

People of Hope Church
3703 West Country Club Road
Rochester, MN 55902

Special Congregational Meeting Minutes

Date: Sunday, September 19, 2021

Notice of Special Congregational Meeting was sent via email to all registered members on Sept. 3, 2021 in accordance with Continuing Resolution C.10.08.A20 in the People of Hope Constitution: "This congregation may hold meetings by remote communication, including electronically and by telephone conference, as long as there is the opportunity for simultaneous aural communication. To the extent permitted by state law, a notice of all meetings may be provided electronically." - Adopted on January 24, 2021 at the Annual Mission Event.

The meeting was held at People of Hope church with simultaneous online streaming via Zoom as authorized by Continuing Resolution C.10.08.A20. It was confirmed that a quorum was present in-person + online attendance.

- Call to order – Pete Reuss, MLT Chair, called the meeting to order at 11:07 a.m.
- Opening prayer - Pastor Dan led opening prayer.
- Financial report – Matt Morrissey, MLT Treasurer, updated the congregation on current financial status. YTD giving and income = \$179,522.69. YTD Expenses (excluding mortgage payoff) = \$131,613.84. He noted that income includes two Titan earnest money payments for the land sale totalling \$50,000. He also shared that average monthly operating expenses are apx. \$11,000, with monthly giving generally in the same range. Questions were entertained.
- Celebrate paying off mortgage – Matt shared that - thanks to the generosity of the congregation through THRIVE 2020 - the final payment of \$53,258.69 was made on Feb. 1, 2021.
- Special Appeal Update – Pete shared that in July 2021, People of Hope launched a \$50,000 special appeal to support fall ministry programming and capital needs. The MLT allocated \$25,000 of Titan earnest funds to the special appeal and challenged POH members to match it. To date, POH has raised \$20,500 of the \$25,000 match goal. Capital improvements are scheduled in the coming weeks including: apx. \$8,300 for parking lot resurfacing; \$12,627.94 for furnace replacement, furnace repair and a new HVAC unit for church building. POH now has a service contract to perform annual maintenance and service. Future expenses include investing in technology to increase capacity for online streaming services and sprinkler system repair. Discussion held.
- Transition to new accounting firm – Pete shared that POH is currently transitioning much of the back-office accounting responsibilities from MLT Treasurer to Oertli & Pleshcourt, a local accounting firm. Once complete, full financial reports will be available monthly to MLT and the congregation. Discussion held around communication delays in sharing financial information in 2021 and support was voiced for efforts of current and past Treasurers.

- Property Tax Update - Pastor Dan shared an update on delinquent property taxes due to Olmsted county. A task force was formed early 2021 and an attorney was engaged. After review, the attorney advised that POH has no legal recourse and recommended negotiating to eliminate/reduce fees, penalties, etc. Task force representatives - Pastor Dan and Karen Doering - met with county tax assessor. POH owes apx. \$33,000 in delinquent taxes, fees and penalties which will continue to accrue. It was negotiated, and an anonymous gift made it possible for POH to pay \$8,000 that day, so that the county commissioners will consider our request to waive fees of \$6,000 at their October meeting.
- Present the motion – The MLT moved to secure a \$50,000 commercial revolving line of credit with Home Federal Savings Bank. Will Schouten seconded the motion.
 - o Discussion – Matt M. began the discussion by sharing line of credit terms. Interest rate is prime+1% adjusting daily; term is 24 months; interest only payments due monthly. Initial cost is \$775; renewal in two years would be apx. \$225. Matt briefly outlined the difference between a line of credit vs. traditional loan. The line of credit offers flexibility as it can be used as needed, then paid off when funds are available. Many congregations have an open line of credit for this purpose. For transparency, the line of credit will be reported on the balance sheet going forward. Pam Draayer called the question, Tom Brown seconded. Vote to end debate passed; debate ended.
- Vote – Motion passed with both in-person and online votes.
- Motion to adjourn – Thomas Brown moved to adjourn, motion seconded by Rob Guste.

Meeting adjourned at 12:15 p.m.