

Parking Lot Beautification Update

Brief History

On June 10, 2007, a special church congregational meeting was held in order to discuss the need to repair the front parking lot and beautify the front area of the church. At this meeting, it was decided that:

Phase One of the project – parking lot repairs and curbing – will commence when the cash receipts earmarked for the project reaches \$30,000.

Phase Two of the project – lighting repair and landscape beautification – will commence once the full cost of Phase One has been raised and funds are available for Phase Two.

Current Status

For Phase One, the \$30,000 target was achieved at the end of November 2007 through various cash contributions from church members and friends. The exact amount raised for the parking lot repairs and curbing is \$32,135.

The repair work has not been performed primary due to weather constraints since the beginning of the year and the considerations discussed below.

New Developments and Concerns

Over the course of the last 4 months, (November 2007 to March 2008), the following new information regarding to the current building fund and liabilities became known.

it came to the church council's attention that an "In Lieu Fee" payable to the City of Morgan Hill for a fixed amount of \$29,500 would be revised after July 1, 2008. Although the church council was aware that a liability existed for this fee since the new addition to the church campus was completed around the year 2000, the precise amount of the liability was not known at that time. After July 1, 2008, the City of Morgan Hill would determine what the revised liability would be for this cost and charge such amount to the church whenever other street improvements were made.

Additionally, during the month of November 2007, building fund reserves were utilized for a very short period in order to pay bills because we had no general fund reserves left at that time. This was not a re-designation of funds but floating a week-term "loan" in order to pay bills on time. This slight need to tap into building fund reserves to pay for general operating expenses created some concern by the church council about moving forward on the parking lot repairs. It was the original intent that certain amounts from the building fund were to be utilized to augment the \$32,135 raise for Phase One for the parking lot repair.

Based upon the two items described above, the church council felt that it would be appropriate and conservative to temporarily delay the moving forward of the parking lot repair until there is more cash in hand for this project.

Next Steps

The church council and executive committee has discussed at length the best solution to this issue on numerous occasions but would like to solicit congregation member feedback based upon these new developments. The question at hand would be how the church should move forward in making repairs in light of new financial pressures both known and unknown. Additionally, the church council would like to ensure that these

issues are discussed with the fact in mind that a new fall campaign for the building fund would occur later this year.

The Church Council firmly believes that repairing the parking lot and making the front area of our property more welcoming, beautiful and inviting is a high priority for action and is eager to begin this work in a fiscally responsible way. Special gifts toward this project will move up the timeline for the beginning of this work.

The Church Council is hosting two informal "Congregational Conversations" on the parking lot repair and front beautification. These will be held in Berkland Fellowship Hall on April 13 and 27 at 9:30 AM. Come to speak and listen!