



CAPITAL CAMPAIGN UPDATE

On Generosity and Gratitude at People's Church

By Allan Hunt, Stewardship Chair

People's Church is a very special place of liberal religious belief and abundant mutual support. We all participate in the former and enjoy the benefits of the latter. But where does that support come from? It comes from deep within each of us and is built upon the time, talent, and treasure that we offer to one another and to our broader community.

Since 2011, when we made the decision to proceed with the physical expansion and renovation of our church to better support the various missions of People's Church, we have donated countless hours of our time, our bountiful talents, and abundant treasure to that cause.

Over these past 5+ years, People's Church has benefited from a time of incredible generosity. Over 300 individuals and families have offered dedicated gifts beyond their support for our annual stewardship campaign to help make the renewal of our church facilities possible.

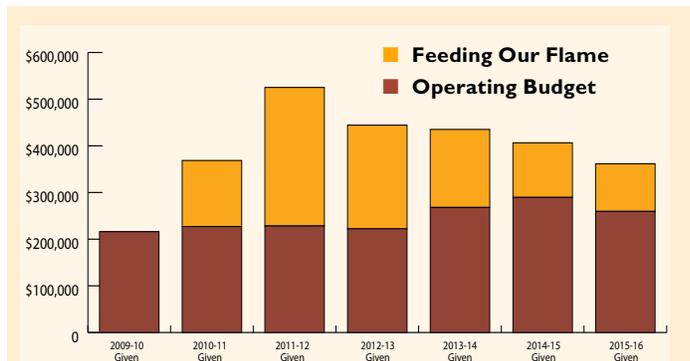
We have thus far have paid off more than 60 percent of the \$1.5 million renovation and expansion cost. And when our operating budget began to lag over the last two years, People's people stepped up again and met our goal by pledging over \$52,000 to our fall supplemental campaign, restoring equilibrium to our annual budget. We are indeed generous with our treasure!

The expansion of the church has enabled more service to our community. We do not charge non-members for participation in our outstanding Religious Education program, including Our Whole Lives across the lifespan and Coming of Age for youth. We participate as individuals in many social action groups in the area, and constitute a plurality at most ISAAC actions. Our beautiful spaces have attracted more and more rental business from the community at very modest prices. In addition, we have contributed more than \$50,000 to local non-profit organizations through our monthly Special Collections program over the last six years. Of course, the time and talents



that we have contributed to these organizations remain beyond measure but again demonstrate our generosity!

So please congratulate yourself on our achievements. And show your gratitude to other People's people for their generosity too! We are all part of this wonderful endeavor that we call People's Church and we can be very proud of the strong record we have made together with our time, talent, and treasure!



Over the past six years, People's people have nearly doubled their annual support to make the renewal of our church home possible while sustaining our commitment to quality religious programming. Collectively we have contributed over \$2.75 million to People's Church since July 1, 2009. Thank you for your extraordinary support!

Contributing to **SUCCESS**



Thank you to the many, many people who have helped support the renewal of our church home over the past six years as a volunteer, through contributions to our two *Feeding Our Flame* capital campaigns, or with support of this fall's supplemental campaign.

Sid Aaron & Judy Mayo
Dale Abbott & Tomme Maile
Robert Allen
Andrew Alm
River Artz-Iffland
Norma Bailey
Jeme Baker & Mike Rutherford
Niki Barnes
Heather & Aaron Barsy
Tim Bartik & Deb Wickman
Barb Barton
Nanette Beaton
Todd & Elaine Beck
Jack Bennett &
Linda Gentry Bennett
Abbey Bernardi
Cary Betz Williams
Martha Beverly
Deb Beyer
Jack Blalock
Gordon & Ellen Bolar
Don Bregger
Martha Breitwieser
Richard Brewer & Katy Takahashi
Jean Bright
Vaikai & Elaine Brown
Dave Bryan
Beth Bullmer
The Burdick-Thorne Foundation
Ken Campbell
Sharon Caron
Mary Carroll
Sue Caulfield
Steve & Teresa Cavanaugh
Sandra Chamberlain
Molly & Dan Chase
Esther Christensen
Michelle Clark
Peggy Clausing
& Richard Granberg
Tracy Cobb
Martha Cohen
Tiffany Cole
Bob Cooley &
Sarah McFerran-Cooley
Nancy Crawford
Leslie & Bryan Cronenwett
Pat Cronin & Karen Halsted
Jan Crosby
Jeffrey & Jennifer Crouse

Tom Cunningham
& Gwen Abney-Cunningham
Russ Curcuro & Pam Wadsworth
Dave & Ardyce Curl
Christina Cusumano
Phil Cutler
Su A. Cutler
Ken Dahlberg
Martha Dahlinger
Robert & Barbara Davis
Wendy Dawson & Don Miller
Sonja Dean & Josh Hall
Andrew DeGraw &
Becky Woodaman
Vincent Desroches
& Christine Iaderosa
Beth DeWaters & Kenneth Tindall
Joann Dodson
Jennifer Drake
Ernie & Helena Dyer
Hannelore Eck
Stephanie Evergreen
Molly Fairbanks
Gregory & Ann Feldmeier
Brooke Feltner-Beebe
Steve & Connie Ferguson
Clifton Fisher
Henry Flandysz
Nita Fowler
William & Virginia Fox
Bob & Karen Friedel
Joy & Jim Gardner
Nicole Gates
Anita Gaudio
John S. Geisler
Mark Gernsback & Denise Valette
Mary Gibson
Bill Ginn
Kimberly Ginn
Michael & Sue Glenn
Alberta Goebel
Bobby Goldstein
Bill Goodman
Kelly Grace
Donna Grath
Michael Gregor
Merl Grosvenor
Noel & Patricia Guilford
Rochelle Habeck Hunt
& Allan Hunt
Chris & Jennifer Haenicke

Jim Hall
Dyrklain Hamilton
Christine Hann
Michelle Hansen
Barbara Hasan
Mackenzie Hatfield
Missy & Heather Howse-Kurtz
Helen Healy
Gary Heckman
Carolyn Heineman
John F. Hemmer
Kelly Henderson
Jenny Henley
Kitty Henriksen
Rose Mary Higginbottom
Karen Horneffer-Ginter
& Paul Ginter
Andrea Huff
Lori Hughes
Merle Hunt
Robert Husser
Anne Hutchinson
David Isaacson
Karen Jacobs
Matt & Betsy Johnson
Rick Johnson
Ben Jones & Jana Watson
Ellie Killinger
Jeff & Julia Kirkwood
Richard Klade
Jeffrey & Teresa Klan
Ivan & Camilla Klinesteker
Rodney Kling
Julia Koestner Warner
Vicki Konzen
Philip & Drue Kramer
Michael & Theresa Ku
Dana Kubinski
Lea Kunze
Sao Kyne
Aliisa Lahti & Gerren Young
Hilary Lake
Aaron & Elizabeth Lane-Davies
Holley Lantz
Mary Lazaraton
Gary & Jeanne Leadley
Nicky Leigh
Mary Lewis
Marj Lightner
Peter & Laura Livingstone-McNelis
Roger & Lois Loeffler

Darryl Loiacano
Rachel & Brian Lonberg
Jacqueline Luczak
Therese Malmberg
Neena Marion
Amy & Jeremy Marr
Harry Marshall
The Rev. Jill K. McAllister
Ellie McCormick
George & Barbara McCre
Bob & Sarah McFerran-Cooley
Mary McIntosh
Christopher & Stephanie Measzros
Diane Melvin
Mark & Nancy Mitchell
Matthew Morris McCormick
Betsy Munro
Patrick, Wendy & Fiona Murray
Linda Myers
Michael Nassaney &
Nadine Godin-Nassaney
John & Lori Neuhaus
John & Catherine Niessink
Mark & Sheri Notten
Jack Nottingham
Marcy & Stephen Ohs
Barb Osborne
Sally Padley
Kim & Lula Palmer
Janice Park
Andrew & Kimberly Payne
Lissa Perkins
Cindy Pietras
Patty & Avery Playford
Doug Post & Dawn Chamberlain
Colleen Potter
Pat Pratt
Mike Pritchard
Stan & Connie Rajnak
Sarah Renstrom & Jim Jaksa
Megan Reynolds & Sarah Hill
Joanne & Robert Roschmann
Drusie Rosegrant
Luke Rosenberg &
Dimitri Theodoropoulos
Krista Runyan
David Sadler
Sue & David Salvat
Christopher Schleuder
Eric & Peggy Schreur
Jean Schroder

Emily Searles
Chris Semelbauer
Anna & Marc Shade
Cybelle Shattuck
Ann Shepich
Reed & Dawn Shilts
Emily Sipsma
David Smallcombe
Fay Smith
Ronald L. Sommers
& Sandra Chamberlain
Kay Spade
Tim Sparling &
Marti Peters-Sparling
Marjory Spradling
Susan Stafford
John & Sandy Steele
Marijo Steenstra
Fred & Natalia Stelson
Sabrina & Scott Stempel
Edward & Nancy Stob
Nancy Stone
Dolores & Jeff Strom
Jeff Susor & Erin Nealon
Phyllis Thayer
Mary Tift
Karen Tinklenberg
Donna Treloar
Howard & Marge Trumbull
Edmund Tsang
Jack Urban
Zoe Valette & Steven Dibble
Colleen & Patrick Van
Slambrouck
Carol Vandenberg
Abbie VanDerWege
& Jeff Chicoski
Thomas & Kat VanHammen
Megan Vollick
John & Gay Walker
Robert Wallis &
Beth Gregory-Wallis
Elizabeth Warner
Allen Webb & Cindy Pietras
Mary Kate Webster
Michelle Weemhoff &
Jeff VanderStraaten
Pam Wenzel
Jeannine Willacker
& David Heinrich
Diane Worden

Board of Trustees Approves Third Capital Campaign

By Tim Bartik, Board President

People's Church is in the final year of a second consecutive capital campaign, which is scheduled to conclude June 30, 2017. After extensive discussion, the Board of Trustees voted unanimously to undertake a third (and final) capital campaign to repay the remaining loan on our building enhancement project.

The plan is to conduct a special 2017 stewardship campaign that will again ask people to consider both a one-year pledge to support the daily work of People's Church as well as a multi-year pledge to support our completed building project. We are grateful to Allan Hunt and Megan Reynolds for agreeing to lead this important project!

Why did we make this decision?

The main reason is this: a successful campaign will wipe out the church's capital debt, save us a great deal in financing costs, and bring our requests for special support to an end as quickly as possible. We want our church giving to focus on providing high-quality church programs and social justice outreach, not on simply covering our interest costs.

Here is a little background and some numbers on our building project and the various capital campaigns. Faced with serious space constraints, in 2011 we decided to expand our building. This valuable addition has enabled us to significantly improve our church programs.

In approximate numbers, the building expansion cost a little less than \$1.5 million. The goal of our first capital campaign (2011-14) was to raise at least half of this total and our second campaign (2014-17) is helping to service our building loan and pay down the outstanding principal. Through the extraordinary generosity of our members and friends, we have raised over \$1.2 million through those two fundraising efforts. This is a testament

to how much People's people value the church and value what the building expansion did to help us achieve our shared purposes.

However, we have not yet wiped out our capital debt. With interest charges, we expect by the end of the second capital campaign to have a remaining debt of around \$450,000. Given this debt, the Board was faced with two feasible choices.

The first option was to get a 15-year mortgage and gradually pay the principal and interest on the debt. This mortgage would initially have a 4.1% interest rate, but the rate would fluctuate up or down with the market. (Unlike homeowners, nonprofit organizations cannot get fixed rate mortgages).

Such a mortgage would add \$40,000 annually to the church's operating budget, requiring us to either cut other budget areas substantially or to sustain an increase in annual giving of 15% for the next decade and a half. Neither of those options were deemed ideal.

In addition, by amortizing the loan over 15 years, we would pay a significant amount of interest and risk the possibility of future increases in interest rates. In the early years of the loan, almost half of each monthly payment (over \$18,000 annually) would go simply to cover interest. At our current rate, interest payments alone would total over \$150,000 over the life of the loan. While predicting future interest rates is a fool's game, not an economist's game, there almost surely are higher upside risks to interest rates increasing from 4.1%. If interest rates increase, the church would end up paying even more in interest costs.

The second option was to undertake a third capital campaign. A successful campaign would wipe out

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our remaining debt, cut total interest expenses by almost \$125,000, and remove a barrier to future opportunities. Based on past support and the current state of our church, we believe a debt-free goal for this third campaign is within our reach if we work together.

Faced with these considerations, the church board decided the option of a third capital campaign was in the church's best interest. Or maybe we should call it the capital campaign to end all capital campaigns! Once we pay off our debt, we free up a lot of resources to make sure we can run our church programs in a high quality way. People's Church can continue and expand our efforts not only to help our members and their families to live better lives, but also to promote social justice in the greater Kalamazoo community.

We will need everyone's help in the work ahead. Obviously we hope that you will give as you are able, after you have first made sure you have helped support our operating budget. (The operating budget is always our first priority in church fundraising.) But in addition, we hope that you will consider joining Allan and Megan in helping to plan for a successful campaign. Planning is just now beginning and there are a variety of roles to match the gifts each of us can bring. With everyone working together, we can accomplish great tasks.

2017 Campaign Planning Now Underway

By Allan Hunt and Megan Reynolds, Campaign Co-Chairs

We have been asked to help guide a third capital campaign for People's Church and were delighted to accept the invitation to help sustain the critical work of our church. Over 300 people have already played an active role in preparing our church facilities to better support our mission through their generous support of past special fundraising efforts. With your help, a debt-free fundraising goal to complete our building project is within our reach through one final capital campaign.

Initial planning for the 2017 campaign is beginning this week, and there is a role for all in assisting with this work. Whether you might consider helping with future

communications, organizing informational or celebration events, reaching out to fellow members to answer questions and encourage support, thanking all who join in supporting the campaign, or assisting in some other way, we need your help. Please contact either of us if you are interested in offering your assistance or would simply like to learn more about our plans.

We need your help! Please contact either of us if you are interested in offering your assistance.



Q: What is the purpose of the planned capital campaign?

A: The purpose of the planned third campaign is to finish repaying People's Church's building loan, projected to be \$450,000 at the end of our current campaign. Retiring the loan in three more years will save our church tens of thousands of dollars in future interest expenses, remove the pressure of monthly loan payments, and free us to respond to future priorities as they arise.

Q: What was the origin of People's Church's debt?

A: Our current building was originally constructed almost 50 years ago and by 2011 members recognized a need for significant improvements. Among the primary considerations at the time were a need for more and larger classroom and meeting spaces, better accessibility for people with limited mobility, and code compliance in our kitchen. After many months of planning and dialogue, we launched our original capital campaign in 2011 with the goal of funding at least half of total building renovation and expansion costs. Our *Feeding Our Flame* campaign met its financial goal, but we still required a construction loan totaling \$959,475

to complete the project. We have made regular payments toward our building loan and will have repaid approximately \$500,000 of the original principal amount when our second campaign ends next summer.

Q: When will I be asked to consider a pledge to the campaign?

A: Our capital campaign would be held in conjunction with our annual stewardship campaign in early 2017. We expect to celebrate a Pledge Sunday in March 2017 and members will be asked to share their response to the campaign at that time. Your pledge to the capital campaign would be payable over a three-year period, between now and June 2020.

