



## BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, July 10, 2018

5:30 pm

CLC Room 200

### **Attendance**

**Board Members:** Missy Albachten (absent), Diane Burrow, Chad Caswell, Joy Englund, Camilla Fischer, Dan Fouberg, Mike Heidemann, Erin Persons, Barb Peterson, Phil Preuninger (absent).

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

### **Call to Order**

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

### **Agenda**

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

### **Approval of June 5 and June 18, 2018 Meeting Minutes**

*Motion by Mike to approve the minutes of the June 5, 2018 meeting; second by Diane.*

*Motion passed.*

*Motion by Joy to approve the minutes of the June 18, 2018 meeting; second by Mike.*

*Motion passed.*

### **New Business**

#### **Board Officer Elections**

Officers elected for the July 2018-June 2019 term are: Mike Heidemann, President; Camilla Fischer, Vice President, Joy Englund, Treasurer; Missy Albachten, Secretary.

*Motion made by Erin to approve the designated officers by unanimous ballot; second by Barb. Motion passed.*

#### **2018 Annual Congregational Meeting Minutes**

*Motion by Joy to approve the July 2018 annual congregational meeting minutes and present to the congregation for vote at the July 2019 annual meeting; second by Camilla. Motion passed.*

#### **Foundation Board**

The Foundation Board held a special meeting on June 25 and authorized a one-time exception to the Investment Policy Statement (IPS) limits on the grant distribution capacity. The Foundation Board authorized a \$230,000 grant for the One Church campaign to be used as matching funds to close the gap on financing needed to construct the exterior shell of the chapel, along with Phase 1 construction. The grant is within the earnings capacity of the Foundation, and no original gift amount will be withdrawn from Foundation assets.

*Motion by Diane to approve the Prince of Peace Foundation resolution for a one time revision of the Investment Policy Statement to support the One Church campaign with Foundation earnings, at a level higher than the current Investment Policy Statement limit; second by Mike. Motion passed.*

## Reports

- **Lead Pastor Report – Jeff**

Jeff, Jason Kramme, Sandy Rothschilder and Mark Slaughter attended the second conference in Baltimore related to the Lilly Grant administered by Vibrant Faith Ministries, which includes 23 other churches from across the country. The overarching goal of this initiative is to create a culture of calling. We are defining that helping people to see that all of life is a response to the movement of God. The team is determining next steps to begin to embed this concept into Prince of Peace.

As a sub-set of the theme of calling, a specific focus on responding to God's call to restorative justice will be included, especially as it relates to people of color. The pilot of Story Forward will be launched later this fall with 30-40 disciples, led by a team from Luther Seminary.

We continue to see new members join Prince of Peace through the online portal. Jeff has enjoyed the opportunity to meet with many of these new members one-on-one in various venues. The first quarterly opportunity to welcome new members was held in worship last month. Jeff will meet with the staff leadership team in August to strategize ways to get these new members connected into service or small group in the first few months of joining. If we fail to connect people into community within six months, the likelihood of them dropping away soars.

- **Finance Director Report – Jane**

May offerings are below budget by \$25,000, including stock & major gifts, and overall we are \$57,000 below budget year-to-date for total offerings. June offerings are running close to budget, but final numbers won't be available until the end of fiscal year mail and June 30 offerings are posted. Offerings were budgeted at about 4.5% over last year's total offerings, and are anticipated to come in at about 2.5% over last year's actual. The year-end bottom line projection is at net positive variance of \$43,300, with an additional \$130,000 for loan capacity built into the budget, and our parking lease revenue providing another \$113,000 in cash flow.

The staff will be taking a Sabbath break from July 1-7. Jane noted this is a wonderful time for staff to be off at the same time and to come back rested and refreshed as we start a new fiscal year, and thanked the board for authorizing this time of Sabbath for staff.

*Motion by Diane to approve a staff sabbath week from June 30-July 6, 2019; second by Joy.  
Motion passed.*

- **Capital Campaign Update**

Commitment cards from 724 households has been received. Commitments to date are \$6,485,960, including in-kind gifts, but not the Foundation grant. With the Foundation total commitments are \$6.7M. There are 885 families now participating in the One Church campaign – with either pledges and/or giving to the campaign. Total campaign giving to date is \$3,735,971.

- **Land/Building Update**

The gas line easement has been settled with CenterPoint energy, and we are responsible for \$11,425 in cost to move the line. Comcast completed their work to bring a cable line to the Worship Center, and Cady Technologies set up our new IP phones. Fire/Security systems have been separated between the two buildings.

Total construction costs to date are \$1,202,019, campaign & soft costs are \$105,636, and \$2,427,971 remains in bank/sweep accounts towards construction expenses.

We are waiting for the sworn construction statement from Wenck to file along with our final loan application for final loan approval and interest rate.

The Board approved moving ahead with the addition and renovation work, with the exterior shell of the chapel to be completed if resources can be found to cover the additional cost of approximately \$1.035M. Since approval of the project scope we have received commitments to cover the addition of the chapel exterior shell, including the matching grant from the Foundation. Completing the interior construction of the chapel would be an additional \$550,000. Technology and furnishings would cost an estimated \$350,000 more. Wenck has ordered the steel for the project and is applying for the excavation and demolition permits.

Total costs for Phase 1 construction, including the exterior shell of the chapel is projected at \$13,732,000. Of this, \$11,756,000 is through our general contractor, \$1,055,000 for our architects, and the remainder for consultants & professional services, fundraising, FFE, and projected loan interest. Anticipated borrowing cost would not exceed \$6.9M.

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

### **Adjournment**

Mike adjourned the meeting at 6:45 pm.

Respectfully submitted,

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Julie Klein  
Recording Secretary

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Missy Albachten  
Secretary