



900 Stillwater Road, Mahtomedi, Minnesota 55115 (651) 426-3261

June 3, 2020

Dear Beloved Staff,

As we navigate together the challenges of COVID-19, we have another urgent and unavoidable priority to address, and that's the financial health of our organization. The necessary actions of not gathering in large groups, social distancing and the suspension of our day-to-day activities have had serious financial implications for us.

The financial implications

We cannot gather – which means we cannot receive the typical tithes and offerings from the offering plate. Once we are allowed to gather again, it will undoubtedly be with limitations for the foreseeable future. Our congregation has responded with increased online generosity, and with offerings via the mail, and for that we are extremely grateful. However, the loss of tithes and offerings collected during in-person Worship is very difficult to replace. Our inability to gather has also significantly reduced the amount of work required of some of our positions. Additionally, our Preschool is currently suspended for the summer and is not generating income. The general operating fund of the church was not intended to, nor can it sustain supporting the Preschool without tuition income.

The bottom line is that while we are doing everything possible to be good stewards of the financial gifts we have been given and continue to receive, the months ahead are uncertain. We are building scenarios to prepare and ensure we take responsible steps now to protect our ability to fulfil our mission in the future.

How we are responding

At the heart of our response is the need to care for and serve our congregation and community while also doing our best to preserve jobs. Here is a summary of some of the most significant steps we are taking:

- **Revenue and Cash Flow:** We have implemented extreme cost control measures since the onset of the pandemic. We are spending money only as absolutely necessary. We have also successfully procured a forgivable loan through the Small Business Administration called the Paycheck Protection Program (PPP). This forgivable loan has allowed us to keep the majority of our staff receiving their normal pay since the pandemic began. The PPP assistance for St. Andrew's will end in mid-June.
- **Leadership Team's Response:** The leadership team has prayerfully and substantially increased their level of giving to the mission and ministry of St. Andrew's.

- **Hiring Freeze:** We have placed a temporary hiring freeze across the organization. The only exception is for the Community Resource Center, which currently has an urgent need.
- **Staffing Considerations:** We are looking at all available options as we consider the level of staff needed to carry out the mission and ministry of St. Andrew's during the pandemic. We will use furloughs – a temporary time away from work without pay – as an approach in areas where we have seen a reduction or an elimination of work to be done. A colleague that is furloughed will retain their health benefits and may be eligible for unemployment benefits through the state. While we expect our furloughed team members to return to work, at this point we cannot be certain how long furloughs will last.

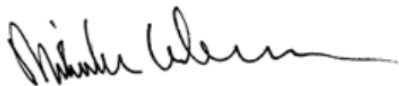
As the pandemic continues to progress, we may also need to consider other staff reduction measures which could include layoffs, hour reductions and/or organizational restructuring.

Our future, together

I want to acknowledge that nothing about this situation is easy, few of the answers are simple, and the effects on our lives are real. While we can't predict how long the pandemic will last and the many ways that it will change us, we will continue to adjust and work together to strengthen our ability to live out our mission and vision. It is because of our talented, compassionate and dedicated staff that St. Andrew's has become the beacon of hope that we are today for our community and beyond. I'm proud of the way I see our team addressing the challenges the pandemic brings and staying focused on our top priority – To Proclaim Jesus Christ, Live in Christ, Serve!

I look forward to the day we can all be together in person again.

In Christ,

A handwritten signature in black ink, appearing to read "Mike Carlson", with a long, sweeping horizontal line extending to the right.

Mike Carlson
Lead Pastor