

Belmont UMC
Administrative Board Meeting Minutes
November 19, 2017

Opening prayer – Susan Groseclose

Welcome/Approval of Minutes – Nancy Northington

- *Minutes approved.*

2018 Budget and Pledge Campaign

Paul Purdue:

Asked members to discuss in small groups what 3 things excite you about Belmont.

What excites Paul:

- Warm church — the warmest I have served.
- Diversity: ESL, Golden Triangle congregation, etc.
- We're on the right side of history. We've been called to witness and have a long legacy of serving our neighbors (UN has met at BUMC since 1940s)
- Location, location: The Village
- Worship: choirs, beautiful music and worship
- Amazing people in our congregation: clergy, scholars, professors, teachers – amazing, committed people
- Excited about our opportunity to minister, serve. Believes our progressive theology is the right thing for this post, postmodern world.

Nancy Northington:

- Grateful for Jefferson and Linda and Marcie, who created the narrative budget document brochure.
- Family budget meetings: There will be a series of informal budget meetings held to share our visions for Belmont.

John Pearce:

Where are we going in 2018?

(2016 was first year we didn't pay our apportionments in 15 years. People noticed.)

2017 review:

- **Actions we took to balance our budget:**
 - We received a \$50K Trust Fund grant
 - Cut our program budget
 - Short budgeted our apportionments (budgeted to pay only 90%)
- **Positives for the year:**
 - Trust Fund has done well with earnings and received some good gifts
 - Weekday school is having a good year financially.

- **Struggles:**
 - We did an analysis of our budget (2012-18) to look at expense trends. During this period, our staff budget increased \$130K, properties increased \$40K, and our apportionments increased \$25K. Total expenses increased by over \$200K during this period, but pledges increased only \$50K.
 - To balance our budget in 2018, we will need to:
 - Absorb normal increases in staff pay and other items of 2-3%;
 - Make up the \$50K from the Trust Fund in 2017
 - Raise \$55K more next year to pay 100% of our apportionments, versus the 90% we budgeted in 2017. Our share is based on local church spending. While the conference budget went up only 3%, total spending of the other 600 conference churches went down, so our share is bigger. This means that our apportionments will become our single largest expense, surpassing our loan debt service.
 - We will need to raise an additional \$160K in our Operating Fund to break even next year. We want to make this up in pledges, but realistically we will also need to reduce expenses.
 - To reduce expenses, we will:
 - Ask Ministry Council to reduce their budget by \$15K ;
 - Spend less on maintenance (Properties);
 - Implement tighter controls on spending;
 - Evaluate our expenses. For example, why are we paying SunTrust \$4-5K in fees when they are holding all of our money?
 - Reduce staff parish budget by about \$62K next year, which means we will probably need to reduce staff next year.

Finance Committee Update – John Pearce

Operating Fund:

- As of Oct. 31, pledges and loose offering are \$50K behind. But in comparison to previous year (2016), we are ahead. At the same time last year, we were \$130K behind.
- We are on track with our expenses.
- We already have \$250K pledged and lots of cards were turned in this morning.

Action needed:

- **Debt service** (Term debt related to community center built 10 years ago: To date, this has been our largest single expense (220K per year). We refinanced 5 years ago at a rate of 3.4% fixed. SunTrust made us an offer of 5.17% fixed and tried to sell us on an interest rate swap of 4.7% which would then be sold on the market (and make money for ST). They also offered a floating loan rate, which would have to go up 6%. They would also add a 1% origination fee to the loan.

- Wilson Bank and Trust in Lebanon offered us a 20-year term, \$2.6 million loan with a fixed rate for 5 years @ 3.95% fixed (paid 3.4% 5 years ago at ST). After 5 years, the rate would adjust to prime rate (now about 4.5%). But we aren't looking beyond 5 years. Closing cost would be capped at \$4500. Going with them over ST will save us \$90K over term.
- Loan from Wilson Bank and Trust has been approved, but they need a resolution from the Administrative Board to approve the loan.
 - *Board approved the resolution that authorized John Pearce and Rick Keuler to sign up to \$2.6 Million loan with Wilson Bank and Trust.*
- Traditionally we have had charge conference in fall (Dec this year), then had another in January to set clergy salaries. This year, we will combine both and have a single charge conference in January.

Belmont UMC Emergency Plan Update & Funding Request – Mike Kessen

- Task force started working on plan in the summer to look at what kinds of things we need to do to prepare for emergencies like fire, tornado, etc.
- Team involved representatives from across the church to look at what we would do in various situations.
- Created a 18-page document, which was presented to the Exec committee. They asked for some revisions, which have been made. The plan was to then send out the updated document.
- However, we began thinking about what we'd do if something happened like a fire on a Sunday morning. What would we do? What kinds of things do we need to implement to be prepared?
 - Need to develop an updated Emergency Management Policy document, which would provide a framework for response for specific types of incidents
 - Invited Sgt. Michelle Jones to conduct a facility review
 - **Identified these implementation actions/components:**
 - **Awareness and personal responsibility preparation and training**
 - **First responders team:** We need to create a designated group of people ready to act on Sunday morning should something happen.
 - **Update/upgrade/expand systems:** alarm system, intercom, video-monitoring system. Currently, there is no method of logging people in the building to know who is here.
 - **Improve and/or strengthen doors, locks and lighting:** For example, between the community center and main (back) entrance.
 - **Staffed entry and log in/out system for all who enter the building**
- **Request to Ad board:**
 - Endorse basic policy and next steps to implement plan
 - Support request, in collaboration with Properties Committee, to Trust Fund for necessary facility and technology upgrades. Request may be as much as \$250K total, but we hope much less would need to be spent. Implementation would also happen over a several year period.
 - *Board gave its approval for committee to continue working on a plan, investigating costs, etc.*

Closing & Adjournment – Nancy Northington

Next Meeting:

December 11 charge conference has been rescheduled to **Jan. 28, 2018**

2018 Meeting Dates

- January 28
- March 4
- May 6
- July 15
- Sept. 16