



BOARD OF DIRECTORS MEETING
February 15th, 2022

ATTENDEES:

Josh Pratt	Kent Heins	Mark Kroll	Grant Wurdell
Dave Fine	Lisa Gunhus	Pastor Adam Hengst	

1. Meeting called to order at 7:08 pm.
2. **Opening Devotional and Prayer.**
3. **Additions to the agenda**—Renae Hoernemann is in attendance to discuss a proposed tuition increase schedule.
4. An addendum needs to be added to the January Board of Director minutes regarding an e-mail vote about serving alcohol at the Gala.

Motion to approve minutes from January 18th, 2022 BOD meeting, with the addition of the Gala alcohol addendum.

Motion to approve: Kroll, Second: Heins. Ayes: 7 Nays: 0.

Motion approved.

5. City of Shorewood Easement Update

The city engineer recommended that Our Savior keep specific language regarding square footage in place for watershed purposes. The following additional language was added to the easement: "The City does not limit or restrict the Grantor the opportunity to change or modify the storm water facilities and agreements to meet its future needs, provided it is designed and permitted in accordance with all permitting agencies at the time of modification."

6. **Early Childhood Center update—Renae Hoernemann in attendance**

- Staff tuition update—according to tax laws, an employee can receive the first \$5k of free tuition as a benefit without taxation.
 - Currently, Our Savior provides around \$45k per year in free daycare. There are 4 employees currently receiving the free tuition benefit.
 - The Board of Education wanted to continue 100% free tuition, but tax considerations weren't taken into account at that time.
 - Noted concerns were reviewed; Our Savior doesn't want to lose staff by taking away this benefit. Are other employees feeling slighted that this is

- a significant benefit that impacts few employees? Should we offer a tuition discount instead?
- o The board is seeking a recommendation from the Board of Education and from Lisa Johnson, as well as the four employees benefiting from the current free tuition policy.
- Reviewed the newly proposed Tuition and Fee Schedule. This proposal is being brought before the Board because the BOD asked about ways to offset the staff tuition increase. Total Board of Education costs are \$729,000, and the staff tuition increase amounts to an additional \$40k/year.
 - o Renae Hoernemann recommends a 2-3% increase in tuition.
 - o The proposal would bring weekly tuition for infant care to 403-407/week, which is competitive but not out of range from other providers.
 - o Increasing the pre-school rate by 6% will still be a competitive rate. Typical parochial tuition is \$300 for 3 days—Our Savior is proposing \$233 for 3 days.
 - o Looked at tuition trends; more preschool enrollments now include lunch or extended care, increasing the number of hours needed on a daily basis. Should we change options for parents to reflect their needs and standardize our offerings, such as fixed days per week, etc.?
 - o Renae suggested that the Board of Education would have trouble with resources and time to explore various options. Perhaps some congregational members could be recruited, or perhaps we bring in a consultant?
 - o New tuition rates need to be posted by March 1st.
 - o Dave Fine reported that a 1% increase would generate about \$7300 in additional income per year. A 3% increase would generate \$21,900; 5% would be \$36,500 per year.
 - o The Board of Directors would recommend to raise tuition prices no less than 3%.

7. Treasurer and Financial Management Committee Report—Dave Fine

- Reviewed Monthly Budget
 - o The church budget status is \$25k less than budgeted.
 - When looking at the giving pattern for last year, January 2021 was a big month for envelope offerings.
 - Our unforeseen budget was up 30% in January, due to 2 drinking fountains being replaced (\$4k), a new gym door, and infant room carpeting.



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- o The actual school budget status is \$6k better than budgeted, with and actual loss of \$1,000.
- Addressed the 2021 budget surplus and possible uses.
 - o The 2021 budget surplus amounts to \$123,257.

Motion to transfer the \$123,257 surplus to the Strategic Reserve Fund.

Motion to approve: Heins, Second: Kroll Ayes: 7, Nays: 0.

Motion approved.

- o There is a need for a new subwoofer for the sanctuary totaling \$1700.

Motion to approve purchase of subwoofer for the sanctuary.

Motion to approve: Heins, Second: Pastor Hengst. Ayes: 7, Nays: 0.

Motion approved.

- o Josh Pratt and Pastor Hengst will follow up on wish list items from Jeff Machemehl, such as LED bulbs for gym, additional drinking fountains, and replacing church carpeting. They will also follow up with Adam from the Building Committee about input regarding repair to the parking lot.
- o Discussion of how to determine individual staff bonuses—flat bonus based on hours, part time vs. full time, etc.
 - Kent Heins will review the staff list with Pastor Hengst and present a bonus structure to the Board.

Motion to use up to \$50,000 from the Strategic Reserve Fund for church staff and school staff bonuses. The bonus structure will be based partially on hours worked per week, with extra going to key staff members with exemplary performance.

Motion to approve: Heins, Second: Pastor Kroll. Ayes: 6, Nays: 0. Abstain: Pastor Hengst

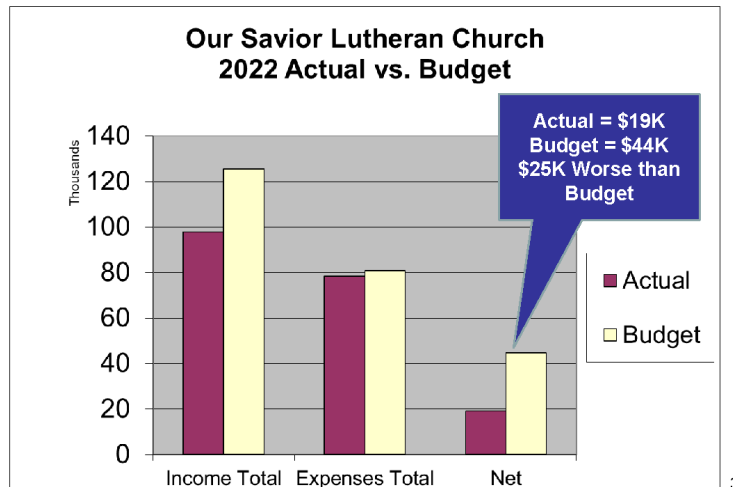
Motion approved.

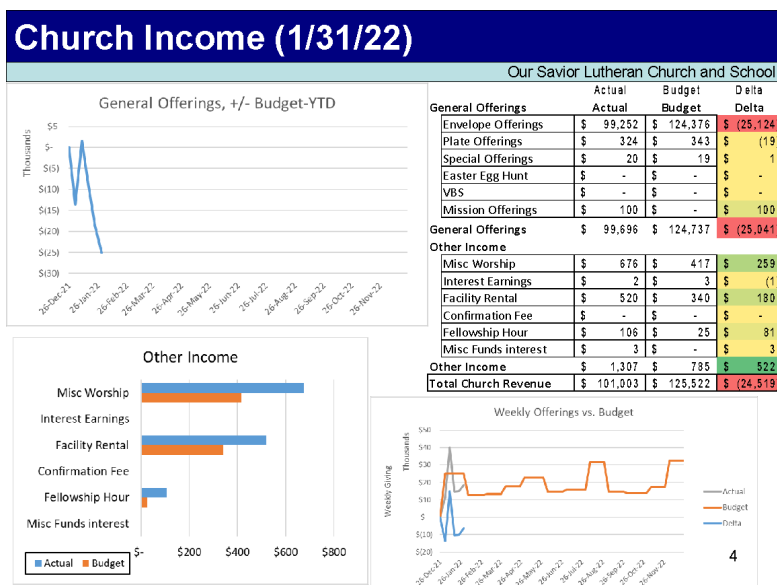
- o Josh Pratt will review how the surplus funds were used at the congregational meeting in May.

- School Director Update—the position for School Director was posted internally.
 - o As of today, there has been interest from one candidate.
 - o Laurie Bromenshenkel, Pastor Hengst, and Christina Sullivan are formulating questions for the interview.
 - o Applications must be received by February 26th, and Pastor Hengst hopes to conduct internal interviews before the end of February.
 - o Pastor Hengst suggests that the position be posted externally as well.

Overall Budget Status (1/31/22)

Our Savior Lutheran Church and School





8. Pastor's report—Pastor Adam Hengst

- The District Convention will be held on June 9-11th, and we are in need of a congregational representative to attend along with Pastor Hengst. Several names were discussed.

9. BOD President's Report—Josh Pratt

- Financial Accountability—We need to document what our process is regarding collecting envelope offerings and other contributions to address concerns for congregants.
 - The Audit committee fell dormant during COVID. Nancy Zittergruen and Dave Fine will review.
 - Josh will reach out to Grant Wurdell about status of the documentation process.
- Constitution Committee—This committee was started 4-5 years ago. A new committee needs to be established to review the call process for SMP program electronic voting, etc. Discussed potential members.
- BOD members/terms—Some new members should be brought on board in the Fall of 2022. There are four current members whose terms end simultaneously in 2023. Some congregational members have expressed interest, and potential



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members were discussed. Dave Fine's term will be coming up in August of 2022. He will consider continuing on as Treasurer.

- The next congregational meeting will be in May. The main discussion will be about tithing and missions giving.
 - The Mission Committee voted to remove ongoing outreach items from their budget, which brought the tithing total of the committee under 10%.
 - Should the congregation consider the total of mission and outreach together when calculating the 10% tithing goal? We believe the combination of mission and outreach giving is currently over 10%.
- Josh Pratt will continue to work on presenting information on an endowment fund. Discussed dates for a possible Town Hall meeting.
- The Building Committee will attend the March board meeting to present ideas about a narthex addition.

Closing Prayer

Meeting ended at 9:46 pm
Next Meeting—March 15th, 2022

Respectfully submitted,
Lisa Gunhus
Board of Directors Secretary