



## BOARD OF DIRECTOR'S MEETING MINUTES

Tuesday, July 12, 2022

5:30 pm – Room 200 B|C

### **Attendance**

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

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

### **Call to Order**

Barb called the meeting to order at 5:30 pm and opened the meeting in prayer.

### **Agenda**

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

### **Approval of June 21, 2022 Meeting Minutes**

*Motion by Donna to approve the minutes of the June 21, 2022 meeting; second by Mike. Motion passed.*

### **New Business**

- **Staff Sabbath Week – Jane**

Our staff was on sabbath break from July 3 – July 9. This time off is so appreciated by our staff. It was brought up in exit interviews from departing staff as well as surprise from our newest staff members. Having the same week off together allows people to truly unplug and rest. No meetings are missed, no calls need to be returned, no work needs to be caught up upon our return. Jane is asking again for the Board's approval to designate a week of sabbath the first full week of July 2023.

*Motion by Diane to approve a week of staff sabbath from July 2- July 8, 2023; second by Jay. Motion passed.*

### **Reports**

- **Lead Pastor Report – Jeff**

Jeff announced to the Board that he is resigning his position as lead pastor at Prince of Peace and retiring from full-time ordained ministry effective July 14, 2023. This is not a sudden decision but one that he has been praying about and planning for over two years. He believes the work he was called to do at Prince of Peace has been completed for the following reasons:

- We reestablished a culture of trust between the congregation, staff and Board.
- We developed a team of gifted, passionate and effective staff who work collaboratively.
- We transformed our campus and created a beautiful, functional and welcoming environment.
- We now operate from a solid financial foundation and have systems of accountability.
- We created theological clarity that helped establish a clearer identity, including becoming a more welcoming and inclusive community.
- We dramatically expanded our missional footprint in the community.

Second, while he is proud of these accomplishments he also recognizes that they are really the necessary foundation for what's next. The world around us has radically changed. He believes that there are unprecedented opportunities in Prince of Peace's future which will require changes in who we are and how we do ministry. Jeff believes that God is already preparing that next leader just as God has been preparing Prince of Peace for the next chapter in our story.

Third, Jeff senses that he is being called to a different kind of ministry. Some of his greatest joy has been leading our staff, challenging, encouraging and equipping them to thrive and grow. In retirement he plans to use his

coaching skills to continue working with leaders in both the church and business world. As much as he will grieve leaving the ministry we have shared together, he is excited to enter into this new chapter in his own story.

While it isn't standard protocol to give a year's notice to a pastor's retirement, Jeff believes that a healthy transition takes time and can provide needed forward momentum, and will work with our Board and staff to ensure a healthy and effective transition into Prince of Peace's next chapter.

- **Finance Director Report – Jane**

Jane reviewed the events of the last fiscal year - COVID, remote work, selling the Christian Life Center (CLC) building, and launching Phase 2 construction. This year our staff continued to be flexible with their work arrangements, working both remotely and on site. Construction was in full swing, with completion dates shifting as our General Contractor dealt with both material and labor shortages. Phase 2 was substantially completed last December. We vacated the CLC building, moving Mission Outpost to their new space, and emptied out decades worth of other stuff stored throughout the CLC building. We experienced some significant staff changes this past year with retirements, moves to other states and career changes, resulting in shifting responsibilities among the rest of staff, and new faces to welcome.

Offerings are nearly even with budget for May. Year to date offerings through May are \$200,000 under budget (about 6.6% below). Expenses continue better than budget and overall, we are still running better than expected for the year. Jane is projecting we will end the year at about a \$70,000 net loss, vs. the budget of a \$115,000 deficit.

As of the end of May, we have \$1,188,150 in unrestricted cash reserves. We will need \$75,000 for operating cash flow through the end of the year. We have \$95,000 in unrestricted reserves covering construction expenses as of the end of May. In June we will need an additional \$30,000 for construction expenses, net of additional campaign contributions. This includes payment of \$60,000 in June to the ELCA from capital campaign funds for the Synod Planting Hope Campaign. We pledged \$100,000 of campaign proceeds to the synod campaign, which we anticipated to be 2% of final campaign contributions. At this time, we have \$3,000,000 in campaign donations, so \$60,000 was sent to the Synod in June to keep current on our pledge.

Construction cost in June was \$37,311 to cover payment of some retainage and our General Contractor fee. We still have payments outstanding for our fire doors and the partition wall for the CDLC/ childcare area large group space. These items remain unfinished. Debt at the end of the fiscal year is \$3,218,706. To date we've spent \$6,885,000 on Phase 2 construction of an estimated \$6.97M in total cost.

Facilities Director Kurt Oestreich and Jane met with the Burnsville Assistant City Engineer to discuss the construction work on our campus. They will keep us informed as road conditions/closures impact our property. Work on Fairview Drive will still likely begin mid-July and run into early October. Our assessment for this project is \$16,711. As per discussion at the last Board meeting, this has been paid in full. This was in lieu of paying over 15 years at 3.5% interest.

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

## **Adjournment**

Jeff provided devotions prior to adjournment. Barb adjourned the meeting at 6:45 pm.

Respectfully submitted,

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Julie Klein  
Recording Secretary

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Diane Horsager  
Secretary