

PLANNING FOR TOMORROW UPDATE

OCTOBER 2024



Dear Parishioners of St. Michael,

Planning For Tomorrow (PFT) is the initiative to ensure our church building can meet the needs of our parish community for many years to come. When PFT was initiated, one of the first actions was to purchase the lots on the north side of the church. In anticipation of a future renovation/addition to the present structure, these lots were purchased in part to address any need for additional parking space. Parishioner donation and fundraising events provided the financing for the purchase. A loan from the Archdiocese of Edmonton was secured which was then paid off by our parish in early 2023. With no debt remaining from this purchase, plans were initiated and an architect was engaged to provide possible designs as to any renovations and additions to the church. Drawings of this design work have been displayed throughout the church since June 2024.

Project Scope

The planned addition will include barrier free church access, social gathering space in a large foyer at the church entry, main floor church office space, a confessional and vestry at the rear of the church, onsite storage space, some additional church seating space and large meeting spaces in the basement. Throughout this design process, special emphasis was made to preserve the familiar 'look' of St. Michael which has been an iconic presence in our community since 1935.

On September 11, a meeting was held to provide an update on the Planning For Tomorrow initiative in the parish. In addition to members of the Planning For Tomorrow Committee, members from the Parish Council, Finance Committee, Knights of Columbus, C.W.L. and representatives from an architectural firm were in attendance. The purpose of the meeting was to present the project design and cost estimate to a larger representative group within the parish for their feedback.

Project Cost

A cost consultant has provided a third-party formalized budget estimate for the proposed design which is based on current industry market conditions. This budget estimate of \$5.67 million was presented to those in attendance at the September 11 meeting. In addition to receiving this estimate, the committee had previously received two estimates from general contractors that were more (\$5.91 million) and less (\$4.15 million). Included in all these cost projections were contingencies for unforeseen circumstances and ultimately costs. There was a general consensus at the meeting that the project cost would need to be reduced. There was also a belief (supported by the architect) that this reduction could be achieved while still retaining the original intent of the project. For the purpose of further discussion, we will assign \$5 million as our budget for this project. That is, ***IF*** our parish were to proceed with this project we would be willing to commit to a maximum of \$5 million as the budget - and hopefully less!

Project Financing

With 50% as a down payment, the Catholic Archdiocese of Edmonton will provide financing at 2% interest for a 10 year term. Therefore, the task is to raise a down payment of as much as \$2.5 M. This task will need to involve the entire Catholic community from the area that St. Michael serves. Currently, with \$460 K in our PFT Fund, we will need to raise roughly \$2 M more prior to the start of the project in the next 1½ - 2 years. A brief summary of the current monthly donations contributing to the PFT project is shown below along with a proposed **TARGET MONTHLY AMOUNT**.

| Planning For Tomorrow Monthly Donations: CURRENT vs. TARGET | | |
|--|---|------------------------------|
| FUND | CURRENT MONTHLY AMOUNT <i>(Past 12 month average)</i> | TARGET MONTHLY AMOUNT |
| PFT Fund | \$10,000 | \$24,000 |
| Building and Maintenance Fund | \$3,000 | \$6,000 |
| Profit from Purchase cards | \$5,000 | \$10,000 |
| TOTAL | \$18,000 | \$40,000 |

The above table shows more than a doubling of our monthly donations for the PFT Fund. Are the 'TARGET' amounts realistic? Thanks to the ongoing generosity of our parishioners, and despite the absence of a concerted stewardship campaign, current monthly donations have continued at \$18 K per month. If parishioners were to meet this *Target Monthly* goal, over the next 24 months \$960 K could be added to the down payment. The balance of approximately \$1.1 M would then need to come from a combination of sources including lump sum donations and the possible sale of one lot along 53 Avenue.

Once construction is complete, we will still have monthly payments to make to the Archdiocese of Edmonton but these will not be as ambitious as our proposed target for the down payment. Financing the \$2.5 M loan would require a monthly payment of \$23 K for the duration of the loan.

Summary

It is very clear that a project this size for our parish requires not only a belief that it is needed but also a financial commitment to make it happen. 1½ - 2 years is our targeted start-of-construction date but this timing will be totally dependent on the response of our parishioners to this campaign.

How can you help? During the weekend of September 14 & 15 the Pastoral Priorities were launched throughout the Catholic Archdiocese of Edmonton. One of the focus areas for us at St. Michael is to "encourage overall parishioner involvement in church life". Getting involved in programs and contributing your time as a volunteer will contribute to an engaged, thriving and faithful community. It's also important to contribute financially to your parish. Everyone has a different capacity to make a financial contribution to the ongoing operation of the parish and to initiatives like Planning For Tomorrow. Are you currently donating to the parish? Where does my donation go and what does it support? Do you require information on the taxable benefits of becoming a registered donor? How can my family support the purchase card program? What are the benefits of automatic withdrawal? You may have many other questions regarding your role as a donor. Over the next few weeks we will be undertaking a stewardship campaign to hopefully answer these questions and provide any required information.

In the 10+ years this initiative has been part of our parish, we have recited the Planning For Tomorrow prayer at our Masses hundreds of times. Is now the time for us to act?

Yours in Christ,

Planning For Tomorrow Stewardship Committee