

Collierville United Methodist Church

Called Administrative Board Meeting

May 22, 2022

Marie DeLockery called the meeting to order welcoming all who had come. Their approval of the reports was needed to have them approved through a called Charge Conference. Marie asked that everyone please let the report be completed before discussions and questions are made. She will recognize and call on individuals for them to ask their questions or hear their discussions on the report.

Please make sure you have signed in on our roll call and add your number of days you have prayed for this church in the last 77 days since we last met.

Jessica Nichol, our Lay Leader, gave our devotional on seizing the joy of the season by tending our garden just as our spiritual Gardener cultivates our spiritual gift in each season of our lives. Every Season has a story whether it is a natural season or our spiritual season. In each we are to find the joy of that season in every circumstance.

Learning

Mission statement recited.

Explanation of our called Administrative Board Meeting.

The minutes were approved as posted with a first and second by Don Gary and Tommy Hart.

We recognized Christy Brown, who will be commissioned on June 16, 2022 at Brentwood UMC as a Provisional Deacon.

Marie explained that since this is a called Administrative Board Meeting that there were only going to be a couple of reports given and voted on in order to present our financial needs to a Called Charge Conference because there were time sensitive issues that needed immediate confirmation.

Reports

Chip Peterson, our new chairman of House and Grounds, toured our facilities and found many needs for immediate attention. These top three items have been presented by the House and Grounds Committee Representative to both Finance Committee and the Board of Trustees. Both groups approved the proposal. They are as follows:

First to replace the HVAC in the Foundry. We have a bid of \$47,627 of which we are hoping to get a \$10,000 grant and pull \$21,000 from the reserves. There had been \$16,000 earmarked for the Foundry. The work will begin in the next couple of weeks.

Second to replace the 26+ year old roof of the Sanctuary on Poplar. Finance and Trustees have approved for \$44,000 to be taken out of reserves to pay for the new PVC roof. This will be repaid to the reserve through the current Capital Campaign.

Third to replace the piping of the Restroom in the Preschool Building. The pipe has been backing up and we had it scoped then they had to come back after it had time to dry out to have a conclusive scope that found that there was a bow in the pipe. Three bids were gotten with Johnson Plumbing receiving the job with a bid of \$8400. There will be cost to replace and install tile that will be taken out in order to complete the job. The cost of job totaling approximately \$10,000 will be split between the church and the Preschool.

Other items to be addressed will be the replacement of the lighting in the sanctuary on Poplar. There are approximately 30 lighting fixtures to be replaced because those that are currently in place have been discontinued and parts are no longer available. We look to start this in June of this year.

Other immediate needed repairs are the replacement of Fascia boards on the scout room, the fountain at the third entrance and the replacement of the gutters on the portico entrance at the playground.

Projects on the Sanctuary on the Square. We are looking to do but are moving a little slower than he would like because these will have to be done by a professional architect are to replace the fascia boards, replace the roof, repoint the brick and several other things that we will have to present to the Historical Board of the town of Collierville. After all is approved we will be able to begin the work.

We are in the process of updating the kitchen downstairs with the help of the some men from the church. Cabinets have been ordered. There will be new counter tops, an under the counter refrigerator and a new hot water heater. Other issues to be addressed will be the water damage to the walls in the downstairs and new HVAC. There are plans to do a light wash of the entire building.

Projects that are to be done on the Sanctuary on the Square are to be funded by the Mary Louise Cox Memorial Fund. Other items to be addressed will be replacement of all lighting in the building with LED as well as the parking lot. Bob Konsowitz questioned if we will be applying for Federal Grants if they are still available and the response was that most will be covered through the TVA. We should see an approximate savings of about \$200.00 dollars a month in our utilities.

Report approved with a first and second from Bob Konsowitz and Matt Morgan.

Don Gary – Financial report

We had received by last Sunday 73 pledges to All In Fund for \$213,000. As of this morning we now have 83 pledges for \$244,000.

I have attached Don Gary's full report from the Finance Committee as presented to the Board. The main item of the report was the subject of refinancing our loan which has come to maturity. We have gone to several institutions and have found the best interest to be 4.25% from Simmons Bank with maturity in 7 years with amortization of 25 years which is one whole percent less than First Horizon where our current loan resides.

We currently have a loan for \$3.4 million and Simmons bank will give us up to a \$4 million line of credit. Our monthly payment will be \$21,640 a month. The Poplar campus will be our collateral for the loan which means should our loan be recalled that the Sanctuary on the Square would not be touched.

Please read formal motion from His report that follows:

FINANCE COMMITTEE REPORT TO ADMINISTRATIVE BOARD
MAY 22, 2022

THE FINANCE COMMITTEE MET TUESDAY, MAY 17, 2022. FINANCES ARE WITHIN OUR PROJECTED EXPENDITURES, WITH A LITTLE IN THE BLACK. THIS IS DUE TO CONSTANT OVERVIEW BY THE STAFF PLUS SOME REDUCTIONS DUE TO STAFF OPENINGS THAT HAVE NOT BEEN FILLED. OUR APPORTIONMENTS ARE UP TO DATE.

OUR ALL-IN PLEDGES (83) SO FAR ARE \$ 214,000 WITH THE FOLLOWING BREAKDOWN: (NOW \$244,000)

POPLAR ROOF \$104,000

FOUNDATION CHAIRS \$25,000

SOS CARPET AND PEW RESET \$22,000

ALL CHURCH \$63,000 (DON'T HAVE NEW BREAKDOWN)

WE HAVE ENOUGH IN THE 45% FOR THE POPLAR ROOF TO BEGIN THAT PROJECT NOW. WE WILL TAKE THE MONEY FROM OUR RESERVES AND "LOAN" IT TO THE PROJECT. THEN PAY BACK THE RESERVE AS THE COMMITMENTS ARE PAID. WE HOPE THE OTHER PROJECTS ARE FUNDED SOON SO THAT THEY CAN BEGIN.

ONE OF OUR PRIMARY GOALS WAS THE REFINANCING OF OUR EXISTING LOAN.

OUR ORIGINAL \$5 MILLION LOAN HAS MATURED AND OBVIOUSLY RATES HAVE BEGUN TO RISE RAPIDLY. WE HAVE BEEN PAYING LIBOR PLUS 1.65% AND THAT IS ENDING.

WE REVIEWED RATES FROM FOUR SOURCES AND CHOOSE TO REFINANCE WITH SIMMONS BANK. THEY OFFERED US THE BEST TERMS WITH A 4.25% RATE. WE CAN AMORTIZE OVER 25 YEARS BUT HAVE A TERM MATURITY OF 7 YEARS.

OUR EXISTING LOAN IS \$3.4 MILLION WITH A MONTHLY NOTE OF \$16,000 PLUS INTEREST MAKING THE NOTE PAYMENT \$22,000-23,000. THAT IS DOWN FROM \$25,000/MO JUST TWO YEARS AGO DUE TO OUR AGGRESSIVE PAYMENTS FROM ALL-IN AND MASTERS PLAN CAMPAIGNS.

WE ARE ALL AWARE THAT MANY RESTORATION PROJECTS ARE BADLY NEEDED ON BOTH CAMPUSES. WE ASKED THE HOUSE AND GROUNDS COMMITTEE TO MAKE A THOROUGH STUDY FOR US AND PRESENT THE MOST NEEDED REPAIRS TO US.

HANG ON TO YOUR HATS FOLKS, THE LIST:

POPLAR CAMPUS:

SANCTUARY LIGHTING \$130,000
SANCTUARY ROOF \$44,000
SANTUARY DEHUMIDIFYER \$80,000
FOUNDRY HVAC \$48,000
PRESCHOOL AREA BATHROOM \$25,000
PRESCHOOL GYM/ROOF \$185,000
POWER WASH \$22,000
PARKING LOT LIGHTING REPLACEMENT \$80,000
LED LIGHTING CHANGE ENTIRE BLDG \$150,000

SANCTUARY ON THE SQUARE

ROOF, SOFFIT, GUTTER, FASCIA \$100,000
REPOINTING BRICK \$65,000
WATER PROOFING BASEMENT \$15,000
REPLACE HVAC \$25,000
SOFTSCRUB BLDG \$15,000
TOTAL \$985,000 + 10% WIGGLE ROOM AND INCREASES

ALL THESE EXCEPT POPLAR SANCT. ROOF ARE IN ADDITION
TO THE NEW ONE YEAR ALL IN CAMPAIGN.

IN WORKING THROUGH ALL THESE, WE HAVE PRIORITIZED THE
PROJECTS, BUT MANY NEED TO BE DONE NOW TO PREVENT EXTREME
DAMAGE AND INCREASED COSTS LATER.

WE HAVE ALREADY SET ASIDE MONEY FROM OUR RESERVE ACCT TO
PAY FOR SOME OF THE PROJECTS. WE ARE RECOMMENDING MOST OF
THE S O S REPAIRS BE TAKEN FROM THE M L COX FUNDS. AND,
MOST IMPORTANTLY WE HAVE GOTTEN COMMITMENT FROM
SIMMONS BANK TO INCREASE THEIR LOAN TO US. THEY ARE WILLING
TO GIVE US A LINE OF CREDIT OF \$600,000 TO BE ADDED TO OUR
EXISTING LOAN. THIS WOULD BRING US UP TO \$4 MILLION AT THE
TERMS I STATED EARLIER: 4.25%, 7/25 GIVING US A PAYMENT OF
\$21,670/MO. OBVIOUSLY, WE WILL WORK TO PAY THIS DOWN AS
RAPIDLY AS POSSIBLE BUT A 25 YEAR AMORTIZATION WILL GIVE US THE
FLEXIBILITY TO STAY IN A DECENT REQUIRED PAYMENT. THE NEW ONE
YEAR, ALL-IN, ALONG WITH FUTURE CAMPAIGNS WILL ALLOW US TO
CUT INTO THE PRINCIPAL AHEAD OF SCHEDULE AS WE HAVE IN THE
PAST.

MOTION FROM THE FINANCE COMMITTEE AND ALREADY AFFIRMED BY
THE TRUSTEES:

FOR CUMC TO ACCEPT REFINANCING OF THE EXISTING \$3.384 MILLION
LOAN AND ADD ADDITIONAL MONIES UP TO A MAXIMUM TOTAL LOAN
OF \$4.0 MILLION. THE LOAN WILL BE FINANCED THROUGH SIMMONS
BANK AT 4.25% FOR A PERIOD OF 7 YEARS, AMMORTIZED AT 25 YEARS.

Discussion from the floor from Robert Archer asked about the amount of our payment and if it will change should we go to our line of credit. We are getting 3.4 million but we could have the available line of credit to 4 million. That will be a difference of about 3-4000 dollars a month should we get to the line of credit.

Jeannie Jones asked about the difference in the interest from First Horizons and Simmons Bank which was a 1% difference.

Tommy Hart thanked the committee and the group and church as a whole for all the work and moneys promised to work toward these goals.

We cannot do anything until we get this passed in a called Charge conference. The called Charge Conference will be June 5, 2022 at 6:30.

The lenders will only charge us interest on the line of credit when we draw it out. We have up to 9 months after closing to draw to the line of credit.

We Unanimously voted yes to accept the new loan as presented by Don Gary with the additional line of credit extending to \$4,000,000 with no abstentions.

Pastor's Report

Dr. Deborah Suddarth

Three items to focus:

First is on our progress with the We are All In Campaign

Second the changing of our Vision Statement. That is done about every 5 years to best fit our purpose within the community. We are working on our sixth year with our current statement. Our purpose should reflect Who we are and how we can have purpose within the community that we live in.

Third will be to establish a Discernment Committee to educate and bring conversation to our church as we move forward toward August 2024 General Conference. We need to know the facts of what we believe as a United Methodist church. A timeline was shared as to the goals we need to meet during this time. We also need to have conversations and education meetings about the Global conference and the other possible groups or options.

After all our goals and opportunities have been shared through all our small groups, Sunday schools and any other group that we will call together to listen we will have a church wide meeting. By that meeting we should have a working % number as to the direction our church should take for the future.

We will resume with the Dessert with Dr. Suddarth program where those interested in joining the church may have another means of joining the church without going down front for all to see. This can be very intimidating to some so this is a means to have a personal conversation with the senior pastor to answer any question they may have or concerns. This is a wonderful way for us to also learn about our new members and their interest in order to get them plugged into the church.

At this point Curt Terry brought question to see if we are following the rules of the Discipline of the church with article 258(5) about the formation of a committee with in the church.

Dr. Suddarth said she would be in contact to make sure of the proper procedure to form such committee.

After much discussion it was decided that a motion be made for the formation of a Discernment Committee. J.D. Peebles Made the motion that "A Discernment Committee be formed with the goal for our congregation to understand better who we are and what we think as a whole or in parts around the topics with names to be brought before the Administrative Board."

Don Gary asked for an amendment to J.D.'s Motion that it be an ad hoc committee as opposed to a standing committee. Tommy Hart asked if J.D. opposed or accepted the ad hoc. J.D. agreed to have it be added to be an ad hoc committee.

After discussion and further explanations, the vote was called with first and second by Ed King and Don Gary. By a show of hands the motion passed with no objectors and abstentions.

Final Motion: "An Ad Hoc Discernment Committee be formed with the goal for our Congregation to understand better who we are and what we think as a whole or in parts around the Topics with names to be brought before the Administrative Board."

Meeting was closed with prayer by Dr. Suddarth

Respectfully Submitted,

Jeffrelyn Arterburn

Recording Secretary

