

Council on Finance and Administration (CFA) Minutes  
Minnesota Annual Conference of the United Methodist Church  
Minnesota Church Center  
122 W Franklin Ave, Minneapolis, MN

April 16, 2020 Minutes

**Members Present:** Brenda King; Linda Gesling; David Parker; John Mitchem; Sharon Fields; Randy Koppen; Keith Peterson; Connie Sheely; Steve Richards; Paul Hoekstra and Daniel Wetterstrom.

**Members Absent;** Jane Gilbert; Tom Biatek; and Deb Marzahn.

**Officio & Services:** Bishop Bruce Ough, Barb Brower Director of Finance & Administration and Treasurer, Cindy Gregorson, Director of Connectional Ministries, Kathleen Keller, Controller and Sheri Meister, Executive Director of the Minnesota United Methodist Foundation.

### **I. Opening Matters**

John Mitchem called the meeting to order at 12:30p.m. The agenda was adopted by consensus. The consent agenda including minutes of the February 13, 2020 meeting and the March 27, 2020 email vote were approved by consensus.

### **II. New Business**

Cindy Gregorson gave the report of the Director of Connectional Ministries. Cindy explained that the Annual Conference to be held in June, in Sioux Falls, S.D. may be cancelled due to COVID-19. A final decision will be made by May 1. The governor of South Dakota has not yet issued a shelter in place order. If the conference cancels we will need to negotiate a cancellation fee with the convention center and Sheraton (room block). The worst case scenario is \$100 thousand to be shared with the Dakotas Annual Conference.

Barb Brower gave the report of the Treasurer with emphasis on the three month retirement and health holiday to churches provided by the Conference Board of Pension and Health Benefits. Sheri Meister gave an investment report from the Minnesota United Methodist Foundation. Year-to-date returns through March 31, 2020 varied from -7% to -13% depending on the mix and was better than benchmark.

John Mitchem provided an overview of the pre-conference 2021 budget materials. He explained that since General Conference 2020 was delayed, the approval of the 2021 GCFA quadrennial budget was delayed. GCFA has decided to use the 2016 apportionment budget until the 2021 budget is approved. John met with Moses Kumar, General Secretary of GCFA, Sharon Dean, Chief Officer of Communications GCFA, and Rick King CFO of GCFA to discuss this. John explained that we had developed our 2021 budget and had included the significant reduction in apportionments by GCFA included in their earlier budget. John also explained that we have let members know this reduction in budget was coming. Discussion continued with the main point of transparency. John will keep GCFA informed of our plan. A motion was made by Sharon Fields and seconded by Dan Wetterstrom to accept the conference 2021 budget as presented to CFA in February and again at this meeting. Motion approved.

Barb Brower explained that the conference did receive a \$574,700 loan from Old national Bank through the Small Business Administration program and Payment Protection Program under the CARES Act. This loan carries a 1% interest rate.

Kathleen Keller led the group through the June 30<sup>th</sup> reserve analysis. With the Payment Protection Program loan the conference will have reserves through June. Barb Brower reviewed

the March 31, 2020 apportionment collection noting a decline of .67% from the prior year. The CFA released prior year apportionments of \$317,221.74 by consensus.

The CFA went into Executive Session at 1:45p.m.

The CFA came out of Executive Session at 2:00p.m. Kathleen Keller briefly reviewed February financial statements and March investment statements.

Being no further business, the meeting adjourned at 2:15pm.

Respectfully submitted,

Barbara Brower