

STONES *of* WITNESS

March 30, 2008 Update

Sanctuary Construction Update

- Exterior stonework is 75% complete.
- Interior stonework will be completed by the end of April.
- Structural steel for 2nd level classrooms has started which will complete the building foot print for this phase.
- Transept balcony steel structure starts next month.
- Scaffold will be installed in sanctuary by 1st of May so that mechanical and electrical work can begin in the wood trusses.
- Scaffold will remain in place for several months as finishes progress.
- Roof is being installed on main sanctuary and is approximately 50% complete.
- The design on custom millwork that will be installed throughout the sanctuary has been finalized and the subcontractors have been released for production. (Sign that we are on the “downhill” side of the project.)
- Chancel furniture (pulpit and lectern) design has been finalized and in production.
- Design for custom light fixtures has been finalized and fixtures have been ordered.

Sanctuary Financial Update

	<u>Project Start Spring 2006 (1)</u>	<u>Change (2)</u>	<u>Projected Completion (3)</u>
Budgeted Cost	17,500,000	5,100,000	22,600,000
Pledges and Gifts	<u>11,800,000</u>	<u>6,300,000</u>	<u>18,100,000</u>
Spread Financed With Our Lender (4)	5,700,000	(1,200,000)	4,500,000

(1) The original budget assumed that certain items would be deferred if necessary. Additionally, assumptions were made that certain parts of the project would only aspire to minimum acceptable quality levels. This approach allowed us to begin construction, based on pledges received in the Spring of 2006, and achieve a debt target acceptable to both Covenant and our lender.

(2) Approximately 1/4 of the budget increase (approximately \$1.2 Million) relates to unforeseen conditions, code required changes, and required revisions to the original design. The balance of the budget increases (approximately \$3.9 million) are as a result of conscientious decisions made by the church (building committee/design committee) for upgrades to original finishes, materials, and systems as well as inclusion of items originally deferred. We have been able to make these improvements because of your generosity! (i.e.: the \$6.3 million increase in pledges/gifts)

(3) Completion is projected for the December 2008-February 2009 time frame. The \$18.1 million shown in the “Projected Completion” column above reflects

our actual balance at March 30, 2008. If we continue to aggressively pledge and give, which is consistent with our history, this will allow us to finish the project with less debt, and also puts us closer to the start of planning for much-needed new education space on the Burton Hills side of the sanctuary.

(4) We began the building of the sanctuary with \$2.5 million in debt from our prior building projects. When this amount, along with interest costs, are added to the \$4.5 million shown here, we project that we will end the campaign in 2010 with \$9.0 million in debt. As mentioned above, continued giving will bring this number down. As a church, our history has been to finish strong, and complete campaign and building phases with less debt than initially projected.

Final highlights: Last fall we said we wanted to raise “new money” totaling at least \$4 million by May of 2008. To date we are at \$3.2 million against this goal, and have received new pledges totaling \$1.9 million that will be received by the end of the campaign! Additionally, over half the funds needed for stained glass have been received!