During 2011 the Trustees of South Church explored 3 possible capital projects:

- What to do about the Organ and Grand Piano
- Improvements to the parking lot
- Installation of solar panels

Following the Annual Meetings in February 2011 the Trustees took the following steps:

- Formation of three sub-committees 1 for each capital project
- The sub-committees:
  - o Researched each capital project's options and costs
  - o Evaluated each option and provided a recommendation
  - Informed the congregation of their research and findings
- The Trustees surveyed the congregation to assess priorities

#### Results of the survey – 55 responses

- Overwhelming support for replacing the organ (+/- \$140,000)
  - o 98% support 75% high priority
  - o 3 people offered short-term interest-free loans for the organ project
- Significant support for parking lot improvements (+/- \$100,000)
  - o 82% support 22% high priority
- Significant support for solar panels
  - o 78% support 27% high priority
  - o 10 people showed interest in LLC financing
- Even split on capital campaign timing
  - o Of the 76% who support a capital campaign,
  - o 43% prefer to start in 2012, 45% prefer to delay, 12% prefer either
- Short-term mortgage preferred to long-term mortgage
  - o Of the 76% who support a mortgage,
  - o 71% prefer short-term, 19% prefer long-term, 10% prefer either

Trustees offer the following four (4) articles for a vote.

#### Article 1 – A Motion to:

- Replace the existing Berkshire organ with the available Casavant organ
- Reconfigure the sanctuary to accommodate the Casavant organ
- Sell or dispose of the Berkshire organ
- Authorize the Trustees to
  - o Enter into contracts to accomplish these projects in 2012
  - Spend remaining available Adventure of Faith Capital Campaign funds for this purpose
  - Mortgage the parsonage & accept loans for interim financing
  - o Initiate a new capital campaign in Fall 2012 to raise funds for the repayment of the mortgage or loans and to complete the organ replacement project
    - The campaign will accept pledges in 2012 for donations in later years
    - The campaign will accept donations anytime, even prior to Fall 2012
  - Secure additional longer term mortgage to supplement any funding shortfall

#### Article 2 – A Motion to authorize the Trustees to:

- Change the target amount of the new capital campaign described in Article 1 to raise funds to pave the parking lot
- Mortgage the parsonage & accept loans to cover any funding shortfall
- Pave parking lot with traditional asphalt with a target timeframe of Summer 2012

#### Article 3 – A Motion to authorize the Trustees to:

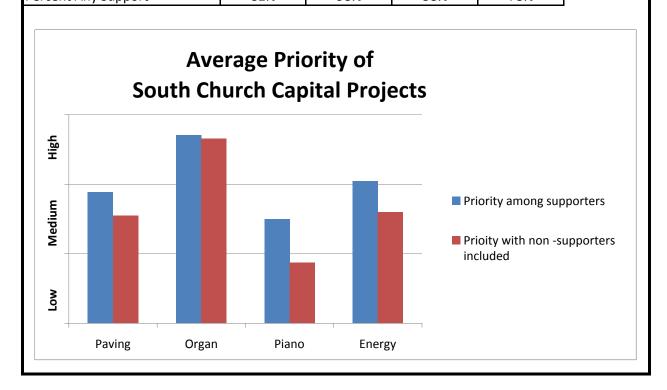
- Develop plans for conversion of the heating system to electricity and installation of solar panels
- Hire engineering consultants to assist with the development of these plans
- Allocate funds to pay for the initial plans prior to the formation of LLC (estimated at +/- \$10,000)
- Establish a proposal for financing through an LLC
- Present the proposal to the congregation for vote to proceed

#### Article 4 – A Motion to authorize the Music Committee to:

- Pursue the donation of a replacement grand piano
- Sell the existing grand piano and use the proceeds for costs associated with obtaining, installing, and tuning a replacement piano

# South Church Capital Questionnaire Results Summary

# Priority Paving Organ Piano Energy Percent High Priority 22% 75% 2% 27% Percent Any Support 82% 98% 58% 78%



## Funding

Capital Campaign Support

	Any Capital			
	Campaign	Start in 2012	Delayed	Either
Any Support	76%	65%	67%	76%
Preferred (as % of those with any	43%	45%	12%	

Mortgage Support

	Short Term	Long Term
Any Support	65%	49%

## LLC Interest

8 People said Yes

2 people wrote in some form of Maybe

5 gave their names

**Question Number** 

	1.) Rate Priorities		2.) Remove Organ				4)LLC Investor			
Questionaire #	Paving	Organ	Piano	Energy		2012 CC	Delayed CC	ST Mortgage	LT Mortgage	
1	1	2	3	2	0	2	1	3	5	1
2	1	1	2	5	0	5	5	1	2	0
3	2	1	3	3	0	5	5	5	1	0
4	1	1	3	5	0	4	3	2	1	0
5	1	2	3	3	0	1	1	1	1	0
6	5	2	3	1	0	5	5	5	2	0
7	3	2	3	1	0	3	4	1	2	0
8	2	1	2	1	0	2	3	1	5	1
9	3	1	3	2	0	4	3	2	1	1
10	3	2	5	1	0	5	1	2	5	0
11	3	2	5	1	0	5	1	2	5	0
12	3	1	2	1	0	2	1	2	3	0
13	2	1	3	3	0	2	3	1	4	0
14	5	1	2	3	0	5	5	1	2	0
15	5	1	2	3	0	5	5	1	2	0
16	1	1	5	3	0	3	2	1	5	0
17	3	1	2	3	0	1	2	2	5	0
18	2	1	5	2	0	1	2	1	5	0
19	1	1	2	2	0	1	2	1	5	1
20	2	1	5	5	0	4	2	1	5	0
21	5	1	5	1	0	1	5	5	5	0
22	3	2	5	1	0	1	2	5	5	0
23	1	1	5	2	0	5	5	5	5	0
24	1	1	5	1	0	5	2	5	2	0
25	5	1	5	5	0	5	5	1	5	0
26	5	2	5	1	0	3	2	4	4	1
27	5	2	5	1	0	1	3	2	4	1
28	2	1	2	5	0	5	5	5	1	0
29	3	1	3	2	0	2	5	1	5	0
30	5	2	3	1	0	1	1	5	5 5	1
31	3	1	2		0	2	5	1	3	
32				3	0				5 5	0 0
	1	1	3	3		2	1	1		
33	2	1	3	5	0	1	3	2	4	0
34	2	1	5	5	0	1	3	2	4	0
35	3	3	2	1	1	3	3	4	4	0
36	2	1	5	5	0	1	3	2	4	0
37	2	1	5	3	0	5	5	5	5	0
38	3	1	2	2	0	2	1	2	3	0
39	2	1	5	5	0	2	1	3	4	0
40	5	1	5	2	0	5	5	2	5	2
41	1	5	5	2	0	5	5	5	5	0
42	2	1	3	5	0	5	5	5	5	0
43	2	1	3	3	0	2	3	5	1	2
44	2	1	3	3	0	2	3	5	1	0
45	3	1	5	2	0	4	2	1	3	0
46	3	1	5	2	0	3	2	5	5	0
47	2	1	5	5	0	5	1	5	5	0
48	5	1	5	2	0	1	5	2	9	1
49	3	1	2	3	0	2	5	1	3	0
50	3	1	3	2	0	2	2	2	5	0
51	3	1	5	2	0	5	2	2	2	0
52	2	1	3	5	0	5	5	5	5	0
53	3	1	1	1	0	1	1	5	5	0
54	1	3	2	2	0	5	1	5	5	0
55	1	3	2	1	1	5	4	5	5	0
Average	2.11	1.30	2.50	1.95	2	3.09	3.04	2.84	3.85	8
Average of Supporters	2.45	1.35	3.13	2.40						10
Priority 1	12	41	1	15		13	12	17	7	
Priority top 2	28	51	15	30		26	24	32	14	
Any Support	45	54	32	43		35	37	36	27	
Percent of any support	82%	98%	58%	78%		64%	67%	65%	49%	
Don't Support	10	1	23	12		20	18	19	27	
Color Coding index										

For the priority, a number more than 3 was converted to a 3

Xs (meaning does not support) and blanks are listed as a 5

A 2 for the LLC means written in someform of maybe

When the response was not a ranking as asked they were converted to numbers as interpreted by Steve

[words in brackets, mean I added words that were obvious from where they were placed on the page.] { words in braces is my comment about action I took}

	{ words in braces is my comment about action I took}	2)21	0) = 1, 0 1,	
	1) Priority	2)Piano Only	3) Funding Ranking	4) LLC
1				
2				
	Yeah Green!!! The paving should be done so as to last as long as			
	possible without deteriation. If we want the piano the			
	congregation should be willing to donate the money to buy it,		Relying on a long term mortgage for funding sets the	
	rather than depending on an outside person to donate one. What		church up for future financial problems. I would support	
	is the difference between a money donation for a piano and a		a medium term mortgage for a residual amount if a	
	piano donation?		capital campaign falls short of goal.	
		The Organ is central to South		
		Church worship and to our		
	The Organ is central to South Church worship and to our reputation	reputation as a church that		
)	as a church that supports musical performance.	supports musical performance.	A mortgage would make this more doable.	
	Church will not survive unless we raise revenue or lower costs.			
	Right now revenue is flat lined and expenses keep rising. It is not		Do the energy project now, commit to the organ for	
	sustainable. Organ doesn't matter if you can't afford to stay in the		August 2013. Start the capital campaign for organ Jan 1	
	building. Energy option offers the best opportunity to lower		2013 and raise cap for just organ. This gives us 1.5 years	
	expense at essentially no risk to the church. At same time hold the		year break from present cap. cam. Before we start	
	organ for the year and then raise capital for organ for installation			Unable to financially
.0	date of August 2013, but make commitment for organ now.	Absolutoly not	_	participate.
U	date of August 2015, but make commitment for organitiow.	Absolutely not	not a church without an organ. It think we should take a breather between capital	participate.
	Sustainability should be our first priority as stewards of the church.		campaigns. I would prefer to start the campaign in 2013	Would love to but have
	A solar panel system would let us lower costs and enable us to truly	Would diminish our worship	and use 2012 to talk up the need and give people time to	
	'the church on the green", then let us get the organ replaced no	experience and reduce options for	consider their contributions. But we should commit to	considerations at the
1	later than 2013.	outside groups.	organ now!	moment.
2	later than 2013.	outside groups.	organ now:	moment.
3				
<u>3</u> 4				
. <del>4</del> .5				
	Confusing question. We would be well served on a concert quality		Minimally [able to support 2012 CC], Could better	
	grand, but should seek one as a gift rather than paying for it. Not		contribute [to delayed]. Ranking system doesn't work so	
_	sure [on energy]. Need more info about impact on abutting trees,		I answered them instead.{Steve entered them in a way	
6	what the church would look like with solar panels.		that is consistent with the analysis}	
	The organ is essential to the nature of our services, the piano can			
	be replaced by donation or much less price than the stated amount.		The financial chart should not reflect all the projects	
	The solar panels/ heat conversion is a "like to" not a need to, the		going forward simultaneously, as the priority's of the	This idea needs further
.7	same for the parking lot.		congregation are not known yet.	clarification.
8	Thanks to all who have researched these projects to date.			

10/20/2011 9:50 PM

[words in brackets, mean I added words that were obvious from where they were placed on the page.] { words in braces is my comment about action I took}

	{ words in braces is my comment about action i took}	2)21	0) = 11	
<u> </u>	1) Priority	2)Piano Only	3) Funding Ranking	4) LLC
			Yes [I could support the 2012 CC] for the organ in a	
			limited way {I put this as a rank of 3}. I would support a	
			short term mortgage to fund the organ only. Poor	
			economic environment and developing alternative	
19			technologies are reasons to wait on the other projects.	
13			teerinologies are reasons to wait on the other projects.	
	The 4th item here is a very big undertaking. I am mostly for it but			
	wish it was not part of this questionnaire as I think it is		I think that the fact that the questionnaire does not	
	overwhelming to many and since it doesn't cost us anything, should		mention that two of the options above would preclude	
	be separate from the parking lot and organ questions. There are		the organ purchase is very unfortunate & misleading.	
	enough issues to deal with regarding the parking lot and organ as it		The result from this questionnaire will be questionable	
20	is and they are more immediate. This is a distraction.		as a result.	
21				
22				
	need gift [for piano] or check Umass piano sale - use gift money			
	{marked X for piano} [energy] yes as long as this [paying for itself]			
23	happens			
			Too soon to start another capital campaign especially in	
			this economic climate. Long term mortgage which could	
24	[Piano] as gift {voted x for piano}		be paid off with gifts is fine.	
			Another option would be to solicit outright gifts between	
		I think South Church would lose a	now and June 2012 to cover as much as possible of the	
		significant portion of it's	cost of the organ, than take a short term mortgage in	
		membership if it no longer had an	June 2012 for the remaining balance. I would prefer this	
25		organ.	option	
26				
	1) Energy Project Reduce Expenses, \$0 cost, Green => no brainer. 2)			
	Organ - I prefer to have an organ, but I believe south church can			
	have a meaningful existence without it. 3) Piano - Upright works			
	well - don't need two. 4) Paving - Improve drainage is a 2. No need			
27	to Pave - money better spent.		The sooner the better.	
	One needs to look long and hard heat pump electricity solution to			
	heating. W Mass is very good at promoting such a solution and we			
28	would end up paying the electric bills.		Rates are low at present (voted for long term mortgage)	
29				

page 4 of 9 10/20/2011 9:50 PM

[words in brackets, mean I added words that were obvious from where they were placed on the page.] { words in braces is my comment about action I took}

	words in braces is my comment about action I took} .) Priority	2)Piano Only	3) Funding Ranking	4) LLC
TI cc m 1. th su an di in pi or w be op w ir 30	Thank you for soliciting opinions from the congregation. The ommittees have done impressively thorough research and I found nost of my questions answered in their reports. Some comments: ) Paving. Improved drainage will mostly solve the problem. Once he base is stabilized and the clay is prevented from liquefying the urface will remain solid. Keep the surface as gravel for a few years and see how this works. We might find that with the improved Irainage, a gravel surface is fine. Either way, paving over an madequate base would only make a more expensive water problem. Of the alternatives investigated, the more expensive one would be the best. This is not practical for several reasons that were listed in the report. Of the two asphalt options, porous is setter for the drainage. My preferred option was not one of the options, and that is to keep the surface gravel. Paving the lot would seal several acres of land with a petroleum product. The rony of this is that we hope to reduce our petroleum use with	Continued from priorities Paving would then also surround the building with a thermal mass, in turn prompting even more air conditioner use. Porous pavement would be better for drainage, but even then it would a thermal mass around the building making hot days hotter and lasting into the evenings. Also, asphalt aesthetically would look much like any large suburban parking lot and detract quite a bit from the view to the east. Asphalt paving seems counter-productive. Improving the	Continued from priorities would be least expensive and require the least maintenance, while not tripping any site plan requirements (possibly) and not changing the view. Every few years the lot might need some new gravel ad have some potholes smoothed, but that is easier and cheaper than fixing potholes and cracks in asphalt. In the long run a gravel lot is inexpensive doesn't add to our cooling costs, looks more appropriate with the orchards and farms in back, and is easy to repair. It's improvement without the negatives. 2) I'll defer to music experts on the organ and piano. 3)	years. The LLC method of financing it should work. More institutions need to take the lead in adopting clean energy genera+B23tion. "Generation might not even be an apt word;
31 To	urn this [energy] over to a hired consultant and continue with plan			
	o A/C the parsonage.			
33 [F	Replace] Which one [Piano]??			Do not have
35				Do not have
36				
71 po ti 37 is	iming of your request are off base. The parking lot has been an	The organ is an integral part of South Church's music program & also draws new people because we have an excellent music director.		
39	at oner a large one and the great recession, [::]			

page 5 of 9 10/20/2011 9:50 PM

[words in brackets, mean I added words that were obvious from where they were placed on the page.] { words in braces is my comment about action I took}

	1) Priority	2)Piano Only	3) Funding Ranking	4) LLC
			Ideally we could put half of the \$50,000 into an organ	
			fund and increase it by a sizable amount by tapping into	
			the "Market" gift. Their primary love was the church	
			organ and choir music. I know that many want funds to	
			grow, but I think the Markets would enthusiastically	
			support the purchase of this organ. What better way to	
			thank them than to install this instrument while a	
			number of us in the congregation can still remember	
40			them. Let's act now.	
41				
42	Need to know more [about the energy project]			
			I also assume the that the first two questions would	Not at this time but I may
	The heating/cooling isn't the same issue because it should not cost		need to be "accomplished" in order to do the last	after further
43	the congregation any money.	Absolutely not	two??	consideration.
44		Definitely not		Not just now
		We have such an excellent solution		
		to the organ problem that we would	I am not a great financial type so am mot sure my	
45		be foolish to pass it up.	selections above are useful.	
46				
47				
			Whatever funds the organ are my first 2 choices {I	
48			ranked the choices as I felt was intended}	
49				
50	If oil drops to \$30/barrel do the lot.	Good Luck		
51				
	Until we know if the permits to install solar panels will be approved			
52	it seems questionable to proceed.			
			I doubt have a make well amount information	
F2			I don't know -not well enough informed on	
53			consequences, details to have an opinion on mortgages.	
54 55				
J)				

page 6 of 9 10/20/2011 9:50 PM

# South Church Capital Questionnaire Comment Summary

	Sub	Questionnaire	
Category	Category	numbers	Example snippets
Complime	ntary		
		50, 18, 30	Good Luck
			Thanks to all who researched these projects.
			The committees have done impressively thorough work
			Thank you for soliciting opinions
Need Mor	e Information	& Confusing	
	Energy	42, 52, 38, 28	Need to know more
			issues of congregational inclusiveness
			A very big itemoverwhelming to many
			Organ & paving more immediate This is a distraction.
			Look long and hard at heat pumps
	LLC	17,	needs further clarification
	Piano	33, 16	Which one? Confusing Seek as gift rather than pay
	Funding	17, 20	Chart should not reflect all projectsas priorities not known yet
			that the questionnaire does not mention that two of the options would preclude the organ purchase Isunfortunate
Separate is	ssues	43, 20	[energy] is overwhelming should be separate
		<u> </u>	parking lot and organ are more immediate[energy] is a distraction
Organ is Es	sential		
-	Organ is		
	Essential	9, 11, 25, 37, 45	Integral partdraws new people
			Central to South Church worshipto reputationthat supports music program
			would diminish worship experiencereduce options for outside groups
			would lose members without organ
	Piano only		
	Option?	43 ,44, 10	Absolutely not
Organ not	Essential		
		27,	prefer organ butmeaningfulwithout

# South Church Capital Questionnaire Comment Summary

	Sub	Questionnaire	
Category	Category	numbers	Example snippets
Environme	ental Concern		
			Asphalt Woulddistract quite a bit from the view to the eastirony when [energy project] is
	Asphalt	30,	hope to reduce use of petroleum products
			surround building with thermal massmaking hot days hotter
	Energy	16,	more info on impact on abutting treeswhat church would look like with solar panels
Environme	ental Positive		
	Energy	8, 11, 30	Yeah Green!!! truly "the church on the green"
			accepting what falls on us for freeGod's gift
			Geo-thermal would be the better way for all the reasons
Environme	ental Acceptab	le	
_		30,	trees get trimmed and removed for lesser causes
			placing [solar panels] as shownwould work wellout of way of church use and view to east
Too Expen	sive		
		16, 17, 24, 27,	
	Piano	23	Seek one as a giftor for much less than stated
			Upright works well, don't need two
	Asphalt	50, 30, 27	If oil drops to \$30/barrel, do the lot
			Improve drainageno need to pave - money better spent
Can't Affo	rd		
	Capital		
	Campaign	9,	mortgagemore doable
		34, 11, 43, 44,	
	LLC	11	Would love to, but
Too Soon			
	Capital	37, 10, 11, 24,	
	Campaign	16, 19, 38	Poor economic environmentreason to wait
	1 - 0	, , , = =	we should take a breather
			an aging church population on set incomes and an economysaggingtimingoff base

# South Church Capital Questionnaire Comment Summary

	Sub	Questionnaire	
Category	Category	numbers	Example snippets
	Energy	52, 19	Until we know The permitswill be approvedquestionable to proceed
			developing alternative technologies are reasons to wait
About Tim	ne		
	Paving	37,	The parking lot has been an issue for decades
	Energy	10,	Church will not survive if we don'tlower costs
			reduce expenses[plus] green = no brainer
	Organ	45,	foolish to pass up excellent solution
	Funding	27, 28	The sooner the better
			Rates are low at present.
Do The job	right		
	Paving	8, 30	Paving over an inadequate base would only make a more expensive water problem
			paving should be done so as to last as long as possible without deterioration.
	Energy	32,	Turn this over to a hired consultant
Combo Fu	nding	8, 24, 25	medium term mortgage for a residual amount if a capital campaign falls short of goal
			Solicitgiftsto cover as much as possiblethen mortgage for the remaining balance
Priority		17,	The solar panels/ heat conversion is a "like to" not a need to, the same for the parking lot.
Existing Fu	unds		
		40,	organfundby tappingMarket gift.