FACILITY UPDATE AND NEXT STEPS

March 27, 2022

Westside Church of Christ

MAJOR DAMAGE FOUND DURING PREVENTATIVE MAINTENANCE



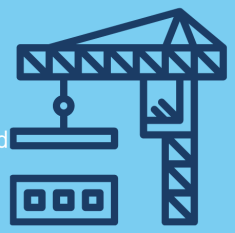
Last summer, contractors performing maintenance on the Activity Center roof found major damage to the main support system (trusses). Moisture rotted away at some crucial wood supports over several years, leading to significant damage to 14 out of the 23 steel trusses. When the city inspected the damage, they required us to keep it locked up until the necessary repairs could be made.

DEAD ENDS WITH INSURANCE AND WARRANTY CLAIMS



Our insurance claim was denied on the grounds that it was a slow, gradual problem and not sudden damage. We had our policy and the denial reviewed by a lawyer who agreed that the denial was correct. Unfortunately, the warranty on the roof expired, and in California you can only pursue legal action within ten years. That leaves us financially responsible.

THE PLAN TO REPLACE (REBUILD) THE GYM ROOF



The extent of the damage means the roof needs to be rebuilt, not just repaired. The new roof will be have a moisture barrier to prevent the problem from reoccurring and will have more trusses, closer together, that are also stronger than the originals. This plan was signed off by the structural engineer we've been working with.

FINANCIAL IMPACT



The cost of these repairs is $490,000. There is an extensive amount of demolition, engineering, plumbing, and storage involved in a project like this--in addition to labor and materials. The church has around $200,000 in available funding, so we will be taking out a loan to finance these repairs.

BE IN PRAYER FOR WHAT COMES NEXT!



- Pray that the loan proceeds without any issues.
- Pray for the health and safety of all the workers.
- Pray we would trust in God's goodness and provision.
- Pray that we would use this facility for God's glory.
- Pray for good weather while the roof is being repaired.
- Pray that we would be salt and light to all the workers, engineers, contractors, etc. who will be here.
- Pray for wisdom and guidance as unexpected issues arise.
- Pray that very few unexpected issues arise.
- Pray that we don't let the building we meet in become an object of our obsession or a source of our division.
- Pray that we stay hopeful, patient, kind, and compassionate.
- Pray that God would teach us to rely on him and him alone.
- Pray for the success of the Gospel at Westside, no matter what.

DETAILS OF THE PROPOSED FINANCING



Refinance our existing mortgage and take out addition funds to pay for the roof repairs and other necessary facility upgrades:

Roof Replacement:	$490,000
Additional Roof Repairs (Classrooms, Nursery)	$44,000
Fire Alarm System (Replacement)	$51,000
Final Solar Panel Payment	$18,000
Additional Funds for Overages	$50,000
Closing Costs	$22,000
Total New Spending:	$675,000
Current Mortgage Balance	$461,000
Total New Loan:	$1,136,000

After the loan, our mortgage payment will increase from $4,226 to about $6,398 per month.

This is a difference of $2,172 each month.

"Now to him who is able to do immeasurably more than all we ask or imagine, according to his power that is at work within us, to him be glory in the church and in Christ Jesus throughout all generations, for ever and ever! Amen." Ephesians 3:20-21 (NIV)

Although we are not planning on a special offering at this time, we are beginning to pray about some future plans to pay down this new debt. Please join us in prayer about this possibility as we seek God's will for our future.