour services. Note that any volunteers on site will require a building “blue card”.

Final Statement

Yes, this is God’s project, but this is also YOUR project. God has blessed us with the problem of having inadequate facilities to cater for our current ministries, including not only Sunday morning services but also Sunday school, creche and music amongst others. We have seen God at work in our church evidenced through both numerical and spiritual growth. It is the honest and unwavering belief of MBC leadership that our continued growth is limited by our facilities. For such a large group financial commitment to be possible, it will only be achieved through personal sacrifice. We invite you to come on a challenging but rewarding journey of sacrifice. Most of all, we ask that you consider your desire and capacity to give to this project in prayer as well as in discussion with your families.

It is important that there is a representative from each family that calls MBC “home” at the property forum to ensure that everyone’s questions are answered and that everyone has an opportunity to declare a financial pledge. See you there!

Yours in Christ

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Prayer Points:

- That God will reveal His perfect will for this project through the forum discussion and financial pledge process.
- That through the generosity of His people and His divine and awesome power God will provide financing for this project.
- That all church members will spend time in prayer and consideration of the implications of this project on the church as well as their families and the discernment of God’s will.
- That we will not become distracted from serving God by our efforts towards this project.

⁶ Remember this: Whoever sows sparingly will also reap sparingly, and whoever sows generously will also reap generously. ⁷ Each of you should give what you have decided in your heart to give, not reluctantly or under compulsion, for God loves a cheerful giver. ⁸ And God is able to bless you abundantly, so that in all things at all times, having all that you need, you will abound in every good work. — *2 Corinthians 9:6-8 (TNIV)*

