



BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, May 7, 2019

5:30 pm

Christian Life Center – Room 200

Attendance

Board Members: Missy Albachten, Diane Burrow, Joy Englund, Chad Caswell, Camilla Fischer, Dan Fouberg, Mike Heidemann, Erin Persons, Barb Peterson

Staff: Jeff Marian, Jane Victorey, Julie Klein

Guests: Rich Mavis, Marlys Herstad, Lance Odegard

Call to Order

Mike called the meeting to order at 5:35 pm and Barb led the board in devotions.

Agenda

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

Approval of April 2 and April 9, 2019 Meeting Minutes

Motion by Joy to approve the minutes of the April 2 and April 9, 2019 meeting; second by Missy.

Motion passed.

New Business

- **Canoeing the Mountains – Study 6 / Ch. 14&15**

Pastor Jeff led the Board in the final chapters of *Canoeing the Mountains* by Tod Bolsinger, which focuses on transformational church leadership in uncharted territory.

- **Nominating Team Update**

Marlys Herstad provided a report in closed session on behalf of the Board Nominating Team which also includes Rich Mavis, Lance Odegard, Daena Parra, Taya Theis, Josh Wigley, and Chad Caswell and Diane Burrow as board liaisons.

Motion by Missy to accept the Board Nominating Team recommendation for three board candidates, Donna Blaul, Camilla Fischer and Jay Olstad. Second by Chad. Motion passed.

- **2019/2020 Budget Recommendation**

Jane presented the proposed 2019-2020 Prince of Peace budget. This is a breakeven budget of \$3,979,900.

Motion by Joy to recommend approval of the Prince of Peace operating budget by the congregation at the annual meeting. Further move to approve the Changing Church Forum budget. Second by Erin. Motion passed.

- **Constitution and Bylaws Recommendation**

The board further reviewed a redline version of the Prince of Peace Constitution and Bylaws with a number of substantive changes proposed by the Constitution and Bylaws Committee.

Motion by Erin to recommend approval of the substantive amendments to the Prince of Peace bylaws with the noted changes. Second by Barb. Motion passed.

A final draft of the proposed updated constitution will be published on the Prince of Peace website prior to the annual congregational meeting at all worship services on June 8, 9 and 12. Bullet point substantive changes will

also be listed. A congregational forum has been scheduled for Sunday, June 2, after the 8:30 am and 9:45 am services. A redline version of the constitution will be available upon request.

Reports

- **Lead Pastor Report – Jeff**

Four individuals from Prince of Peace, two from Family Ministry and two from Senior Ministry, have been recruited to serve on Jason Kramme's internship team. The team will also include two members from St. Luke's in Cottage Grove and will soon begin their work of supporting Jason and providing feedback on his internship. Jeff provided the board a copy of Jason's learning goals which were submitted to the seminary. Jeff and Jason attended a two-day retreat on May 6/7 near Brainerd with other interns and supervisors. In June Jeff will also attend a two-day training event for supervisors at the seminary.

More than three-quarters of the funding needed to pay the full consulting contract with Vibrant Faith Ministries has been raised. Jeff has spent time in discerning prayer and invited a team of disciples to lead this work. The Adaptive Change Leadership Team consists of Camilla Fischer, Handt Hanson, Dave Hefko, Jessica Olstad, Wendy Preuninger, Reid Ridpath and Christine Shaman. Our consultant Jim Merhaut will be interviewing each team member in the next month, along with several key staff members. The team will convene in early summer to begin their work.

- **Finance Director Report – Jane**

Offerings in March were better than expected and we are now \$20,000 better than budget year to date, and about 2.5% ahead of last year at this time. The stock/IRA/major gifts portion of the offering is running 50% ahead of budget - we are receiving increasing numbers of IRA gifts. Jane is conservatively projecting that April – June will run short on regular offerings by \$60,000 total because of some early giving, some poor weather in April, and our trend the rest of the year for regular ongoing giving. Jane has adjusted for timing of expenses, and project an operating surplus of about \$6,000 by year end.

Our ninth construction bill of \$568,433 was paid the end of April. The loan draw of \$568,000 for this payment puts our total loan balance at \$995,000. The first billing for construction interest of \$1,204 has been received. The estimates last July for construction expense and capital campaign revenue had projections of first borrowing last October, with cumulative debt projected over \$5M at this point. With this first interest payment, we will have paid \$71,000 less in interest to date than had been estimated by the end of April.

Total construction costs through March are \$5,267,038, campaign and soft costs are \$113,747. Of the construction expenses, \$178,000 is for escrows paid to the city that will be returned within one year of the end of construction.

Total campaign giving through March is \$5,355,275.

Facilities Director Kurt Oestreich is increasingly concerned that our parking lot will not last until phase 3 of construction. We spent \$1,100 patching the worst of the potholes this spring, and most of the patches have already failed. Only a small portion of bituminous work is in phase 1 of construction – just near the drop off at the new entrance. The lot is 133,000 SF and the lot replacement in Phase 1 is 24,000 SF. (Curb/gutter and asphalt in phase 1 is \$92,000.) When we reconstruct the lot we also need to replace all of the light poles, which will be added expense. Kurt will be getting four quotes for this work, and discuss with Ebenezer cost sharing for the spaces that they use. Once phase 1 work is done, there would be no need for heavy equipment or truck traffic in that location. With bids and cost sharing known we might propose moving the parking lot work to be done at the same time as the Chapel, as the top priorities for Phase 2 construction.

- **Construction Update**

Great progress is being made on construction with the improvement in the weather and the building substantially enclosed. Framing and drywall is nearly complete in the preschool/family ministry wing. Framing of offices is complete in the renovated area, and new windows are being installed in the upstairs offices. Work on

the grand stairway will begin in May. Meetings have been held with our tech support and phone vendor for final selections of phone system and equipment, and to coordinate the move of servers and processors from the CLC building to the Worship Center in August. The staff office move is slated for the week of August 26.

The board went into closed session at 7:10 pm and resumed regular session at 7:45 pm.

Adjournment

Mike adjourned the meeting at 7:45 pm and Joy closed in prayer.

Respectfully submitted,

Julie Klein
Recording Secretary

Missy Albachten
Secretary