

**Cliffview Chapel Baptist Church
Church Business Meeting May 30, 2021**

Mission Projects

Pastor Hounshell called the meeting to order at 11:38 discussing the missionaries from the 2020 missions conference, Greg and Bekah Fryer. He reached out to them to inquire of their progress in raising support and they provided the following information:

Need: \$8,000 monthly support

Currently receiving: \$5,000 monthly

Have additional commitments of \$800

They intend to move to New Zealand during the summer of 2022 unless the borders open earlier.

Pastor Hounshell asked for a motion to add the Fryers to the list of missionaries supported by Cliffview Chapel at \$110 monthly in perpetuity or until they leave the mission field. Missions giving has been very strong in the church over the last few years and the reserves are very robust. There were no questions from the congregation.

Bruce J. Davis made a motion, Stacy Grosz seconded, and the motion carried unanimously.

Pastor Hounshell discussed the Pettis who visited the church in early May to discuss a church planting project in Springville, UT. He recommended that Cliffview provide support for this project, not in the same manner as the monthly missionaries, but as an annual gift to be revisited yearly to determine needs. He asked for a motion to provide \$1200 of annual support to be provided to their sending church. This amount will be reviewed annually changed, if necessary, based on the needs at that time.

Ed MacDowell inquired if the funds would be sent back to Cliffview if the church plant did not go through and Pastor Hounshell indicated that it would.

Pastor Hounshell asked for a motion to support the Pettitis.

Bob Thompson made a motion, Gerald Guinn seconded, and the motion carried unanimously.

Building project

Pastor Hounshell provided the congregation with an update on the progress of the building project. The building plans are almost complete, but he is waiting on a drainage report. Once that is received, all the appropriate documents will be submitted to the city for approval. The loan will be funded once approval is received, and the property taxes will cease once that takes place.

During the last business meeting, the following numbers were discussed:

Project:	\$427,000
Contingency:	\$38,000
Total:	\$465,000
Less Down Payment	(\$187,000)
Final Loan Amount	\$278,000

After discussions with the bank, the most updated numbers have been revised to:

Project:	\$427,000
Contingency:	\$42,764
Total:	\$469,764
Less Down Payment (\$187,000)	
Final Loan Amount	\$282,764

The bank also has additional costs on the loan as follows:

Appraisal, environmental review	\$1,442
Closing Cost (1 time close)	\$2,000
Origination Fee (Construction .75%)	\$2,400
Origination Fee (Permanent .25%)	\$800
Documentation Fee	\$850

There are also costs which are prepaid:

Interest reserve	\$8,821
Inspection Fee (\$1,000 per draw)	\$9,000

Therefore, the loan amount with these additions is \$308,077. Zions Bank is recommending that Cliffview raise the loan approval amount to \$320,000 to cover any unanticipated costs. As a result, the loan to value (LTV) with the loan at \$320,000 is 57.5% which puts Cliffview's equity at 42.5%. This is well within the 65% LTV range mandated by the bank. Pastor Hounshell reminded the congregation that the loan balance is likely to be much lower.

The interest rate on this loan (20-year amortization/10-year fixed rate) is 4.44%. This would put the monthly loan payment at:

\$2,014 for a \$320,000 loan
 \$1,938 for a \$308,000 loan

Current rent for Cliffview is \$2050 which will rise to \$2200 in May 2022.

Pastor Hounshell also indicated that he had researched other banks for competitiveness. Zions Bank provided the most suitable terms for the needed funds.

Bruce J. Davis asked if material costs are factored into the proposal. Pastor Hounshell stated that the price of building materials will be unknown until purchased. However, some of the building prices have moved down over the past few days.

Ed MacDowell asked if the church could pay off the loan anytime. Pastor Hounshell indicated that there is a 5% prepayment penalty in the first year which graduates down a percentage point annually.

Pastor Hounshell asked for a motion to increase the loan application to \$320,000 at a 4.44% rate.

Bob Thompson made a motion, Bruce J. Davis seconded, and the motion passed unanimously.

As there were no further questions, Pastor Hounshell asked for a motion to close the meeting. Bruce J. Davis made a motion and Pat Thompson seconded. The motion passed unanimously. Pastor Hounshell closed the meeting in prayer at 12:05 pm.