

Congregational Assembly

St Paul Lutheran Church - Ann Arbor, MI
Nov. 28, 2023, 7:05-8:26 PM at Earhart
50 attendees present

St Paul's mission: *Because God shows His love for us in Jesus, the people of St. Paul are a family in Christ, learning together, worshiping, reaching out, and caring.*

Call to order: Nancy Niemela (Board of Directors Chair)

St Paul's purpose statements:

Mission in the Constitution: God has established this congregation to make disciples of all generations.

Statement under development: God calls us to gather people around his word, grow together in faith and love, and go as servants who follow Jesus.

Opening prayer: Vacancy Senior Pastor Gary Bender

Agenda: Nancy introduced the agenda

Approval of previous minutes:

May 21, 2023: No corrections were raised by the assembly, so stand as distributed

May 23, 2023: No corrections were raised by the assembly, so stand as distributed

June 13, 2023: No corrections were raised by the assembly, so stand as distributed

Topics Addressed

A. Christmas services schedule, December 24-25 by Pastor Roggow. The service schedule is mostly the same as previous years. The biggest change is that no morning service will be held on Dec. 24, because Advent Sunday service 4 falls on Christmas Eve. The Saturday evening 6:00 pm service will still be held on Dec. 23. The Christmas Eve festival services will be held at Earhart at 4:30 pm, and at Liberty at 7:00 pm and 11:00 pm. Christmas Day service will be at 10:00 am at Liberty. In response to a question asked before the meeting, Nancy Niemela shared that Emmaus will hold their service at 5:00 pm on Dec. 24.

B. Special Gifts Committee update by Fred Metzger (Committee Chair). The other members are Tim Adler, John Bates, Liz Liggett, Natalie Nesbitt, Jim Gilbertson, and Lois Love (bookkeeper). Fred presented the annual review, which detailed how the Church and School Foundation endowment funds have grown and how they were used. The handout was distributed in paper and electronically before the meeting.

The funds

From June 30, 2017 to June 30, 2023, the total assets grew from \$1,431,389 to \$3,062,693. These include loans outstanding. In the same period, the investment accounts went from \$368,634 to \$1,678,871, and the cash investments went from \$1,010,831 to \$1,359,856. The committee's goal has been to shift the distribution to 60% in equities and 40% in cash. The current allocation is 55% in investments and 45% in fixed income. The Church and School Foundation FY 2023 income was \$563,813, with \$283,445 from unrestricted endowment contributions, \$222,103 from investments income, \$50,765 from designated gifts, and \$7,500 from endowment

contributions scholarships. A bequest supported the addition of another endowment for a scholarship for staff higher education and development.

Things supported

The Foundation FY 2023 expenses were \$78,783. The scholarships included \$14,000 for 17 students from 11 families in K-8, and \$5,000 to youth activities--the national youth conference in Houston. For FY 2024, \$16,000 will support 21 students from 14 families in grades K-8. The goal is to continue to grow this endowment so that it can provide \$50,000-\$60,000 in scholarships for students. Special gifts also supported two seminary students, a teacher's higher education to obtain a master's degree, the Roggows's trip to Kenya, and Lexie Brown's trip to Israel. Special gifts were used for church technology (which included safety components); the paint, new carpeting and flooring at the Liberty preschool; and the new flooring, TV, and wi-fi system in the youth house. The auction at Earhart provided funds for the carpeting of the 1st and 2nd grade rooms. The Liberty sanctuary got all new LED lighting. Its small plexiglass windows have been gradually replaced. They are researching replacing the larger windows.

How to contribute

Contributions to the church and school foundation are welcome throughout the year. 100% goes to the foundation--it has no overhead costs. Required minimum distributions, and qualified charitable distributions can be wired directly. The foundation can accept gifts of stocks. Julie Burgess Julie.burgess@lfnd.org can help with gift planning and setting up bequests. Fred Metzger metzgerf1@att.net or Amy Rice (Business Manager) are also willing to help.

C. Senior Pastor Call Committee update by John Bates (Chairman). The Board of Directors originally appointed Travis Grulke, Lauren Warren, Angie Raasch, Dan Meier, Aaron Shinn and Neil Skov for the committee. Angie Raasch asked to be removed, so the board has appointed Laurie Walters to replace her. The board also added Amy Rice as a non-voting member to help answer questions from candidates during the interview process.

For the call process, the committee approaches pastors who have the desired qualifications for St Paul's needs. The pastor might not be seeking another position. The pastor considers the call and determines where God wants him to be. In the first round a call was extended, but Pastor Steinke declined. In the second round, the committee interviewed 3 pastors, but none were interested in receiving a call. The committee is now starting round 3. A day ago they received the list of names from the District. The congregation had recommended 15 men. The District assessed and contacted the pastors and determined 11 were feasible. The District added some other names to produce a final list of 20 names. The call committee will look through the provided pastor information files and self-evaluation tools. They will meet on Dec. 11th to determine whom to interview. They seek to keep the process moving along, and hope for St Paul to extend a call before Ash Wednesday.

D. Expansion project update by Bob Burgess (Principal). St Paul is in a unique position to live out its mission. St Paul teachers share God's word. Not only do students come to faith, but the shared word strengthens that faith when the world

tries to distract and entice them away. The students' families are also touched by the teachers' faith. Of the families attending the school, 25% have no church home.

Bob recapped the project goals. 1) A new library, which can also serve to hold meetings. 2) Another preschool room for another 25 children. This would bring the total to 100 new kids enrolled per year. In 6 years, that equals more individuals than the current number of members attending St Paul's worship services. 3) The parking lot changes will prepare St Paul for future developments.

The estimated project cost is \$3.5 M, with a goal to raise \$2.0 M through a capital campaign. At the Sept. 27, 2022 meeting, the congregation approved \$232,000 for the initial designs and city planning approvals. Rising costs have delayed the plans that the city will need to approve. The launch of the capital campaign is expected to be in January, after the drawings are finalized and the city approves them. The congregation must review the final development plans and then vote to approve them before the project begins.

E. Finance and budget update by Dana Bell (Treasurer). Dana reported on the income and expenditures for the first quarter of FY 2024.

-Total income for Q1 was **\$686,003** and includes facility rentals income, interest income, church offerings, and school tuition. The \$61,900 supplement fund is from the excess grant income that was set aside in the proposed FY 2024 to cover any losses. More interest income is available than before, because Amy has moved checks into interest bearing accounts at the Church Extension Fund. The income from church offerings has steadily declined and is 30% under budget. From FY 2021-FY 2023, the number of giving units and the average offering per unit in Q1 have decreased. School tuition is on track for FY 2024 and might grow, since programs are still ramping back up to full capacity.

-Total expenses were **\$903,557**. Increases in utilities and services plus unexpected facility repairs resulted in higher total costs for the first quarter. Costs are expected to continue to increase. Staffing is the largest expense. Expenses include boiler replacements and getting the Youth House ready for the pastor. First quarter expenses are always higher as the school buys its supplies at the beginning of the school year, but this evens out over the year.

Amy encouraged the congregation to step up their offerings to support the many exciting things St Paul is working on. Much of the grant income is in reserves. However, instead of using the reserves, offerings should support expenses and expenses should be watched.

>> **Amy Rice** will work on some handouts to share this information in the eNews and in hard copies at the services.

Some of the items discussed

- A Congregational Assembly will probably be held for voting in January or early February. The budget numbers can be shared again then.
- Amy has reviewed budgets with staff and is creating some purchasing policies for the staff.
- Amy will make certain all families have giving envelopes.

- In the past, pledge cards helped estimate offerings, but didn't really change giving amounts.
- Over the last 3 years, St Paul had over \$1M in grant income, but grant income will be much smaller going forward.
- Many new members have joined St Paul, but St Paul's overall membership has dropped by about 20 members each of the past two years.
- Offerings were flat for many years. 2021 had an artificial high from COVID.
- Giving typically declines about 20% during a senior pastor vacancy, then resurges.
- Congregational Assemblies and subsequent in-person conversations of meeting attendees with friends and fellow worshippers might be the best way to communicate shortfalls in offerings. The Unity is published quarterly, so it is not a good channel. Fred Metzger asked if the offering information could be published weekly, or at least monthly.
- It is easy to set an automated offering amount and then not think about it again. It can be a good practice to regularly review what you are giving.
- The operating reserves has about \$600,000, which is about 1.5 months' expenses. It should be larger. The reserves were tapped into for the boiler work, and for \$39,000 for the sewer. The city of Ann Arbor will eventually reimburse the sewer costs.
- Pastor Bender encouraged the assembly to not let the lower offerings affect the capital campaign. They are two separate things. God has placed a project before St Paul. Several things are in place for laying the foundation for moving forward and upward, but St Paul has to keep at them.
- When capital campaigns kick in, other giving tends to increase, too.

F. Elder ministry: As part of their goal to do more intentional ministry alongside of the pastors, the Elders plan to contact all congregation members once a year, and maybe even twice a year. They want to ask members how things are going, and to care for the members' spiritual needs.

G. Growing discipleship: Pastor Roggow shared that he, Tyler Seehafer and Lexie Brown have worked on how to foster discipleship. Stewardship, diving into God's word, and serving outside of themselves leads members to serve the kingdom of God. When we ask ourselves, "how do I shape my life around what God has given to me?," following Jesus permeates our entire life. Members may also be encouraged when informed about how the congregation is serving as a whole.

H. Constitution and By-laws revisions: Nancy Niemela announced that the Board of Directors has made some revisions to St Paul's Constitution and By-laws. They also incorporated some changes recommended by the Michigan District office. Once the district office has reviewed the changes, they will be shared with the congregation for approval, probably in early 2024.

I. Matters arising: None were raised from the assembly.

Closing prayer by Pastor Roggow

Meeting adjourned by Nancy Niemela

Minutes respectfully submitted by Bethany Huseman, Recording Secretary