

Building Team Update

January 8, 2012

Adopted By Session-November 2011

The Session of Wildwood adopted a Five Stage approach to developing, building and eventually moving Wildwood Church to the new property

- Stage One: Build public road from Meridian Road to northern boundary of our property*; development will include recreational spaces (fields, walking paths, playground, etc), utilities, and storm water facilities
- Stage Two: Build 8,800 square foot pavilion (includes concessions, restrooms, and storage which would be conditioned; pavilion will otherwise be open-air), internal driveways and some parking
- Stage Three: Finish build-out of original pavilion and expand the building to a 14,000 square foot Community Center building
- Stage Four: (This Stage begins once our current facility is sold) Construct a 29,000 square foot Community Center building that would accommodate Wildwood on an interim basis, with the exception of Children's Ministry which would operate in the original 14,000 Community Center building. We will also complete the road to Bannerman Road.(Total square feet at this stage will be 43,000 square feet as compared to 42,000 in our existing facilities on Ox Bottom)
- Stage Five: The final stage would be a 14,400 square foot building which would serve as our sanctuary/auditorium (Total square feet at this stage will be approximately 57,400 square feet as compared to 42,000 in our existing facilities on Ox Bottom)

**The Environmental Permit should allow for the road to be built to the church's northern property line, however, an alternative proposal has been created in the event permitting requires us to build the road all the way thru to Bannerman in Stage One.*

Financial Plan and Process

1. Stage One will not require that the Building Bridges Campaign be re-started. We believe it must be demonstrated that we are moving forward before asking for a re-affirmation of existing pledges or asking for new pledges. With the project beginning in the March/April timeframe we do not anticipate the construction costs in the current fiscal year (2011/2012) to exceed the current Building Bridges Restricted Fund balance. In the fall of 2012, we anticipate the need to begin draws on the construction loan that will be needed for the project. Once construction is well underway the Building Bridges Capital Campaign will be re-introduced in the fall of 2012 to the congregation.
2. Stage Two will begin approximately nine months later in January 2013. The Finance Team will do an annual assessment of the church's financial position in the fall of each year and advise the Session as to the whether the church is financially positioned to begin the next stage. This assessment will include but not be limited to the: capital campaign pledge status, pledge campaign collection's status, General Fund health, the general economy and updated cost projections. The Building Bridges Campaign will be re-introduced to the congregation in the fall of 2012; and is expected to be a three-year campaign.
3. Stage Three is not anticipated to begin until early 2014. Stage Three will not begin until the fall 2013 annual financial assessment is positive and includes a positive report on the capital campaign status.
4. Stage Four will not begin until the current Ox Bottom facility is sold. Once a contract is obtained we hope that we can negotiate a 9 to 12 month period to stay in our current facility while Stage Four is built; however, if this is not possible, the Stage Three building could serve as our church home until the Stage Four building is completed.
5. The beginning of Stage Five is greatly affected by the combination of the actual sale price of our Ox Bottom facility and the status of the pledge campaign. We anticipate that Stage Five will require an additional \$750,000 in pledge collections; however, this goal may change based on the sale price obtained from the sale of our Ox Bottom facility.
6. This financial plan maintains Wildwood's debt service level at well less than \$240,000 per year, (which is our current budgeted amount). This number keeps our Debt Service at less than 13% of our General Fund Revenue. In the year 2000 when we were building our Sanctuary our Debt Service to General Fund Revenue percentage was at 26% more than twice the proposed percentage. The current budget of \$240,000 is substantially down from our debt service budget of \$348,000 in 2008 and is a number that will fit comfortably in our budget, long-term. In fact at the end of Stage Five, it is projected the debt service budget required will be less than \$200,000 per year. Without our Relocation Project our required budget would have been \$264,000 through the year 2020.

Financing Summary

The table below breaks the project down into five stages. This chart shows our pledge goals, debt levels and debt service needs projected for each stage as well as what our annual debt payments would be should the project need to be stopped and placed on hold for an extended period of time.

Stage	Pledge Goal	Cumulative Pledge Goal	Previous Debt	New Debt	Total Debt	Annual Debt Service	Annual Debt Service if Project Stops
One	\$0	\$0	\$472,158	\$600,000	\$1,072,158	\$29,484	\$75,497
Two	\$250,000	\$250,000	\$1,072,158	\$800,000	\$1,872,158	\$80,969	\$141,534
Three	\$500,000	\$750,000	\$1,872,158	\$800,000	\$2,672,158	\$124,969	\$207,571
Four	\$0	\$750,000	\$2,672,158	-\$472,158	\$2,200,000	\$181,602	\$181,602
Five	\$750,000	\$1,500,000	\$2,200,000	\$89,358	\$2,289,358	\$181,602	\$186,517

Debt Service APR is estimated at 5.5% and final mortgage is based on a 20-year amortization.