Spending Approval FAQ

Financial Clarity

1. **What is the buildout cost for 10505 Jones Bridge Road? What does this include?**

   The maximum buildout cost is $8.42M. This includes sitework, buildout of the parking lot and the building, landscaping and interior furnishings (some will be brought from our current space and some will be purchased new).

2. **How much have we already spent on the project?**

   We have spent $3.17M on the project. $2.41M went to purchase the land. $120,000 went to due diligence and permitting. $480,000 went to preconstruction design and $160,000 went into other expenses related to the land and the capital campaign ($80,000 for demolition, $60,000 for fundraising, and the remaining $20,000 to taxes and bank fees).

3. **What does this bring the total cost to?**

   This brings the total cost to $11.59M.

4. **The original estimate given in The Jeremiah 29 Campaign was $9M. What changed from $9M? What specific items are driving the increase?**

   There are three main reasons for the increase in cost: increased information, increased site work and increased inflation.

   1. **Increased information:** When we created the $9M estimate back in 2024, we did the best we could with the information we had at the time. This estimate was created before we started The Jeremiah 29 Campaign and

before we were even aware of 10505 Jones Bridge Road. We put together the estimate based on land prices in the radius we were looking and construction prices in the area. When we went under contract at 10505 Jones Bridge Road, we went through further due diligence to see if we could develop this land within the budget we had set. As in all construction projects like this, we learned more over time. As we developed more detailed construction documents and received feedback and requirements from John's Creek, we learned the cost to build out the site according to the city's requirements was going to exceed $9M.

2. **Increased Site Work:** The cost of site work increased by over $1M from our initial estimates back in 2024. $2.2M of the $8.42M total is site work. This change, while significant, is a part of normal construction and project planning. The more detailed we got on the specific building we needed to build, the more specific the scope of the sitework became. We also had to adjust to specific requirements and setbacks the city of Johns Creek gave along the way that increased the cost of site work.
3. **Increased Inflation:** Everyone can testify to this in their own lives. Costs are simply radically higher than they were in 2024. Furthermore, the current conflict with Iran has further increased gas prices which affect every single element of construction.

5. What is the breakdown between cash-on-hand, pledges already received, and the loan amount?

So far, we have $6.95M pledged or given. Of the $6.95 pledged, $5.39M has been given and $1.56M is still outstanding. We have high confidence that we will receive the remaining total pledged. Furthermore, we have $340,000 of excess cash reserves that have built up over the last 2+ years that we will use for the project. This brings our cash + pledge total to $7.29M. We have been approved for up to a $4.3M loan, bringing the total to $11.59M.

6. What does the debt service look like?

A $4.3M loan will cost us approximately $345,000/year. A $3M loan (what we are still praying and working toward) will cost us approximately $240,000/year.

7. What interest rate and loan terms are we expecting?

We have explored several different lenders and have two finalists to choose from. Rates range from 6.22%-6.45%. They are amortized over 25 years with a fixed rate for 5 years and then refinanced after 5 years.

8. What is our current annual undesignated giving, and what has the trend been over the last few years?

We have received approximately $1.1M in undesignated giving over the last 12 months. Undesignated giving has steadily grown over the past 9 years, averaging 15% in growth year over year.

FY	Undesignated Giving	YoY % Growth
17-18	$418,420	
18-19	$418,565	0%
19-20	$440,652	5%
20-21	$645,703	47%
21-22	$739,029	14%
22-23	$798,307	8%
23-24	$954,408	20%
24-25	$1,038,154	9%
Last 12 Months	$1,100,000	6%
Average Growth YoY		**15%**

Risk & Contingency

1. **What happens if construction costs increase further after the vote? Is there a contingency buffer built into the "maximum" number, or is that number the hard ceiling?**

   The price we have given reflects what is called the Guaranteed Maximum Price from MG&A (our construction firm). As a part of this GMP, MG&A has a contingency buffer built into their price. This means the price will not increase unless they find unsuitable soils or we specifically ask for a change in scope. While there is always a chance of something found in the soil, we feel as confident as you can be that we are in good shape based on the amount of soil testing we did in due diligence and the amount of excess soil we will have from the project that this will not be an issue. Any other price changes would be covered by MG&A. For example, if a subcontractor comes back more expensive than his bid, MG&A covers this overage on their end. Furthermore, there is a final incentive for MG&A to outperform. Any savings they generate are shared (CFC gets 60% of savings and MG&A gets 40%) if the project finishes under budget. We also built in our own contingency into the $8.42M figure to help ensure we do not need to come back to the congregation with another vote.

2. **What is the church's current financial reserve, and will the building campaign deplete it?**

   As of May 31, 2026, we have $2.83M of cash in the bank. We always try to maintain 3 months of operating expenses in reserve, which totals $257,500. After setting that aside, we have $2.58M of cash available for use. Of that available cash, $1.39M is from collected J29 pledges, $850,000 is excess cash reserves built up at the time of the J29 campaign launch, and $340,000 is excess cash reserves built up over the last 2+ years. We are currently planning on using all of this $2.58M of available cash to help fund the project. We do not plan to dip into our minimum cash reserve of 3 months operating expenses.

Scope & Value Engineering

1. **Has value engineering been done on the design? Are there scope items that could be deferred or simplified to reduce cost without compromising the core design (e.g., finish levels on interior spaces, landscaping phases, AV equipment)?**

   With MG&As help we have been mindful of cost from the very beginning and that has factored into things such as room layouts, finish selections, etc. Furthermore, the Building Advisory Team was able to cut about $200,000 off the initial GMP through value engineering. We will also be able to save some money by reusing some items in our current space.

2. **Is Phase 2 factored into Phase 1's design? Are we spending money now on structural/mechanical provisions for the future 500+ seat sanctuary, and if so, how much? Could any of that be deferred?**

   The Phase 2 sanctuary will be a separate building so we are not needing to "overbuild" in the Phase 1 space to account for Phase 2. We are building out Phase 1 building and parking to accommodate what is needed for that phase. Then in Phase 2, we will add additional parking and the new building. The building and pad are designed in a way to work with the future Phase 2 building.

Governance & Accountability

1. **What reporting will the congregation receive during construction?**

The congregation will receive construction and financial updates at our quarterly members meetings. If there is something exciting that happens during a specific week, we may mention it in the worship service, on social media and in our congregational email.

2. **What is the process if the project comes in under budget or if we are able to raise more funds than we are currently projecting?**

   We will continue to seek to raise additional funds as the Lord provides. Since we do not take out the full loan at once, but rather take draws during the different phases of construction, the more we are able to raise, the smaller loan we have to take out. Furthermore, the loan has no pre-payment penalty, enabling us to pay down the loan faster if we choose. Additionally, as was stated above, any cost savings done on the project are shared between MG&A and CFC (60% to CFC, 40% to MG&A).

3. **Are we getting multiple bids from general contractors, or is this a single-source estimate?**

   We intentionally chose a design-build approach rather than a traditional multi-bid GC process. That means we selected one firm (MG&A) up front to lead both the design coordination and construction process. The Building Advisory Team chose MG&A after vetting several firms and chose them because of their expertise in designing and building for churches. As part of this process, MG&A solicited competitive bids for every major scope of work. Our project received excellent bid coverage, with 4-6 or more competitive bids for every major trade, including sitework, plumbing, HVAC, and electrical.

Operational Impact

1. **Will the loan payments require cuts to current ministry, missions, or staff? Or is the assumption that giving will increase enough to cover debt service on top of current operations?**

   A $4.3M loan will cost us approximately $345,000/year. A $3M loan (what we are still praying and working toward) will cost us approximately $240,000/year. If we can raise our annual undesignated giving from where it has been over the last 12 months by $300,000, we can continue to give 15% to missions and continue the rest of our ministries as a church with a $4.3M loan. We can also achieve this same end by raising an additional $1.3M for the campaign and raising our undesignated giving by $200,000/year. This is what we are praying and working toward.

   If we are unable to do this, we will need to cut back on some missions giving and ministry expenses for a season. However, we do not view these as permanent cuts, but rather a temporary rebalancing of our resources during a season of significant growth. Like a nuclear family that has to rebalance their budget when children arrive, our church family may need to do the same thing.

For example, when a young couple begins to have kids, they have to shift resources around to care for the new life that has been entrusted to them. This involves buying cribs and diapers and baby supplies. It sometimes involves financial stretching by moving out of an apartment into a home with a mortgage. This often results in a tightening of the belt for a season. But one day, those kids grow up, and those parents become empty nesters with a newfound ability to invest in greater ways outside of their immediate household.

We are in the "young family" stage as a church family. God has entrusted lives to our church family, and we have had to rebalance our budget to care for that life. The increased number of kids and students have resulted in more staffing dollars in the form of Kids Director and Student Pastor. The increase in worship attendance and two services has led to the increase from a part time to a full time Worship Director role. The capital campaign is moving us from renters into stretching us into first time home buyers with a mortgage. This may result in a temporary reshuffling of missions and ministry dollars, but our heart remains the same - to one day get back to our generous level of giving to missions and go even beyond where we are now. And we will work hard to make that happen – over the next year and years to come.

2. **Have you accounted for the additional salary of the new full time Worship Director position in your projections?**

   Yes. This cost increase has been accounted for.

3. **What is the plan for our current meeting space during and after construction? Are there lease obligations or costs that overlap with the new mortgage?**

   Our lease at our current space ends October 31, 2027. We plan to be in our new space in August or September of 2027. We will take draws from the loan during the different phases of construction. During this time, we will pay interest only. We will not pay principal + interest until we are fully in the building and our rent at our current space has expired.

Next Steps

- Join us for a virtual town hall on Sunday, July 19 at 7:30pm on zoom. You can find the link here.

- If you would prefer to email us a question rather than asking it in the virtual town hall, send an email to j29campaign@christfellowshipga.org.

- Save the date for July 22 for a special day of prayer and fasting, culminating in a prayer meeting at 7pm.

- Assuming the congregation votes to approve the spending, we will have a groundbreaking ceremony in August!