

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

September 13, 2018 Approved Minutes

Members Present: Tom Biatek; John Mitchem; Steve Richards; Jomyla Choate; Sharon Fields; Deb Marzahn; Keith Peterson and Daniel Wetterstrom.

Members Absent: Brenda King; Linda Gesling; Jane Gilbert; Dave Parker and Steve Weber.

Ex Officio & Services: Barb Brower – Minnesota Annual Conference (MAC) Director of Finance & Administration and Treasurer, Kathleen Keller Minnesota Annual Conference (MAC) Controller and Val Walker, Executive Director Minnesota United Methodist Foundation.

I. Opening Matters

John Mitchem called the meeting to order at 12:20p.m. with introductions. John reminded the group of our two roles as both Council on Finance and Administration and the Human Resources Team.

Barb Brower gave a brief orientation and reviewed the conflict of interest statements that each member will need to complete. The agenda was adopted by consensus. Tom Biatek made a motion to approve the April 19, 2018 minutes. Deb Marzahn second. Motion approved.

The slate of officers:

- John Mitchem – Chair
- Steve Weber – Vice Chair
- Jomyla Choate – Secretary

Steve Richards made a motion to approve the above slate of officers. Keith Peterson second. Motion approved.

Barb Brower gave the Treasurers report.

II. New Business.

A. Liaison roles were filled as follows:

- John Mitchem – Board of Trustee
- Audit Committee – Keith Peterson
- Foundation – Brenda Kramer King
- Steve Richards – Budget
- Camping – Open

B. Kathleen Keller gave an overview of the 2017 audited financial statements and audit report as prepared by Baker Tilly. Kathleen explained that the audit committee met with the auditors. Deb Marzahn made a motion to accept the 2017 audited financial statements. Keith Peterson second. Motion approved.

C. The committee reviewed the list of current credit card holders with no questions.

D. Kathleen Keeler reviewed the Wells Fargo \$250,000 line of credit application with the committee. Kathleen explained that we have not used the line but it is prudent to keep it. Steve Richards made a motion to approve renewal of the \$250,000 line of credit with Wells Fargo. Dan Wetterstrom second. Motion approved.

E. The committee reviewed the July financial statements, August apportionment receipts and August Reach Renew Rejoice (RRR) collections. Steve Richards and Dan Wetterstrom asked about a second RRR campaign or a way to continue the momentum. Val Walker suggested a mailing in mid-October and Barb Brower said she would bring this back to Extended Cabinet for discussion. Specific concern was raised that if funds are coming out ACH, the donors are used to giving and we would like to continue this support. In addition, the committee would like a list of how the RRR funds were used.

F. Kathleen Keller and Barb Brower led the committee through the investment fund allocations and explained that the funds held at the Foundation will have a slight change in asset allocation. The new split will likely be an adjustment of 3%-5%. For example, The Permanent Church Extension Fund allocation is currently 43% equity and 57% fixed and would change to 40% equity and 60% fixed. This is so that the Minnesota funds align with the Wisconsin United Methodist fund allocations. Keith Peterson made a motion to approve the new split as suggested the Minnesota United Methodist Foundation. Deb Marzahn second. Motion approved.

G. Kathleen Keller gave an update on the additional human resource services recently contracted through ADP. The first project will be updating the salary band.

H. Kathleen Keller explained that our financial software, Shelby V will no longer be supported March 2020 and that we are search for a new financial system and data base. Staff is obtaining data requirements currently and will soon be reviewing software demos.

I. Barb gave an overview of the 2020 budget process specifically citing inflation concerns. The committee felt that most churches could not afford a significant apportionment increase and recommended the 2020 budget stay within the 3% guideline as set by the 2016 Annual Conference. Concern was specifically raised regarding the gap or uncollectable and the fairness of other churches sharing that burden. **III. Unfinished Business**

Being no further business the meeting adjourned at 2:35 p.m.

Respectfully submitted,

Barbara Brower