



BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, April 7 2020

5:30 pm – via Zoom

Attendance

Board Members: Donna Blaul, Diane Burrow, Joy Englund, Chad Caswell, Camilla Fischer, Mike Heidemann,

Jay Olstad, Erin Persons, Barb Peterson

Staff: Jeff Marian, Jane Victorey, Julie Klein

Call to Order

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

Agenda

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

Approval of March 3, 2020 Meeting Minutes

Motion by Joy to approve the minutes of the March 3, 2020 meetings; second by Camilla.

Motion passed.

New Business

Chad provided a Nominating Team update. The Nominating Team met last week via video conference, and will finalize interview dates with six candidates, with interviews possibly starting next week. Due to the COVID-19 pandemic, the interviews will also take place via video conference. The Nominating Team will make their three candidate recommendations to the Board at the May Board meeting.

Jane provided the Board with the first draft of the 2020-21 budget. The final budget will be presented at the May Board meeting for recommendation of approval to the congregation at the annual congregational meeting.

Jane also provided the Board with the ELCA annual trend report. Total confirmed membership for Prince of Peace is up slightly. Worship attendance is down over 2018, although we were impacted significantly with construction for the majority of the year.

The call committee conducted a second interview with Jason Kramme, and recommends a Letter of Call as pastor be extended to Jason. The next step is for the Board to make this recommendation to the congregation.

Motion by Diane to accept the recommendation of the Call Committee to call Jason

Kramme as Pastor of Life-Long Spiritual Formation; second by Chad. Motion passed.

Reports

- **Lead Pastor Report – Jeff**

Jeff is extremely proud of how the staff has navigated the COVID-19 pandemic. From preparation plans, to implementation and adaptation, the continued collegiality and collaboration of staff is evident and stronger than ever.

Meetings take place via video conferencing. The staff leadership team is meeting weekly to provide updates, share what they are learning, and looking for ways to collaborate and support one another. Staff chapel is held each week at the same time on Tuesdays, and Jeff is also hosting a weekly virtual staff coffee time, and a virtual office hour on Mondays so that staff can check in if they have questions, concerns or simply need support.

Worship and the Engage Bible Study are now virtual as well. We are reaching far more people this way than we would have if we were still doing “live” ministry, so the staff is thinking about how we can improve and sustain what we are doing beyond the current crisis and what human and technological resources will be needed.

We partnered with Vivo Kitchen in Apple Valley in a project called “Feeding Souls South of the River,” delivering lunches six days a week to 25 isolated seniors. We are also calling every household at Prince of Peace to check in. These calls are being made by staff, board and ministry team members.

The long-standing DNA of Prince of Peace to be a church that resource other churches continues to shape our identity. We have been contacted by dozens of churches and church leaders from all over the country looking for insight into navigating this crisis. On March 31, Jeff participated in a roundtable discussion with Congresswoman Angie Craig and a few other faith leaders to explore how we can respond collaboratively.

- **Finance Director Report – Jane**

Our offering numbers had been off for most of the year, and by the end of February we were short of budget by \$192,000. This represented a small catch up from January. In March, Chad addressed the shortfall at all services, on what turned out to be the last weekend of services due to the COVID-19 pandemic. We have seen some substantial gifts in March to address the impact of the crisis on Prince of Peace and our need to work 100% remotely. We have a number of people with no giving record who have stepped into automatic giving. Some increased their ongoing giving or made special above and beyond gifts. Some families who had contributed already to the Get It dONE campaign volunteered to move that gift to the operating budget if needed.

We have continued to pay all staff their full pay, including those who could not do any/all of their work remotely. That includes our child care staff, CDLC teachers and aides, facilities team and a few others. Many of whom are most vulnerable if they would lose their pay. This protection of salary was promised through May 15, which has been our target date to reopen. All of these salaries were in our operating budget. We

have experienced loss of income of \$50,000 in CDLC tuition, unless families choose to donate some back. We will lose another net \$12,000 on VBS and Worship Arts camp this summer. We do not participate in the state unemployment program. Jane is looking for grants or other assistance that may be available to offset our costs to pay those unable to work.

The Board discussed the possible benefit of the CARES Act passed by Congress to provide stimulus and relief dollars in response to the coronavirus. One measure in this package provides forgivable loans to maintain payroll, keep workers on the books, or pay for rent or mortgage payments for small businesses (less than 500 employees), provided workers stay employed through the end of June. \$350 billion was allocated for the Small Business Administration to provide these loans through the Payroll Protection Plan portion of the legislation.

Motion by Chad to approve submitting a Small Business Administration application for the Payroll Protection Plan for a forgivable loan not to exceed \$500,000; second by Jay. Motion passed.

The Christian Life Center (CLC) building, along with the Worship Center and our land (except the parking lot that is leased by Fairview) are used as collateral on the loan with the Mission Investment Fund. The CLC building and associated west parking lot will need to be released from collateral if we sell the CLC property.

The Mission Investment Fund (MIF) will need approval from the Board for the request to use any sale proceeds from the sale of the CLC for construction of Phase 2 vs. paying down at least some of the debt we have with MIF. CLC sale proceeds would only be used for Board approved construction expenses.

Motion by Donna to approve a Letter of Intent to the Mission Investment Fund to remove the CLC and associated land from collateral on our loan. This motion further authorizes two Board members or one Board member and Lead Pastor to sign the Letter of Intent. Second by Joy. Motion passed.

The Board entered closed session at 7:05 pm to discuss the Christian Life Center building, and resumed regular session at 7:20 pm.

- **Construction Update**

Bids on the Chapel initially came in higher than projected. Kurt Oestreich and Jane are meeting via video conference with the architects and general contractor and are having them review bids, look at design options and find value engineering to reduce costs.

The low bid on the parking lot came in higher than estimated. This bid is also being reviewed, as we may have options for fewer islands and less landscaping, and some cost share with Ebenezer that could reduce the cost. This project remains a priority. *Motion by Erin to approve funding for parking lot upgrades not to exceed \$700,000; second by Donna. Motion passed.*

The final General Contractor expenses were paid with the March payment, in the amount of \$384,725. Total expenses paid for Phase 1 construction is \$12,766,953 with only a \$63,055 furniture order left to pay, plus loan interest through December. The original budget was \$13,596,905 and estimated final complete Phase 1 expenses are \$13,140,000, or \$457,000 below budget. This also includes all capital campaign costs, legal fees and other soft costs.

Total campaign giving through March 31 is \$6,898,929 for Phase 1, and \$573,082 has been contributed for Phase 2. We have already paid an additional \$235,997 in expenses for Phase 2. The Get It dONE Capital Campaign has been suspended. We will need to wait to gauge the impact of the public health emergency, as well as the economic fallout from the COVID-19 virus before resuming fundraising. In the interim, we will continue to promote One Church giving on our website.

Our church management software conversion was completed on March 10, with our database, contributions and pledges uploaded into our new software.

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

Adjournment

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

Respectfully submitted,

Julie Klein
Recording Secretary

Erin Persons
Secretary