

Bubbling Brook Child Care Center Business Plan for Expansion

(An Integral Part of Waters of Life Church)



BUBBLING BROOK CHILD CARE CENTER EXPANSION

BBCCC Expansion Plan Evaluation Team

Pastor: Tim Martenson

Chair: Rick Hanson

Member: John Hyopponen

Member: Eric Lagergren (Designer, Architect)

Member: Dan Lewis

Member: Andrew Lucero (Document Author)

Member: Lisa Miller (BBCCC Director)

IMPORTANT NOTE: All Child Care Center expansion costs including the mortgage and church enhancements will be covered by the additional revenues generated from the expansion's additional children. Bubbling Brook has a waiting list that will immediately fill the new openings created by the expansion.

Bubbling Brook CCC Preliminary Revenue and Expenses Statement

for Expansion (ARL 12-11-22 draft, **CONFIDENTIAL** for internal use only)

Estimated cost of a 2500 square feet (SF) addition on the south side of the church

	SF	Cost/SF		Cost
	2500	\$ 287.92		\$ 719,800.00
Required septic improvement w/wo expansion				\$ 50,000.00
Siding Front of Church				\$ 26,000.00
Siding Other Side and Rear of Church				\$ 25,000.00
			Estimated Construction Cost	\$ 820,800.00
			Contingency	\$ 82,800.00
			TOTAL COST	\$ 903,600.00

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Mortgage Cost				
	Mortgage Period (years)	Annual Interest Rate	Monthly Payment	Annual Payment
	20	7.0	\$ 7,006.00	\$ 84,072.00
	25	6.5	\$ 6,101.00	\$ 73,212.00

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Estimated revenues from a 2500 SF expansion				
	Number of Infants	Revenue per child/day	Number of days/yr.	
	12	\$ 47.00	260	\$ 146,640.00
	Number of Transition			
	20	\$ 43.00	260	\$ 223,600.00
			Total Revenue	\$ 370,240.00

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Estimated employee cost for the 2500 SF expansion				
		Number of each	Hourly Salary	Annual Salary
	Teacher	2	\$ 17.00	\$ 70,720.00
	Assistant	2	\$ 15.00	\$ 62,400.00
	Aide	2	\$ 14.00	\$ 58,240.00
			Total Salary	\$ 191,360.00
		Social Security tax	7%	\$ 13,395.20
		Workers Comp	1%	\$ 1,913.60
			Total Employee expense	\$ 206,668.80

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Estimated overhead cost for additional children and staff			
	Overhead for Staff based on Salary	5%	\$ 9,568.00
	Overhead for Children based on Income	5%	\$ 18,512.00
		Total Overhead	\$ 28,080.00

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NET ANNUAL REVENUE (20yr Mortgage)	\$ 51,419.20
NET ANNUAL REVENUE (25yr Mortgage)	\$ 62,279.20

BBCCC Actual and Projected Gross Revenues

2019	2020	2021	2022	2023	2024	2025
454,330.53	563,646.80	633,633.25	533,000.00	692,500.00	1,073,920.00	1,073,920.00

NOTE: The BBCCC year to date revenues (through October) are \$692,482. They have already surpassed the projected 2022 annual revenue which is shown in Table 2 above and is essentially at the 2023 projection.

The BBCCC Expansion Plan Evaluation Team Recommendation:

That the WOL Church Move Forward With the Proposed Expansion Because:

- The BBCCC Expansion is Paid for from the Additional Revenues Generated by the Expansion with added Net Revenue Gain
- The BBCCC Expansion will Secure WOL Church Viability into the Foreseeable Future
- The BBCCC Expansion will Serve a Critical need Within our Community
- The BBCCC Expansion will Serve as a Continued Major Outreach into our Community which is one of the Corner Stones of the WOL Mission

(Construction to Begin April 2023 which will allow the continued operating of the existing Child Care, and the Planned Opening of the BBCCC Expansion is October 2023.)

The Next Informational Meeting will be held on Sunday January 8, 2023.

A Congregational Meeting and Majority vote is required to move Forward with the Expansion. That Meeting is set for Sunday January 15, 2023.

?????? QUESTIONS ???????