Congregational Assembly
St Paul Lutheran Church--Ann Arbor, MI
May 31, 2026, 11:43 am-12:44 pm
at Earhart
74 attendees signed in

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

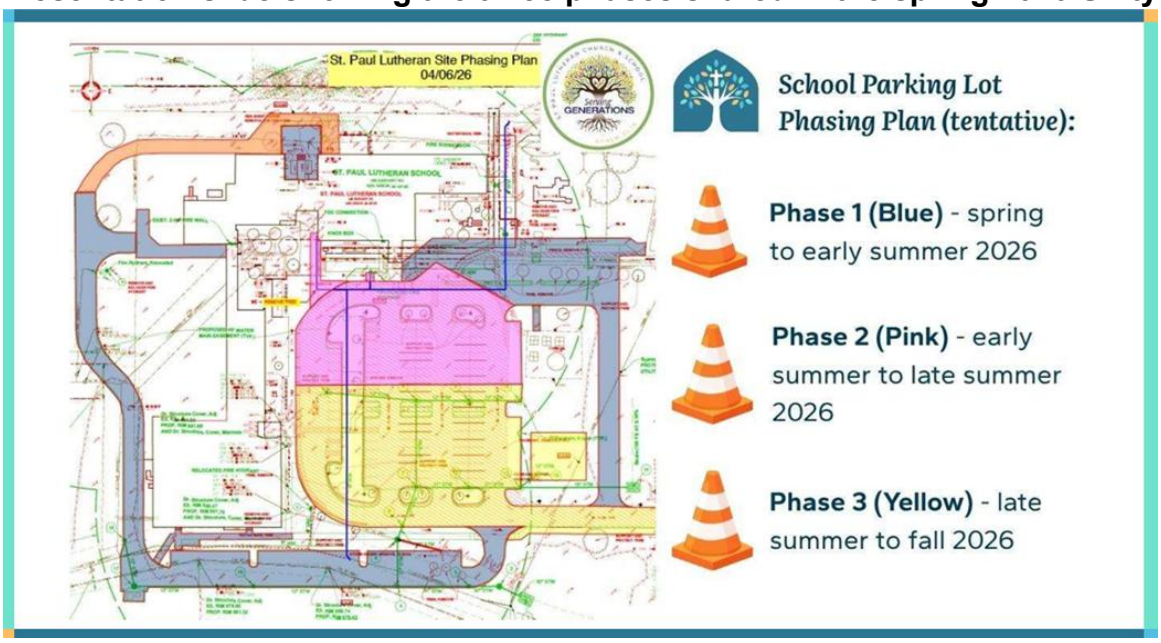
To elect Board of Directors member, elect Elders, and approve FY 2027 budget

Call to order: Tim Adler (Board of Directors Chair)
Agenda: Mr Adler verbally listed the agenda items
Opening prayer: Pastor Ted Hopkins (Senior Pastor)
Approval of minutes for November 23, 2025, March 1, 2026, and March 29, 2026: The November-March minutes were available in paper at the services preceding this assembly and electronically. Mr Adler asked for any additions or corrections. None were raised, so the minutes stand approved as written.

Topics addressed:

A) **Building expansion project update:** Dennis Kuhn (Building Project Committee)
The spring 2026 Unity had a recent update, so Mr Kuhn focused on what has changed since then.

Presentation slide showing the three phases shared in the spring 2026 Unity:



[Project overview from the spring Unity:
Parking Lot Construction (3 Phases):

- Phase 1 (Blue): Construction of new access roads, including a drop-off route and a required fire lane behind the building.

- Phase 2 (Pink): Replacement of the first half of the existing parking lot (closest to the school).
- Phase 3 (Yellow): Replacement of the remaining section near the gym]

Due to continued delays in approval from Ann Arbor for the permits, the anticipated start date is now July 1st. The goal is to combine the two site-work phases and complete them by the end of the summer. This leads to more challenges in parking and traffic flow, but makes it possible to lay the asphalt while it can be done reliably. The initial phase will also include a high-school-sized basketball court, a preschool racetrack, and a new entrance from "Woodward Ave." [i.e., from the north/south mid-school classroom corridor] into the playground. The plan is to shift into the construction phase in late fall and work through next spring, to finish the project by summer 2027.

Answers to questions from the assembly:
The orange area on the illustration is a temporary construction road.

B) Details about elections of Board of Directors member and Elders: Tim Adler
The Board of Directors is structured to have one to two directors rotate out annually. Board members are limited to two consecutive three-year terms. The board elects its own chairperson. The board has one open position this year. Tim Adler is up for re-election, and no other candidates stepped forward. The other current board members are Dennis Kuhn, Rich Nesbitt, Stephanie Kelly, and Russ Keinath.

The Board of Directors vote was conducted by paper ballot with the option to vote *yes, no*, or *abstain* for Tim Adler.

The Board of Elders had six open seats to serve a two-year term. The paper ballot listed each person with the choices of *yes, no*, or *abstain*. The candidates for election were Cory Dunham, Adan García, Ron Kruger, Jeremy Potts, and Matt Rudy. All but Mr Dunham were current Elders seeking re-election.

The Elders circulated the sign-in sheet to make certain everyone had signed in. They distributed and collected both ballots and then tabulated them while the meeting continued.

C) Fiscal year 2027 budget details and approval: Dan Kelly (Treasurer)
The Executive Team which consists of Bob Burgess (Principal), Ted Hopkins (Senior Pastor), and David Theuerkorn (Business Manager) worked together to create the proposed budget for FY 2027. They sent it to the Board of Directors for review and worked with the board to address any questions they had.

Mr Kelly walked through details of the proposed $3,724,200 balanced budget and how it compared with the FY 2026 budget.
The $184,000 increase in income for FY 2027 will mostly come from approximately

- $119,000 in increased tuition income, which is based on the enrollment projections for the upcoming year and the new tuition rates
- $28,000 in increased offerings, which is 2% more than the amount budgeted for FY 2026
- $19,000 in increased facility rental income, which includes rents from the tenant for the downstairs of the house on Liberty and from Emmaus for use of the church building
- $17,000-$18,000 from various camps

FY 2027 expenditures include

- a $114,000 increase for staffing expenditures, part of which will bring some positions' pay up to market level. Another part will cover the retirement plan increase, which is based on actual FY 2026 costs and assumed rate increases
- a $29,000 increase in school expenses to bring the amount up to the actual spending seen in FY 2026
- a $31,000 increase in facilities maintenance, equipment and cleaning

Even with a $24,000 increase in summer camp wages, the summer camps will have about $15,000 in profit, which will be used to offset the increased marketing budget. The decrease in health insurance costs is based on this year's actual spending.

Questions and answers about the FY 2027 budget

The upstairs of the house on Liberty will be used by the DCE intern. The downstairs will be used for a short-term rental, but it will be used for ministry purposes again in the future.

The new principal's position is built into the budget.

The budget includes pay for Grace Wiebe's Director of Christian Education internship and pay for one month of Lexie Brown's Director of Family Life Ministry position. The 11-month gap in pay for Ms Brown's position allowed for some of the budgeted increases in staffing expenditures. Pastor Hopkins is considering future staffing options for the head of Ms Brown's ministry.

The increase in offerings equates to about $2/week per worship service attendee, i.e., $8/week for a family of four. This is based on the average weekly attendance to date of 332 members for FY 2026.

The expenses from the building expansion project, such as the interest from the loan, will probably start to appear in the FY 2028 budget. By that point, the Fill-it-up campaign should be completed, so the loan amount will be known. Much of the loan payments will be covered by the tuition profit from the increased number of students, along with some from gifts.

>>Phil Klintworth moved to approve the budget as Dan Kelly had described it. The motion passed with a hand vote.

D) Results of the Board of Directors and Elders votes:

The Elders informed Tim Adler of their tallies, and he announced to the assembly

that the full slate was approved.

E) Fill-it-up campaign: Pastor Ted Hopkins
Pastor Hopkins shared that $1.3 M of the $1.7 M in pledges have been received. More details about the Fill-it-up campaign will be shared with the congregation as things get rolling.

F) St Paul Ann Arbor vision update: Chris Warren
The Vision Team members are Tim Adler, Cory Dunham, Jason Hallman, Pastor Ted Hopkins, Jessica Meier, Carol Nelson, Chris Warren, Natalie Nesbitt, Jordyn Pair, and Monica Slack. The team delved into what God is leading St Paul to do over the next seven years.

Mr Warren gave a brief history of the project. In 2021, St Paul conducted a congregational survey as part of its search for a new Senior Pastor. In August 2025, the Vision Task Force was created and expanded. In January 2026, they held both a congregational survey and a workshop about the vision. During the spring of 2026 the team spent time in synthesis, prayer, and vision refinement.

The team heard that

- the school and Christian education are central to St Paul's identity and mission
- many describe St Paul as caring, loving, friendly, and welcoming
- St Paul is strong in multigenerational participation
- St Paul deeply values worship, the Word, and sacraments

and they want to extend these things and make them more accessible.

The vision starts with a challenge to be a welcoming community that is intentionally connected with those God has placed in our lives. These are people inside St Paul and also the unconnected and transient Ann Arbor people outside of St Paul. The goal is to welcome 7000+ neighbors by 2033, not to increase membership, but rather to build deeper relationships to revitalize our neighborhoods and to equip our community to walk together in faith and life.

Next steps:

- St Paul members can hear more about this in the fall worship services. The 2026-2027 focus is stories of God at work
- Over the next one to three years, St Paul will plan ways to build pathways for deeper connection and to strengthen the church-school-neighborhood relationships
- The Vision Team will meet with Principal Amy Roth about the school's part of the vision
- St Paul members are probably already doing some of these things. However, members can be more cognizant of the opportunities God provides

in their daily lives for them to get to know others--opportunities that create more spaces for the Holy Spirit to work in the lives of the people around them.

G) Emmaus update: Pastor Chris Troxel (via a recorded video)
As a church plant, Emmaus is financially viable. They procured a grant from the Lutheran Church Missouri Synod and obtained financial support from the Michigan District.

Emmaus is well on its way to being a chartered church with the Michigan District. They applied for articles of incorporation from the state, received feedback from the state, made some revisions, and are ready to resubmit a revised version. They were granted their tax ID. The Michigan District approved the constitution and by-laws that Emmaus wrote. They are now setting a date for their chartering service. Emmaus and University Lutheran Chapel are beginning to separate their finances.

Emmaus works to connect the people in St Paul's neighborhood with the love of Jesus. Last fall, Emmaus started a community group that meets on Thursdays once a month, with a summer hiatus. They held a plant swap over three weekends in May, and connected with people from the neighborhood as well as other parts of the city and Ypsilanti. This year, they are again partnering with St Paul for Art Fair parking to raise funds for the Delonis Center. They continue to seek more ways to support and care for those at the center.

H) Final announcements: None

Closing prayer by Pastor Aaron Roggow (Associate Pastor)
Minutes respectfully submitted by Bethany Huseman (Recording Secretary)

Slide from Mr Kelly's presentation:

2026/2027 Budget

- Note: Figures shown only include budgeted funds/classes (Church, School, Pre-K, Infant/Toddler)

- Balanced budget
- Income vs. Prior Budget:
  - 5.2% overall budgeted increase ($184k) driven by:
  - 6.1% increased tuition ($119k) – rates + headcount
  - 2.0% increased offerings ($28.5k)
  - 23.8% increased other income ($19.0k) - rentals
  - 16.5% increased non-oper. income ($17.7k) – camps

- Expenses vs. Prior Budget:
  - 5.2% overall budgeted increase ($184k) driven by:
  - 4.3% increased staffing expenditures ($114k)
    - 2.7% wages to align with pay scales
    - 28.6% retirement – align with CY actuals
    - Summer camp wages ($24k)
  - 17.5% increased school expenses ($27k)
    - alignment with CY spend – marketing/lunches
  - 7.6% increased facilities/equip ($25k) – rep/clean

St. Paul Evangelical Lutheran Church
Budget Explanation
July 2026 - June 2027

	TOTAL Budget	Description
Income		
Total Offerings	$ 1,430,500	$28.5k (2.0%) Increase YoY - Effectively $2/Attendee more per week
Total Other Income	$ 99,000	$19k Increase YoY, primarily facility rentals
Total School Non-Operational Income	$ 124,700	$18k Increase YoY, primarily summer camp revenues
Total School Tuition	$ 2,070,000	$119k (6.1%) Increase YoY due to new rates and updated enrollment projections - 7.8% increase for first child tuition, second child tuition flat YoY
Total Income	**$ 3,724,200**	
Expenses		
Bank Charges & Fees	$ 300	Consistent with prior year
Total CEF Loan	$ 113,700	Consistent with prior year
Total Church Program Expenses	$ 38,200	$1.5k Increase YoY
Designated Reserves, (year end)	$ 39,000	$9k (30%) Increase YoY
Total Facilities & Equipment	$ 450,510	**$32k (8%) Increase YoY:** - $25K (16%) Buildings & Grounds + Capital Repairs + Contracted Maintenance - $11k (11%) Cleaning - $5k (15%) Insurance, partially offset by - $9k (7%) lower utilities
Total Family Life & Discipleship	$ 9,300	Slight decrease YoY ($400) with reduced spend in the current year
Total Missions & Outreach	$ 49,500	$6.5k Increse YoY - Thanksgiving Offering Donation & School Outreach
Total Office Expenditures	$ 54,890	Slight decrease YoY ($3k) with reduced spend in the current year
Total PreSchool Expenses	$ 31,200	Slight decrease YoY ($3k)
Total Scholarships	$ 7,000	$4.5k Increase YoY
Total School Expenses	$ 181,305	$27k Increase YoY in line with current year spending - $15k Marketing + $8.5K Teachers Lunches
Total Staffing Expenditures	$ 2,736,795	$114k Increase YoY (4.3%) - $54k Increase to wages (2.7%) - $40k Increase to retirement - based on CY actuals + assumed rate increases - $8k Increase payroll taxes - assumed rate increases - $24k Summer camp wages - $6k Building supervision, partially offset by - $15k decrease in health insurance - based on CY actuals
Total Youth	$ 12,500	$4k Decrease YoY
Total Expenses	**$ 3,724,200**	
Net Operating Income	$ 0	Balanced Budget