

Swansboro United Methodist Church
Trustees' Meeting Minutes
June 3, 2021

PRESENT: Pastor Kevin Baker, Pastor Adam Barth, Jeff Conaway, Barry Fetzer, Jim Gamble, Mel Guss, Patti Heller, Elizabeth Holtz, Tom Scholl, Alan Tate, Paul Williams

ABSENT: Becky Doris, Roger Fulp

Tom called the meeting to order at 5:00 PM, lit a candle symbolizing the presence of God, and Pastor Kevin started the meeting with a prayer. Joys and concerns of the group were shared.

1. Paul gave responses to 2 questions asked at the previous meeting relative to the Option 5 VoIP telephone service proposal. Paul said Advanced Office Solutions stated the cyber vulnerability of a VoIP system is as good as the firewall of the church's internet service and has a very low vulnerability to anyone actually being able to listen to conversations. Paul said Kevin Frasier, SUMC Security Committee Chair, said there is no significant security need for telephones in building 2 Sacristy and building 3 Narthex and stairwell areas. Jim Gamble proposed and Jeff Conaway seconded a motion to adopt the Option 5 VoIP proposal, for Advanced Office Solutions to implement VoIP telephones and service, BFPE International to convert building 2 & 3 fire panels to cellular service, Spectrum to provide analog telephone service to the building 2 & 3 elevator telephones, and to purchase a multi-channel WiFi intercom system and 2 or 3 walkie-talkies for the Day Care.

CONSENSUS: The trustees provided consensus to adopt option 5 VoIP proposal.

2. Tom stated the cost for Piedmont Service Group to install HVAC automated controls into buildings 1 and 2 would cost \$28,000 and, according to Piedmont, would save the church \$6,200/year in energy costs. Several questions were asked and Tom said he would get back in touch with Piedmont Services Group and revisit this topic at a future meeting.

3. Tom notified everyone that S&G has been contracted to perform lawn and landscape care for the church since H&H terminated the contract with the church. The contract with S&G is the same scope as the previous contract with H&H. S&G is performing this work at a lower cost and has, thus far, outperformed H&H.

4. Barry reported that Newton Signs was going to start repairing of the lighted cross this week, but did not. However, he will follow up and expects them to begin shortly. Barry will keep the trustees apprised of Newton Signs' progress. Barry also stated he will be moving to Southern Pines in August to be near family and will be resigning from the trustees. All wished him well.

5. Tom stated the front office has been modified to remove the cabinets, install cubby cubes and paint a wall. The cost was \$70. The cabinets have been repurposed into another office behind the front office. This prompted a discussion of dollar amounts for building/grounds changes that need to go to the trustees.

CONSENSUS: The trustees approved church staff / maintenance to spend up to \$250 on building/grounds projects without trustee consensus. Projects costing more than this must be routed through the trustees for approval.

6. Tom stated he desired to schedule the previously approved Atlantic Glass and window repairs and the building power washing at the same time to avoid paying the \$1900 boom lift. He spoke with Atlantic

Glass and their representative said they do not need a boom lift. Tom will meet them on-site to ensure this is correct before proceeding with either project.

7. Tom said he picked up the church bus after many months of the local mechanic being unable to fix the rear air conditioning. The bus will be put back into service without rear air conditioning capability.

8. Paul stated he spoke with the Duke Energy engineer for the purpose of converting to LED lights to decrease monthly costs. Paul stated our current invoice charges for 18 poles, but he surveyed the property and only counted 12 poles. The Duke representative said they will reimburse for any overcharges going back 12 months. Paul said he verified the pole between building 1 and the Marine Federal Credit Union does belong to the church and high winds rotated the fixture on top of the pole towards the credit union. Paul said he will continue to work with Duke Energy until this is resolved.

9. Pastor Kevin stated the Finance Committee is working with First Citizens to establish a loan before the current loan with a balloon payment is due in 2022. The current principle is \$1.5M. The loan in work is 2.99%, will reduce the monthly cost compared to the current loan and will be paid off in 7 years. This loan will require a \$3500 initial fee and an appraisal fee, which has not yet been defined. Elizabeth Holtz thought a commercial appraisal for a facility of our size might cost as much as \$10,000. Tom stated the current loan rate is lower than 2.99%, but also stated Jo Barrow from First Citizens said all indicators suggest interest rates are going to rise. Pastor Kevin stated the loan could be paid off faster than 7 years without any pre-payment penalties as long as no monthly payments greater than twice the regular payment were made.

10. Pastor Kevin gave an update on the speakers in building 3, which were purchased without trustee consensus. He stated Church Council developed a 2021 budget that included \$17,350 for audio/visual needs. Purchase of new \$10,000 speakers was included in this budget. Pastor Kevin stated, looking in hindsight, that this purchase should have gone through the trustees since it was related to purchasing equipment for the church.

11. Pastor Kevin also shared the accounts managed by the Finance Committee, which include Endowments (\$117K), Memorial Fund ((\$8,995), Catastrophic Capital Reserve (\$100K), Prior Year Surplus (\$132K) and Payment Protection Plan (\$159,609). Pastor Kevin stated the committee is considering options for saving/investing these moneys that will earn more interest than the very small amounts currently being paid through bank savings accounts.

12. Paul stated the Sea Scouts agreed to clean the chairs in building 3 on July 1st at 5:00. Trustee members have donated steam cleaners or wet vacuum cleaners to assist with this process.

13. Tom said it is common for Methodist trustees to take July off. Since the Sea Scouts are coming during our normally scheduled July meeting, Tom suggested and the group agreed to change the purpose for our next meeting from our typical agenda to assisting the Sea Scouts with chair cleaning and perhaps not hold our August meeting. To, asked everyone to come at 4:45 P.M. before the Sea Scouts arrive.

Tom asked the group if a 5:00 start, rather than 5:30 works for the members. All in attendance agreed to the begin our regularly scheduled trustee meetings at 5:00 P.M.. Tom adjourned the meeting at 6:00 stated our next meeting will be July 1st, at building 3 at 4:45 P.M. Pastor Adam closed the meeting with a prayer.

Respectfully submitted,

Paul Williams, Secretary