

Council on Finance and Administration (CFA) Minutes
Minnesota Annual Conference of the United Methodist Church
Minnesota Church Center
122 W Franklin Ave, Minneapolis, MN
August 15, 2019 Approved Minutes

Members Present: Keith Peterson; Steve Richards; Deb Marzahn; David Parker; John Mitchem; Jane Gilbert, Linda Gesling, Brenda King, Sharon Fields, Randy Koppen, and Connie Sheely.

Members Absent: Tom Biatak, Daniel Wetterstrom, and Paul Hoekstra.

Officio & Services: Barb Brower Director of Finance & Administration and Treasurer and Kathleen Keller Controller.

I. Opening Matters

John Mitchem called the meeting to order at 12:10p.m. The agenda was adopted by consensus. The minutes of the May 15, 2019 minutes were approved by consensus.

Barb Brower gave a brief orientation regarding the duties and responsibilities of CFA members. Barb also reviewed and asked each member to complete the code of conduct and conflict of interest materials.

II. New Business

Barb Brower gave the report of the Treasurer with focus on July YTD apportionment receipts. July YTD receipts are \$288 thousand or about 5.23% less than last year at this time. Randy Koppen asked if the actual number of churches giving has declined. Kathleen Keller did a brief analysis and noted that about 6% fewer churches are paying this year than last. This opened a discussion on the new tax law effect on giving.

John Mitchem noted that we need to elect new officers. We are looking for interested candidates for the Vice Chair and the Secretary position. We also have committee liaison roles as follows:

BOT	John Mitchem
Investment Committee	Keith Peterson
Audit Committee	Keith Peterson
Foundation	Brenda King
CROSS Team	Keith Peterson and Sharon Fields
Camping	Open

Keith Peterson gave an overview of the 2018 audit performed by Baker Tilly and noted an unqualified or “clean” opinion. Keith explained that Baker Tilly has been performing the audit for several years but the audit committee does not recommend changing auditors this year as we are switching accounting systems from Shelby to NetSuite. Kathleen Keller explained that the audit is consolidated including the Foundation and Camping. Keith Peterson made a motion to accept the 2018 audit report from Baker Tilly. Linda Gesling second. Motion approved.

Barb Brower and Kathleen Keller explained the materials presented from signature from Old National Bank for the \$250,000 line of credit. Steve Richards made a motion to approve Barb Brower to sign the \$250,000 line of credit. Brenda King second. Motion approved.

John Mitchem provided an overview of the Bishop's Disaffiliation Task Force including members and activities of the first meeting. John also gave an update on the most recent information from the General Commission and noted that the next Judicial Council meeting is in October.

Kathleen Keller and Barb Brower reviewed the changes to the employee handbook recommended by our human resource specialist through ADP. The Committee reviewed the changes and approved the revised handbook by consensus.

John Mitchem explained the guidelines to the Helen Bennett Fund, a fund set up to assist clergy and staff in need. Connie Sheely recommended a change to the suggested policy to read approval by the Director of Finance and the Director of Ministries in conjunction with the CFA Chair. Connie Sheely made a motion to approve the Helen Bennet Fund guidelines with that change. Brenda King second. Motion approved. The Committee requested that staff inform the District Superintendents, Board of Ordained Ministry Chairs and others of this fund.

Barb Brower and Kathleen Keller provided an overview of a project the MN Interfaith Power and Light would like the Conference to participate in. They are working with an outside investor that would upfront the capital cost to place solar panels on 25 United Methodist Churches in the Excel Energy territory. The Earthkeepers have 33 churches that are interested in participating. The Conference finance department vetted this list and approved of 30 churches (based on apportionment payment history and available net assets). The risk is that the Conference is the guarantor of the project with a total potential risk of \$1.-5 to \$2 million. The Committee raised concerns regarding disaffiliation of churches and specified that responsibility for the capital would be with the local church in event of disaffiliation and that should be in all agreements. Steve Richards made a motion to support Interfaith Power & Light to move forward in securing the details of the project. Brenda King second. Motion approved with 6 in favor, 3 opposed and 1 abstention.

The Committee reviewed the 2019/2020 meeting dates, June financial statements, investment reports and the June reserve analysis.

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

Respectfully submitted,

Barbara Brower