

## **F.A.Q. for October 10 Church Conference**

### **When will the Church Conference be held?**

The Conference will be held on Sunday, October 10 at 10:00 a.m. in the sanctuary. Those who cannot attend in person may join us via ZOOM (<https://us02web.zoom.us/j/89265089245>).

### **What is the agenda for the Church Conference?**

The agenda, as approved by our District Superintendent, includes one item: consideration of an increase in the approved maximum price for our building and renovation project. We are not authorized to amend the agenda without approval from the District Superintendent.

### **What is the new maximum price being proposed?**

The new maximum price proposed is \$1.850 million. This is an increase of \$250,000 (15.6%) from the original amount approved in early March. This price includes a contingency of \$50,000, meaning the final amount could be lower.

### **Why is the price increasing?**

The cost of steel has risen dramatically since our project was last priced in early 2021, in addition to the cost of wood and sheetrock. These increases are driven in large part by economic conditions surrounding the global COVID-19 pandemic. While some of these prices might go down in time, we are not guaranteed they will. Even in normal circumstances, the cost of construction usually increases by 5% each year after initial estimates.

### **Is this normal?**

We first began pricing this project in 2018. As stated above, even in normal circumstances, prices usually increase before construction from those initial estimates. Other United Methodist Churches in our area who have undertaken building projects in recent years have had to make the same adjustment we are making.

### **Will the price change again?**

With permits in hand, we are ready to begin construction. The final step after permits are approved is for the contractor to develop a final proposed maximum construction cost, pricing the project a final time, and presenting to us in a final contract, which they have done. Once we sign the contract, our costs will not increase.

### **Is the scope of the project being changed?**

The project as proposed in 2019 has not changed. We are still renovating our sanctuary, removing hazards from the chancel area and making the space 100% accessible for all. And we are building a new narthex to include a large, welcoming gathering space, new accessible restrooms, a meeting room and prayer room. We have worked with our contractor and architects to reduce costs wherever possible. In several places, their collaboration has resulted in significant savings without changing the overall design of the project.

### **Can we afford this change?**

The loan we secured in March, with approval from the Charge Conference, allows us to borrow up to \$1.18 million from the United Methodist Foundation at 3% interest. We have \$751,310 in cash-on-hand in our *Ready* campaign fund. In August, our Administrative Council also allocated a new gift from the late Lester Carpenter's estate to the campaign, totaling \$81,777. With one year to go, we have outstanding commitments to the *Ready* campaign of \$321,000.

### **What happens if we approve this change?**

If the Charge Conference approves this change, we will proceed to sign a contract with our contractors and construction will begin as soon as possible.

### **What happens if we do not approve this change?**

A separate Charge Conference will need to consider alternatives and next steps.