

Congregational meeting questions
September 25, 2016

Q: The Session has committed to matching up to half from church reserves up to \$250,000. Those reserves are out of our financial investments. I understand that those investments yield about \$20,000 per year that goes into our general operating budget. Is that correct?

A. That is not correct. That could do that, but that investment income has been re-invested over the last five or six years because we have had anywhere from \$6,000 to \$25,000 surplus over our expenditures for the last five or six years. We've had remarkable financial success.

Q. So we are saying that if we take money out of our financial investments, that the general operating budget as we now know it will not be negatively impacted?

A: It will not be touched, that's right.

Q: On the funding goal of \$450,000, and the bottom of the page shows the flexible pricing, is the \$450,000 with the elevator, with the metal roof, with the brick siding?

A: We don't know yet. We don't have those numbers from the contractor.

Q. So the \$450,000 could be updated later on based on more details from the contractor?

A: Yes. It could be. We don't know. There may be other things we have to give up. What we did was, we had to establish a funding goal, and so we set it at \$450,000. We had an initial estimate of around \$405,000, based on the preliminary design concept, estimated square footage, and general type of construction. However, as with most building projects, we think that's going to go up as we make more specific design decisions and selections during the project. We will have another meeting and hope to have a lot more definition as to the price as the project matures. We were kind of pushed to do this meeting now and make this presentation because we thought the contractor had a window of opportunity to end a job and then come and do ours, but at the moment we don't have the detailed numbers.

Q: I have heard that the steeple needs to be repaired, so are any of the exterior repairs like that included in this?

A: No, the steeple repair is not funded in this project. We have a separate restricted fund that is used for such repairs or major expenses like air conditioning. There is sufficient money in there to pay for the steeple. The reason why we've been delaying a little bit on the steeple repair is that we want to see it weather one more winter, so that when we do effect the repair and re-finish, we won't be doing it again in five or ten years. We've had some experts in this area say that we should wait this one more winter, but that funding will be totally separate from the expansion project.

Q: My understanding was that Session's commitment (to match congregational contributions dollar-for-dollar up to \$250,000) was that that will be used only if necessary, that it's not an absolute commitment.

A: No, that's not how the motion approved by the Session was worded. That motion stated that the Session would match congregational contributions dollar-for-dollar, up to that limit. However,

hypothetically speaking, if the congregation did contribute enough to fund the entire project, then we wouldn't have to take a penny out of the reserves. We would use the contributions and not the reserves. We won't spend extra money or add features just because of the generosity of the congregation.

At the moment, we have \$120,000 in commitments from members, so if we were going to enter into a contract right now we would have a total of \$240,000 available.

Q: You're talking about bids and a contractor. Usually you have a bid and would send it out to one or more contractors to respond. How did we get a contractor without a bidding process?

A: We did not do a formal bidding process. This has been through an informal process, arranged through a member of our congregation who seems reliable. But we'll see. We may end up having to go through a formal bid process.

Q: So we have not signed anything and we do not have a bottom-line number?

A: Exactly. However, Glenn Walker has been trained in the military as a government contracting officer and we have other members with contract expertise. We're not going to get into a bad contract. The way this whole project has been working, the ultimate authority is the congregation and the next step is through Session. Not a penny can be spent without Session approving it. The congregation has to embrace and support this before the Session would approve it. There are several checkpoints to make sure that we are being good stewards and are honoring the wishes of the congregation. Before we sign a contract we will stand up here again and lay it out for everybody: how we came to it, and what the safeties and protections for the congregation are. Our job is to keep the congregation safe, not the contractor safe, so we will be looking at it from that point of view.

Also, just for information, for those who are concerned about parking, our parking lot will stay the same. This building extension does not take up any space from that parking lot.