

November 17th, 2024
First Presbyterian Church of Auburn - Congregational Meeting Information

At the request of the session, a congregational meeting will be held immediately following the 11am worship service on Sunday, November 17, 2024 for the purpose of approving a loan of \$250,000 with the Presbyterian Investment and Loan Program.

How did the session arrive at the decision to take out this loan?

Earlier this year, Property Committee representatives expressed an extremely urgent need for the following repairs:

Repair	Estimated Cost
Sanctuary Roof	125000
Gay St. Vestibule Roof	9000
Sanctuary Plaster	30000
Sanctuary Paint	65000
New Exterior Gutters	20000
Other (Architect's Fees, Contingencies, etc)	31,000
TOTAL*	280000
Note: \$30k of church funds have already been designated toward this project.	

Because of the urgent nature of the repairs, the session formed a task force that included representatives of the Property, Finance, and Generosity Committees. This task force was asked to make a recommendation to session as to how to proceed.

Why was the Presbyterian Investment and Loan Program selected as the best option for procuring the loan?

The session-appointed task force explored the following options for funding this project:

- utilizing current funds held by the church
- financing through a local bank
- fundraising from within the congregation via a capital campaign
- applying for a loan through the Presbyterian Investment and Loan Program (PILP)

Due to the urgent nature and high cost of the repair, the task force concluded and recommended to the session that the best course of action would be to apply for a Restoring Creation Endowment Loan through the Presbyterian Investment and Loan Program (PILP). The recommendation was unanimously approved by members of the session.

The task force's rationale for their recommendation included:

- the competitive loan rate of 4.6% (This is a discounted rate from their typical 5.75%. It is 1% lower because FPC's project will create energy efficiency and .15% lower because we are a Matthew 25 affiliated congregation.)
- the 4.6% interest rate we will pay will help fund future loans for PC(USA) churches
- PILP works with churches to create flexible terms that will allow us to pay back the loan at a pace that will not place an unnecessary burden on our regular church budget

How do we plan to pay back the loan?

As our church Finance Committee finalizes the 2025 Operating Budget, they will factor in the terms of the loan repayment. Additionally, the Session has also commissioned a Task Force to begin looking into capital-related grant opportunities as well as the possibility of a capital campaign to help repay this loan and fund additional property improvements as outlined in the Ekklesia Master Plan.

Why do we have to have the congregation's approval for this loan?

Presbyterian Church (USA) polity as well as the loan application process of the Presbyterian Investment and Loan Program requires congregational approval.

Who should I contact if I have questions prior to the congregational meeting?

You are welcome to contact either of our pastors, or the chairpersons of the Property or Finance Committees (please see below.)

Rev. Nick Reed	nreed@fpcauburn.org
Rev. Dr. Kathy Reed	kreed@fpcauburn.org
Elder Karen Herring (Finance Chair)	karenherring4@gmail.com
Elder Daniel Parsons (Property Chair)	parsodg@gmail.com