

Congregational Assembly

St Paul Lutheran Church - Ann Arbor, MI
January 14, 2025, 7:04 pm-8:06 pm at
Earhart
80 attendees signed in

St Paul's mission: *We equip families and individuals to know Christ, to discover truth, and to create meaningful connections.*

Call to order: Tim Adler (Board of Directors Chair)

Opening prayer: Pastor Ted Hopkins (Senior Pastor)

Minutes: No corrections or additions were raised for the November 12, 2024 minutes, so they stand as distributed.

Special meeting for congregational approval to move forward with the school expansion project and apply for the loan. The project then shifts from the silent phase to the public phase.

Topics addressed

A. Expansion project: <https://www.stpaulann Arbor.org/give/building-campaign/>

What, why, and how much

Steve Kemp (capital campaign co-chair) announced that the total project ask is \$4.85 M. The project's researchers concluded that St Paul can afford to do this. Bob Burgess explained that this project increases the number of children and their families with whom St Paul can share the truth, way and life of Christ. He walked through the project schematics and details.

- \$1.85 M for building renovations to turn the existing library into a fourth preschool classroom with two restrooms, a launderette, a warming kitchen, and storage space; to add a more centrally located library/media center with natural lighting and storage and meeting spaces; to provide HVAC cooling in all kindergarten and preschool classrooms; and to add new entrances on the south and on the west to the new playground. The new playground will be built behind the school, using funds raised by the PTL.
- \$2.5 M on site improvements which include the expanded parking lot with four EV charging stations; a separate drop off and pick up location for small children; a new, screened, recycling and dumpster space; the retention pond doubled in size for storm water control; and room to build in the future.
- \$0.5 M for furnishings and equipment.

The goal is to raise \$2.6 M from current St Paul members via the pledge drive. The 50% match from the Oscar Haab Foundation will then provide \$1.3 M. The remaining \$950,000 will be obtained from a loan. The Financial Review Committee has set aside a portion of the Oscar Haab gift so that the interest from it will cover the loan payments.

Steps to date and going forward

Two years ago, the Timothy Group surveyed the entire congregation about willingness and ability to give. They met individually with many of the willing members to ask how much they might donate. They determined there was enough support for this project. During the quiet phase of the campaign, in the summer of 2023, St Paul members followed up to ask for actual pledge amounts. The project paused while some final

issues with the city were resolved. Then Cindy Pine and Steve Kemp reached out to those who had said that they would give and verified \$1.4 M in commitments. They already have \$350,000 in cash.

Now the city's approval, a project leader, blueprints, and the vision are in place. The next steps are to get the congregation's approval to go forward with the project and to authorize a loan for up to \$1.5 M with a possible additional \$0.5 M bridge loan. They will then raise the \$2.6 M in pledges. To break ground, St Paul will need \$2 M-\$2.2 M pledged with firm commitment dates and \$1.5 M-\$1.7 M in the bank. The precise amounts will depend on what is needed for furnishings.

Pastor Hopkins announced the Serving Generations series for the January 19-February 9 worship services. Congregants will be asked to take pledge cards and prayerfully consider how they can support the building campaign. February 9 is Commitment Sunday, for members to come forward with their cards stating their pledge of money, prayers, talents, and/or time.

>> Jerry Novak moved to approve the borrowing resolution

Whereas, the Constitution of St Paul Evangelical Lutheran Church of Ann Arbor, MI (St. Paul) states its Purpose as "making disciples through worship, education and caring ministry," and

Whereas, St Paul's Congregational Assembly voted September 27, 2022 to proceed with plans for improvement and expansion of its school site, and

Whereas, St Paul's Board of Directors has obtained architectural drawings and a budget for three areas, to include re-building and expanding the school parking lot, adding a new preschool classroom and building a new media center, and

Whereas, preliminary fundraising efforts to date from 31 family units have yielded one-half the total foreseen amount of the capital campaign, and

Whereas, St. Paul's Constitution delegates to the Congregational Assembly the authority to borrow funds exceeding 10% of the annual operating budget in any fiscal year, and

Whereas St. Paul anticipates borrowing up to \$1.5 million from the Michigan Church Extension Fund plus a bridge loan of up to \$500,000 as a temporary loan to begin the building project until pledges are received,

Therefore, be it resolved that at a Special Meeting of the St. Paul Congregational Assembly on January 14, 2025, the Board of Directors of St Paul Evangelical Lutheran Church be authorized to apply for a loan of not to exceed \$1.5 million plus a bridge loan not to exceed \$500,000 for the St. Paul Lutheran Church & School, Ann Arbor, MI "Serving Generations" Capital Campaign.

The vote was conducted with paper ballots distributed, collected, and counted by the Elders. Tim Adler announced that the motion passed with 93% voting to move forward with the building project and loan.

Help will be needed from the congregation. Contact Pastor Hopkins or the church office if you are willing to do any of the following:

- Count money. The Timothy Group recommends that the money counters for the expansion project be separate from the regular counters of church donations. This will probably be a once-a-month commitment.
- Track pledges. This will be intense, but short term--probably mostly in February.
- Send mailers to donors to say thank you for their gifts.

Questions answered by Bob Burgess (Principal), Ted Hopkins (Senior Pastor), Steve Kemp (Capital Campaign Co-Chair), Tim Adler (Board of Directors Chair), Dennis Kuhn (Project Leader), and Fred Metzger (Special Gifts Committee Chair)

- Once the money is raised, St Paul can start digging. The hope is that this will be by July 1st. The build should take a little over a year, finishing in the following summer.
- If for some reason the bids come back higher than what was raised, they will not commence to build. Instead, they will re-evaluate and then go through the entire process again.
- The estimates were made a year ago when materials were still harder to get after COVID and contractors were still more costly. They hired experts to help them calculate the estimates.
- A contingency fund has been built in. The furnishings estimate is on the high end, so that will give some wiggle-room, too.
- They considered including the new playground in the project but kept it separate, because that project was simpler, and its crew was doing fine in moving it along. Phase one of swing sets and other equipment is funded and set for the end of March. Phase two of the playground project is well under way with an anonymous donation, a \$100,000 1-for-1 match from Special Gifts, and plans to raise the rest in the upcoming auction.
- The Financial Review Committee considered whether or not the free preschool being offered by Michigan will affect St Paul's enrollment. While Michigan's offer will have an impact in some other communities, the committee doesn't think it will be an issue in Ann Arbor. The state already provides free options for grades 1-8. Also, last fall, the preschool was fully enrolled for FY 2025/2026. They were not certain what effect Michigan's program will have on companies that sponsor international students and have previously paid for kindergarten.
- The city requires four EV charging stations for a parking lot of this size. If St Paul decides to charge for use, it will have to manage the stations and deal with security.
- St Paul has hired AEW [Anderson, Eckstein & Westrick, Inc.] in Shelby Township to manage the construction project. Dennis Kuhn will oversee their work.
- Classrooms and activities will be displaced during the project. St Paul will make it work and the inconvenience will be well worth the outcome.
- Originally, the commitment period was for three years. Now it is two, ending in 2026, because they were originally going to start a year ago, and have already received \$350,000 in cash.

- The plans for the expansion have left space for the building of a sanctuary at Earhart.

B. Rebranding presentation

Pastor Hopkins quickly reviewed the slides about the new branding and then answered questions.

- “Lutheran” is not in the school marketing, although it is on the website in the information about the school. The branding team talked to others, including Travis Grulke [Michigan District of the Lutheran Church, Superintendent of Schools], and was advised that when people hear “Lutheran,” they often think the school is only available for that church’s members.

Closing prayer by Pastor Hopkins

Minutes respectfully submitted by Bethany Huseman, Recording Secretary