

**STATUS REPORT OF THE ADMINISTRATIVE COMMISSION FOR GRACE PRESBYTERIAN CHURCH
OF SAGOLA – Submitted on 1/18/2021, for the February 20th, 2021 Meeting of the Presbytery of
Mackinac**

This update is offered to inform the Presbytery of Mackinac of the status of the Grace Presbyterian Church of Sagola's request for dismissal to another Reformed ecclesial body over matters of polity and doctrine.

The Commission's preliminary report of September 2nd, 2020, presented the background of the situation at Grace, which led the congregation to request dismissal; we will not reiterate any of the information contained in that preliminary report.

As of this writing, Grace Presbyterian has not been accepted into membership in another Reformed ecclesial body. They are engaged in discussions with the Rivers & Lakes Presbytery of the Evangelical Presbyterian Church about affiliating with this denomination, but no decision has been made by the EPC to welcome them into membership. In the Commission's conversations with the Stated Clerk of the Rivers & Lakes Presbytery, it was revealed that members of the Grace congregation were invited to observe the October 2020 presbytery meeting, and we have been informed that the presbytery discussed their application at their January 2021 meeting. Both Pastor Ryan Flunker and session members will be required to participate in education regarding EPC polity, theology, and governance, but as of this writing these processes have not been initiated. According to Grace Presbyterian's session, it is most likely that a final decision will be made by the EPC in autumn of 2021. Until the Commission is informed of an affirmative decision by the EPC regarding their welcoming of the Grace congregation into their denomination, we are unable to conclude our work.

However, we have continued to obtain as much information as possible regarding the history and financial status of the Grace church; the church was established in 1928, on property donated by the Northern Sawmill Company – the deed of transfer stipulated that the property could only be used for the construction of a church. Two additional deeds have been found, one from 1984 and one from 1989, both of which are deeds of transfer for properties adjacent to the church; these properties were gifted to the church.

The Grace church has an outstanding financial obligation of approximately \$120,000.00 for a loan taken from the Northern Interstate Bank, for the purpose of expanding and renovating the church building. The loan origination documents do not identify the Presbytery of Mackinac as guaranteeing this loan.

In 2017, as part of the loan origination package noted above, the appraised value of the church and property was established at \$276,000.00; it is reasonable to assume that this valuation has increased, along with overall property values in the area.

Again, until the Evangelical Presbyterian Church reaches a definitive resolution of Grace Presbyterian Church's petition to join their denomination, the Administrative Commission is unable to conclude its work. We are in the process of establishing a timeline of events, with key milestones to be met, in order to better manage the process of finalizing the status of the Grace church.

Respectfully,

Gregory C. Zurakowski

The Rev. Dr. Gregory C. Zurakowski
Elder Lynn Dake
Elder Daniel Maloch
Elder Karen Richards

As the Administrative Commission for the Grace Presbyterian Church of Sagola, MI