

# **Feasibility Study Report**

**for**

## **St. Paul's Episcopal Church Kansas City, Missouri**

**September 2013**



*Building a Culture of Generosity*

3 West 63<sup>rd</sup> Street, Kansas City, MO 64113

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September 24, 2013

The Reverend Dr. Stan Runnels  
St. Paul's Episcopal Church  
11 E. 40th St.  
Kansas City, MO 64111

Dear Stan,

Serving St. Paul's through this Feasibility Study has been a privilege. Thirty-nine (39) households participated in the survey and 23 households participated in the interviews for a total of 62 households in the study. This represents a 21% level of participation from the church which is a normal response.

We learned a great deal about the church in the study. Most encouraging is that a high percentage of members feel their spiritual needs are being met and there is strong confidence in the church leaders. As a whole, the church will support a three-year capital campaign to raise funds for the most needed projects.

Given the information provided for us from the church and its members, we project that St. Paul's could raise between **\$1,200,000 and \$2,500,000** through a well conducted, three-year capital campaign that would include member involvement, clear communication and prayerful discernment.

Enclosed is a complete review of the information and data we gathered through the Feasibility Study. We have also provided you with concerns, recommendations and a proposed calendar for a capital campaign. All of this is provided to assist the St. Paul's leadership in better understanding the parishioners and the direction God is moving the church. If you have questions, please feel free to contact us at any time.

Thank you for allowing Church Development to spend time with your fellow parishioners and learn more about the great things St. Paul's is doing in our Lord's name.

Respectfully,

Denis Greene, President

Darryl Prater, Senior Consultant

Nick Disidore, Consultant



**St. Paul’s Episcopal Church  
Feasibility Study**

**EXECUTIVE SUMMARY**

Church Development interviewed 23 households (37 individuals) and received surveys from 39 households (43 individuals) for a total of 62 households (80 individuals) who participated in the study. This is a 21% level of participation (based on 295 total households in the church) which is a normal response rate. The average Church Development Feasibility Study response rate is 15% to 25%.

**Executive Summary:**

1. Ninety percent (90%) of those interviewed and 88% of those completing a survey feel that St. Paul’s is very effective in meeting their spiritual needs.
2. Ninety percent (90%) of the interviewees and 88% of the survey respondents indicated they have ample opportunities for community/fellowship.
3. The table below shows the importance of the ministry areas listed in the case statement.

<b>Ministry</b>	<b>Int. % Positive</b>	<b>Survey % Positive</b>
Music Ministry	87%	81%
Youth Ministry	90%	81%
Children’s Ministry	90%	81%
Adult Ed. Ministry	47%	61%

4. Ninety-three percent (93%) of the interviewees and 90% of the survey respondents feel that St. Paul’s should continue its presence at 40<sup>th</sup> and Main.
5. Ninety percent (90%) of the interviewees and 83% of those surveyed feel the church should continue on its current direction of ministry.

6. Eighty-three percent (83%) of the interview participants and 82% of the survey respondents have a high level of confidence in the rector, church staff and volunteer leaders of the church.
7. Eighteen (18) of the interview households said they would be willing to commit \$270,500 to a capital campaign. Twenty (20) of the survey households said they would be willing to commit \$354,700. The total of these initial commitments is \$625,200.
8. A total of 22 who participated in the study volunteered to serve on a capital team. An additional 22 participants said they would possibly volunteer to serve on a campaign team.
9. Eight households out of the 62 households in the study said they have already included St. Paul's in some type of planned giving for the future. Twelve households said they wanted to include St. Paul's in their planned giving and four would consider it.

**Concerns:**

1. There is some concern about how the church balances outreach with ministry to its own members. Some feel the church does too much outreach, however, others highly value the outreach to the Main Street corridor.
2. There is a high level of importance placed on the Children's Ministry however, much more work and structure is desired in this area of ministry, including reaching new young families.
3. There is a desire for more structure and attention to be given to the Adult Education ministry of the church.

**Observations:**

1. The study clearly shows that members love St. Paul's and greatly value the church and the building. Members place a high importance on the openness of the church, the liturgy and its presence at 40<sup>th</sup> Street and Main.
2. Members recognize the need for a capital campaign which is evident in the initial commitments of \$625,200.

**Financial Forecast:**

Based on the church's annual unrestricted giving of \$597,720 and the results of the Feasibility Study, Church Development forecasts that St. Paul's has a 90% probability it can raise **\$1,200,000**, a 70% probability it can raise **\$1,500,000** and a 50% probability it can raise **\$1,800,000** in a well-run, three-year capital campaign based on member involvement, clear communication and prayerful discernment.

The demographic report is based on the ten zip codes where most St. Paul's members reside (64110, 64111, 64112, 64113, 64114, 64131, 66205, 66206, 66207 and 66208). The 2012 Median Household Income of the aforementioned zip codes is approximately \$90,500. Based on the church's annual unrestricted giving (\$597,720) and the total number of households in the church (295), the average annual stewardship pledge is approximately \$2,026 which equates to a 2.2% giving level.

$$\begin{aligned} \$597,720 / 295 &= \$2,026 \\ \$2,026 / \$64,812 &= 2.2\% \text{ giving level} \end{aligned}$$

## **FOREWARD AND THE ASSIGNMENT**

Church Development's purpose is to serve churches through planning and capital campaign management. Church Development is based on two concepts:

- A) Stewardship is a gateway virtue to living a Christian life. Once individuals discover the experience of acting as a conduit to God's will, they are forever changed. A prayerful approach to seeking God's will is at the center of all our activities. Proverbs 29:18 states, "Where there is no vision, the people perish." This Biblical text could be a modern management bestseller. When a church has a powerful vision in which all are involved in creating, God will bless and use their efforts.
- B) Building the strength of each church we serve is more important than money. If we can successfully increase the connections between people seeking to do God's will, the church will grow in very measurable terms. After our capital campaign is completed, churches often experience increases in attendance, annual giving, volunteerism and evangelism.

### **The Assignment:**

In May 2013, Church Development was retained by St. Paul's to conduct a Feasibility Study to determine the readiness of the church membership for a capital campaign.

From August 29 through September 24, Church Development interviewed 23 households, representing 37 individuals of St. Thomas.

Also in August and September, 39 households completed a survey, representing 43 individuals.

## **SUMMARY OF INTERNAL ASSESSMENT**

### **Current Annual Giving**

Out of a total of 295 households, 153 households financially supported the 2012 annual stewardship campaign. The income from members which includes the offering plate collection and pledges totaled 597,720

## **St. Paul's Episcopal Church Case Statement Summary**

The Facility Review Committee has spent two years identifying needs and forecasting costs to bring our facility up to par. The expense of the urgent repairs may require us to conduct a special fundraising effort. Please read the following case statement summary then participate in the feasibility study survey. We want to hear your thoughts and suggestions regarding how we should proceed.

Sincerely,  
Rev. Stan Runnels, Rector, St. Paul's Episcopal Church

### **The Challenge**

- The facility does not reflect our culture of hospitality, ministry and spirituality.
- The facility condition sends the wrong message, it undermines our credibility
- Aesthetics on the surface implicate the sustainable integrity of the systems that are out of sight,
- We have not done a capital campaign for decades and it shows
- Water stains from leaks, the Garden Room carpet "squish" after a rain, lighting, HVAC/electrical/plumbing, restrooms, windows and doors, the roof, the garden and fence, accessibility, elevator and stairs, are urgent needs
- Past due repairs will cost us \$1,500,000 immediately, urgent needs will cost an additional \$2,000,000 and long term needs will cost an additional \$1,900,000 to cover the complete list over time.

### **Our Vision**

- That our facility will reflect our culture of hospitality, ministry and spirituality
- That our facility will welcome new members and facilitate their engagement in the life of the church
- That we will be good stewards of the facility that we have been blessed with
- That we will support St. Paul's with our time, talent and treasure with which we have been blessed

### **The Plan**

- To conduct a capital campaign with three year pledges to begin the work of bringing our facility up to a level that matches our vision.
- The Facility Review Committee Members (Doug Beichley, Chair, Tom Coen, Chris Schneider, Easom Bond, Sterling Roath, Ann Readey, John Larson, Lon Clark) have invested 2 years of their time and enlisted the help of several professional firms to identify and budget the needed repairs; they will oversee the renovation. They will develop a deliberate facility capital improvements plan and schedule.
- In this capital campaign we seek raise the funds, at a minimum, to address the past due and urgent repairs. We know that in the future we may need to have additional fundraising efforts to support our mission and maintain our facility.
- We will create and implement a comprehensive annual stewardship effort and a planned giving/estate planning effort.

### **Our History**

- Our 120 year history of worship, ministry and service in the midtown area
- As a destination church, we are the home to kindred spirits who deliberately travel miles to make an impact in the heart of the city
- Meaningful worship, great music, liturgical excellence, ministry and commitment to education are expressions of living our baptism
- A stabilizing/leadership force in the neighborhood and city

### **Urgency**

- The self evident facility improvement needs are 25 years past due

## **DETAILED RECOMMENDATIONS**

1. St. Paul's should begin a capital campaign immediately with three-year pledges beginning in early February 2014.
2. The campaign should focus on prayer and should be a discerning implementation of God's will.
3. Emphasize the sacrifices that have been made in the past by members to build and maintain the church building.
4. Approach potential major givers in the campaign to make lead commitments.
5. Concerns that arose during the Feasibility Study should be addressed thoroughly through the campaign communication and opportunities for dialogue.
6. A high level of membership involvement should guide the process.
7. A high level of information sharing should flow through the campaign. Weekly communication on every aspect of the campaign should be planned.
8. The donation of property, stocks and bonds should be part of the campaign effort.
9. In order to meet the needs of the church, the campaign should follow the proposed calendar in this report.
10. Years 2013 to 2016: Fulfilling pledges, tracking pledges and inviting new members to participate.