****

**BOARD OF DIRECTOR’S MEETING MINUTES**

**Tuesday, June 5, 2018**

**5:30 pm**

**CLC Room 200**

***Attendance***

**Board Members:** Missy Albachten (absent), Diane Burrow, Joy Englund, Camilla Fischer, Dan Fouberg, Mike Heidemann, Gene Mickelson, Phil Preuninger, Pat Theis (absent)

**Staff:** Jeff Marian (absent), Jane Victorey, Julie Klein

**Guests:** Chad Caswell, Erin Persons, Barb Peterson

**Call to Order**

Dan called the meeting to order at 5:35 pm.

**Agenda**

*Motion by Gene to approve the agenda with flexibility; second by Phil. Motion passed.*

**Approval of May 1, 2018 Meeting Minutes**

*Motion by Joy to approve the minutes of the May 1, 2018 meeting; second by Camilla.*

*Motion passed.*

**Reports**

* **Lead Pastor Report – Jeff**

Jeff was on vacation at the time of this board meeting.

* **Finance Director Report – Jane**

Offerings, including stock gifts are lower than budget in April. We cancelled services for an entire weekend in mid-April, and suffered through record cold temperatures and poor weather the rest of the month, which impacted regular giving. Jane is including a message in the *June Direction* that our fiscal year ends June 30 and we’re asking people to consider catching up to help finish the year strong. Without any catch up, Jane anticipates the offering for the year to come in about $35,000 - $50,000 short. Offerings are still nearly 4% better than last year through April, and we would still end the year ahead of last fiscal year offerings. The year-end projection is at net $12,600, with an additional $130,000 for loan capacity built into the budget, and our parking lease revenue providing another $113,000.

Maria Banks has been hired as the Dental Clinic Coordinator and will begin June 4.

The Prince of Peace Constitution defines the members of the Board, which includes the Past President, who shall serve as an ex-officio member for one year, if they are not continuing as one of the nine voting Board members. Dan has been a member of the Board since the Renewal Task Force was launched in the fall of 2012, which began our vision process leading to our land and building evaluation to serve ministry needs, and ultimately the decision to engage architects for a construction project. Dan has been a part of every phase of the construction process including interviews with and selection of architects, general contractor, legal counsel, capital campaign firm, and financial institution. He and his wife Nancy were co-chairs of our capital campaign. He has been involved in numerous meetings as we worked with our architects over the last two years, and deeply involved in discussions on construction finances.

Because Dan’s leadership provides critical continuity as we move into our building process, Jeff and Jane have asked Dan to utilize this rule by regularly attending Board meetings through the next year. They believe his experience is critical as we move into construction. Jane and Jeff are grateful that Dan can serve in this role as we move into the first phase of construction to transform our Worship Center.

The Foundation Board had further conversation on the potential to make a significant donation to the One Church campaign, above what the Investment Policy Statement would allow them to make. The Foundation’s current policy is to donate up to 4% of assets of the Foundation, provided that there are earnings to cover. The original gifts are to remain in perpetuity. The Foundation Board discussed a one time change in the Investment Policy Statement to donate up to a total of all of the current earnings on the original gifts, with the original gift amount continuing to remain in perpetuity. This is a one-time opportunity to make a lasting impact on the ministry of Prince of Peace with a grant of this size. This would also bring greater awareness to the Foundation and the opportunity to leave a legacy gift. There was consensus among the Board to support this potential opportunity.

Prince of Peace was gifted property in Savage for the One Church campaign. In accordance with the Prince of Peace Bylaws, the Board approved the gift and subsequent sale of this property, and authorized the signing of all documents.

*Motion by Diane to authorize Board President Dan Fouberg to act on behalf of the Congregation and to execute all necessary documents for the transfers of property to be closed successfully. Second by Camilla. Motion passed.*

* **Capital Campaign Update**

Commitment cards have been received from 722 households. Commitments to date are $5,701,116. There are 875 families now participating in the One Church campaign – with either pledges and/or giving to the campaign.Total campaign giving to date is $3,571,294. 500 households will receive a letter of thanks for their generosity in contributing regularly to mission and ministry, and inviting them to participate in the One Church Campaign.

* **Land/Building Update**

Jane is waiting for final bid costs and Board approval on scope to finalize the amount needed in construction and permanent financing. Title work is in process for early start coverage so that we can begin construction without delay. The title company will handle disbursements and lien waivers on our behalf. A new appraisal is also in process for our loan. Final loan paperwork can be completed quickly once we have final scope approved.

Jane has worked through projections of the range of debt that could be handled by our operating budget, anticipated capital campaign contributions during construction, and final capital campaign support. We will need these numbers to evaluate construction options for the full phase 1 scope and alternates.

Construction drawings are complete and the project was sent out to bid on May 21. Final bids are due into Wenck Construction on June 11, and on Thursday, June 14 we will get the final GMP (guaranteed maximum price). This gives several days to evaluate the numbers and recommend an option. A special Board meeting is scheduled for Monday, June 18 for a decision on the scope of construction.

Wenck can award subcontracts on June 19 and mobilize on the project site on June 25. Site clearing and earthwork would begin the end of June or early July depending on the chosen contractor. It was also noted the gas line on our property needs to be moved.

Our celebratory groundbreaking is set for the weekend of June 23/24, and invitations will go out June 14 for that ceremony. A special mailing will go out on June 20 with the timeline of the project, logistics of getting where everyone needs to go and maps to point out entrances, most convenient parking and routes to the sanctuary from different entrances.

Total construction costs to date are $1,074,174, campaign & soft costs are $99,929, and $2,397,191 remains in bank/sweep accounts towards construction expenses.

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

**New Business**

* **Sabbatical Policy**

Phil presented a final draft of the proposed sabbatical policy for called pastoral staff.

*Motion by Gene to approve the proposed Sabbatical Policy with changes. Second by Diane. Motion passed.*

**Adjournment**

Dan adjourned the meeting at 7:05 pm.

Respectfully submitted,

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

Julie Klein Missy Albachten

Recording Secretary Secretary