



BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, November 2, 2021

5:30 pm – Room 200 B|C

Attendance

Board Members: Donna Blaul, Camilla Fischer, Mike Heidemann (absent), Diane Horsager, Gene Mickelson, Jay Olstad, Barb Peterson, Marlene Robertson (absent), Josh Tuchscherer

Staff: Jeff Marian, Jane Victorey, Julie Klein, Jason Kramme

Call to Order

Barb called the meeting to order at 5:30 pm and Gene led the Board in devotions.

Agenda

Motion by Gene to approve the agenda with flexibility. Second by Josh. Motion passed.

Approval of October 5, 2021, Meeting Minutes

Motion by Josh to approve the minutes of the October 5, 2021, meeting. Second by Jay. Motion passed.

New Business

- **Mask Mandate in Mission Outpost and Beyond**

The topic of wearing masks on campus was discussed by the Board. While masks are not mandated, Prince of Peace is currently following the Minnesota Department of Health recommendation that masks be worn in the Worship Center and Mission Outpost, regardless of vaccination status. The Board will revisit the issue if the situation changes.

- **Sabbatical Proposal**

The Board discussed the current Sabbatical Policy to provide further clarity and structure about guidelines for sabbatical requests.

- **Nominating Team Update**

Josh provided a brief update on the Nominating Committee.

Motion by Camilla to affirm the current Nominating Committee which consists of Nicole Dennis, Karen Mattingly, Lance Odegard, Drew Shaman, Taya Theis and Josh Wigley and board liaisons Josh Tuchscherer and Mike Heidemann; second by Donna. Motion passed.

The committee will convene in the next few weeks.

Reports

- **Lead Pastor Report – Jeff**

Several of the staff have been reading a book entitled *Tribal Leadership*. The authors suggest a strategy model that Jeff finds helpful and accessible. The first two steps are both foundational and challenging: determining core values and discerning and articulating our “noble cause”.

Jeff conducted an exercise with the Board that he is also doing with staff and members. Board members shared their stories of Prince of Peace at our best, stories of when we, as a Church, were effectively being and doing what God has called us to be and do. Jeff encouraged the Board to continue to share their stories with the congregation and with Jeff.

Jeff suggested to the Board that more time at the monthly meetings be dedicated to leaning into the future and focus on future casting.

- **Finance Director Report – Jane**

September offerings are below budget by about \$12,000, and overall, we are running about \$44,000 short in offerings for the year. Most revenue line items are below budget. Most expenses are also below budget. We are running very close to net expense for the year when accounting for timing of income and expense items.

As of the end of September, we have \$829,200 in unrestricted cash reserves, and an additional \$121,665 in prepaid expense – escrows to the City of Burnsville which will be returned when construction is complete.

The preschool budget is off significantly, and Jane is proposing a budget amendment for this year. The Child Development and Learning Center (CDLC) budget was created in December 2020 to set tuition rates for this school year. The new CDLC budget is 11.5% smaller in both revenue and expense. Expenses have been reduced across the board – reduced staffing and reduced supplies with fewer children. This new CDLC budget remains a break-even budget at \$314,340 in income and expense.

The overall operating budget is reduced from \$4,152,770 to \$4,111,810, and remains with the same net deficit of \$115,000, to be covered with operating reserves. Jane is requesting approval of the amended budget.

Motion by Josh to approve the amended operating budget of \$4,111,810; second by Jay. Motion passed.

Jane has been in contact with the Mission Investment Fund for the potential to both lower our current interest rate and lock it for the next five years. The finance committee unanimously recommends locking in the rate for five years, and the Board gave consensus for Jane to do so.

Total campaign giving through October 28 is \$2,258,378 for Phase 2. Our current loan is \$3,061,379 and the current bank balance for construction expenses is \$76,377. The net proceeds from the sale of the Christian Life Center is \$6,369,150, and all of the proceeds have now been used for Phase 2 work and the paydown of \$3.5M on borrowing from Phase 1.

Phase 2 costs to date total \$5,562,270 including construction payments, architects, FFE (advance purchases of chapel & sanctuary worship technology), and the parking lot. Of this, \$121,355 is funding for sanctuary technology that is part of a later phase.

Jane provided an update on staff transitions:

Tracy Folkerts joined staff on November 2 as Community Resource Leader in Mission Outpost, working 24 hours per week. She comes with a wealth of experience, including leading in children's ministry, strong volunteer leadership background, and work in developing resources.

Swen Swenson announced he will be leaving Prince of Peace and moving to Iowa in mid-November where his wife Kristin has accepted a position as Director of Marketing and Development with a Christian organization in Cedar Falls. There are plans in place to backfill his functions in the short term. This position will be re-evaluated in mid-December for long term staff planning.

Database Manager Sandy Bradee has retired and Mary Frampton, Accounts Payable/Receivable, will moving to Florida in November. Jane is working with Chad Caswell, Gene and Barb to map out roles in the Finance area to create new job descriptions that allocate functions well with anticipated skill sets. The positions will be the same total hours as our current staff plus our open payroll/benefits position.

- **Construction Update**

The Mission Outpost renovation/new construction is back on track with lighting finally delivered and installed, allowing for flooring installation to begin. Our general contractor believes that the space will be complete by the end of November, outside of the installation of the new walk-in refrigerator and freezer in the Mission Outpost warehouse. That is still scheduled for early December.

Much of the Christian Life Center contents have been moved, sold, or discarded. Mission Outpost will need about 2-3 weeks to move current inventory and furnishings to the new space. We need to provide Fairview 30 days' notice of when we plan to be out.

Motion by Jay to receive and file the written reports for November submitted by Jane Victorey, Finance Director and Jeff Marian, Lead Pastor. Second by Gene. Motion passed.

Adjournment

Barb adjourned the meeting at 7:15 pm and Jay closed the meeting in prayer.

Respectfully submitted,

Julie Klein
Recording Secretary

Camilla Fischer
Secretary