



## BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, September 6, 2016

5:30 p.m.

Christian Life Center Room 200

### **Attendance**

**Board Members:** Missy Albachten, Diane Burrow, Camilla Fischer, Dan Fouberg, Wendy Horton, Gene Mickelson, Eric Miller, Phil Preuninger, Pat Theis (absent)

**Staff:** Jeff Marian, Jane Victorey, Julie Klein

### **Call to Order**

Wendy called the meeting to order at 5:30 pm and Diane led the board in devotions.

### **Agenda**

*Motion by Dan to approve the agenda with flexibility; second by Camilla. Motion passed.*

### **Approval of August 9, 2016 Board Meeting Minutes**

*Motion by Dan to approve the minutes of the August 9, 2016 meeting; second by Diane. Motion passed.*

### **Reports**

#### **Lead Pastor Report – Jeff**

Jeff reported the MegaSale was a remarkable success again this year, raising over \$143,000 in net proceeds for mission and ministry at Prince of Peace and beyond. He also noted the leaders and volunteers did an extraordinary job of calmly and passionately executing this remarkably complicated endeavor.

After an extensive search and interview process Mariel Vinge was hired as the Mission Outpost Leader. Mariel earned her Masters of Divinity from Luther Seminary and has chosen not to pursue ordination at this time. She came highly recommended by her references.

Both Eric Elton and Jason Kramme are working with teams of disciples to discern our next steps in vision implementation around children and people in poverty, and may have proposals by the next board meeting.

The Stewardship Team has encouraged Jane and Jeff to put significant emphasis on cultivating generosity and generous givers, which includes cultivating relationship with our generous stewards. To that end we are holding monthly gatherings in which Jeff has the opportunity to share the good news of what God is doing at Prince of Peace, some insight into what's in our near future, and our stewardship growth goals. The first event was a great success, and a second event will be held on Wednesday September 7. The Stewardship Team is also exploring additional electronic giving options including "Square" and a text-to-give option. We are rolling out our annual stewardship appeal with the theme "Called to Connect: Treasure & Heart, *"Where your treasure is, there your heart will be too*

### **Finance Director Report – Jane**

The new fiscal year started with offerings a bit better than budget and significantly ahead of last year, as this year July is a five Sunday month. Offerings this year are budgeted at 2% over last year's budget. Expenses are better than budget by \$18,000. This year capacity was built into the expense budget to maintain margin for future debt payments, and \$7,700 of the positive variance in July is this capacity.

Jane proposed amendments to the budget to account for changes in Men's ministry accounting, actual enrollment figures for CDLC and an additional mission trip in 2016-17. We will still have a break even budget with the proposed changes.

*Motion by Gene to approve the amended budget; second by Eric. Motion passed.*

Current debt is \$513,000 with the August principal and prepayment made. We will drop below \$500,000 in loan balance in September and this announcement will be made to the congregation during worship on October 1 & 2. The debt retirement fund has a balance of \$9,094 as of August 24, and the capital replacement fund has a deficit balance of \$3,831. We continue to receive approximately \$2,500 per month in the capital replacement fund.

Child Development and Learning Center (CDLC) registration is at 150 students, with 237 slots taken, which is ahead of last year's final enrollment by 7 slots, and there are three more weeks before preschool begins.

Director Marie Strain continues to work on the state Parent Aware rating, which pairs nicely with NAEYC accreditation. Having the state certification would open up opportunities to receive state scholarships for qualifying families. It also is a marketing opportunity for CDLC.

Mothers of Preschoolers (MOPS), a Prince of Peace partner ministry, has presented a request to hold a fundraiser in the Worship Center Community Room later this fall. The fundraising policy requires Prince of Peace Board approval for partner requests.

*Motion by Phil to approve the MOPS fundraising event; second by Diane. Motion passed.*

### **Capital Campaign Report**

The program design team met with RSI Stewardship to talk through the timeline of a capital campaign and the leadership structure. The program design team also met to review the case statement Jeff drafted, and to suggest people for the 35 leadership positions that need to be filled. RSI will provide analytical work on our database to determine the congregation's capacity to give to the capital campaign. We are working on our database extraction to provide baseline information and historical giving patterns to RSI. The timeline of the capital campaign will be shaped by the land and building process.

### **Land & Building Report**

The Core Team for the land and building process, representing a cross-section of the Prince of Peace community, met on September 1 to review the four building options, with some diagrams of building design and orientation on various building sites. The team discussed the pros and cons and came to consensus on one of the designs on our current property. Jeff also shared with the group that evening that the estimated costs had just been received and had come in significantly higher than anticipated. If those numbers stood, we may not be able to responsibly move ahead with a construction project. The Cuningham Group was going to go back to the construction cost estimator for more information on the bid assumptions, get a second estimator to provide numbers, and look at other options that were financially feasible and good long term stewardship of our facilities. We were also going to consider what we might do with our current buildings (beyond needed capital repair) to live into our facilities vision statement.

Work is progressing and the most current information will be available for the congregation on our blog on the website: [www.popmn.org/land-building-blog](http://www.popmn.org/land-building-blog) or by submitting comments or questions to [info@popmn.org](mailto:info@popmn.org)

There are four critical messages regarding our land and building decisions that all of us need to express:

1. No decisions have been made, though decisions are anticipated soon. There will be ample communication before the congregation votes on a project.
2. Our goal is best long term stewardship for Prince of Peace. With a minimum of \$4-\$5M in capital upgrades needed in the next five years, this is a perfect time to evaluate what we can do. These capital upgrades would do nothing to improve the flow or usage of the current buildings. So we are evaluating what we might invest in instead that would bless generations in the future.
3. Any debt would be affordable with a plan to pay it off. A project would likely be phased, and a capital campaign along with an affordable level of debt may be incurred. Future phase/s could be financed with a second capital campaign, lease or sale of property, along with operational savings. We will not incur debt that will hamper our ability to do the ministry we are called to do.
4. Anxiety is normal! We need to help one another and trust where God is leading us. Fear not!

#### **Consent Agenda**

*Motion by Gene to receive and file the written reports for September submitted by Jane Victorey, Finance Director and Jeff Marian, Lead Pastor; second by Camilla. Motion passed.*

#### **New Business**

##### **Columbarium Discussion**

Jane is working with the Columbarium committee on estimated construction costs and the impact of various fee structures on the construction funding and reserve funds. The initial proposal had been to charge \$1,900 per niche and the committee will be determining whether this is the appropriate fee, as well as what is included for this fee. The total fees collected need to cover the construction and site preparation work, the cost of the niches, and leave funding for future repairs and upgrades.

##### **Executive Staff Goals**

There was consensus among the board in support of the 2016-17 Lead Pastor and Finance Director goals as presented by Jeff and Jane.

##### **Nomination Team/Process**

Gene Mickelson and Dan Fouberg will serve as board liaisons to the Nomination Team.

#### **Adjournment**

Wendy adjourned the meeting at 7:14 pm and ended with prayer.

Respectfully submitted,

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Julie Klein  
Assistant to the Lead Pastor  
Recording Secretary

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Diane Burrow  
Secretary