

**BGCCC
Finance Committee Minutes
February 26, 2024**

Attendance:	Present	Regrets
Jan Schmidt – Committee Chair	X	
Diane Cannella	X	
JoAnn Guattery	X	
Kristen Hussey	X	
Helen Walser	X	
Chas Weaver	X	
Staff:		
Brian Beaulieu	X	
Alison Ramsey	X	

Greetings / Call to Order – The meeting started just after 4:00pm. Guest Sue Pietri was welcomed as an observer and potential new member of the committee.

Presentations – Shannon Gilliland with Taylor Roth presented the audit opinion letter, final draft of the financial statements and management letter for the fiscal year ended June 30, 2023. Committee members discussed best practices for non-profit expenses as presented in the Statement of Functional Expenses and various disclosures in the notes; Brian felt comfortable with the percentages that were based on allocations provided to the auditors. The reports will be presented to the Board at the next meeting.

A motion was made by Helen and seconded by Kristen to accept the report pending the following revisions:

- Cash Flow – Add line for bad debt expense (non-cash) and specify that the stock donation was for the BV capital campaign
- Note 10 – update the spending policy for the Endowment / Quasi Endowment

The motion was approved unanimously.

Following this, the committee discussed the other audit related items on the agenda:

- Management letter – Alison prepared a response that provides information to the board about the actions already taken or to be implemented that will address the internal control recommendations included in the auditor’s letter. The committee discussed the concerns raised and ways to make improvements. Alison’s efforts were recognized and appreciated.
- Dissatisfaction with the audit process – Jan and Brian recapped reasons that expectations of the audit process have not been met, including no contact with anyone except Shannon, her failure to raise issues that she should have recognized with the former financial manager, and slow responses to wrapping up the audit.

ACTION ITEM: Brian will contact the audit partner to request a “check in” meeting sometime in the second part of March.

Approval of last meeting minutes – Kristen made a motion that was seconded by JoAnn to approve the January meeting minutes. The motion was unanimously approved.

Reports

1. Monthly Financial Statements / Budget Tracking – Alison presented the year-to-date financials for the seven months ended January 31, 2024 and commented on questions Jan had sent earlier that day. Because she did not prepare the budget and has not found supporting schedules for the budget from her predecessor, she’s not able to explain some of the variances. Brian has more knowledge of the detail behind the budget and said that revenue is up this year. There are no anticipated grants that fell through.

2. BV Capital Campaign (BVCC) Report – Alison said that she and Tessa had reviewed all the BVCC financial activity and have a detailed spreadsheet of the activity. Since coming on board, she has started transferring donations received to the BVCC account at Fidelity when collected. She also got checks for the TBK account to pay the invoices for the project. She has more confidence in the amounts raised and spent and the amount of restricted cash held.

Jan made a motion to move the sum of \$146,801 (difference between calculated amount and actual amount held in the Fidelity BVCC account) out of High Country Bank to the Fidelity account. JoAnn seconded the motion and it was approved unanimously. Jan also raised the point that additional interest would have been earned on the funds had they been transferred timely. A quick calculation showed the amount was not material and committee members felt that adjusting for minor interest amounts would be more confusing.

ACTION ITEM: Alison will transfer funds from High Country Bank to Fidelity to true up the restricted funds for the BVCC.

A cash disbursement forecast is also needed to ensure sufficient funds are held in the TBK account, but the specific follow up steps were not identified.

Old Business / Follow up on Action Items

- 1) FY 23-24 Budget finalization – Alison followed up with a final budget document and narrative prepared by her predecessor. Most significantly, the in-kind revenue and expense had not been included. Committee agreed that revisions did not warrant a re-approval by the board.
- 2) Capital Campaigns
 - Salida Capital Campaign – Officially closed out as of 6/30/23 after the fundraising goal was met and improvements were finished and paid, a few pledges and a loan remain outstanding. Restricted funds are being held to pay off the loan balance. The interest rate on the loan of 2.79% is locked for seven years (until 6/29/28). Committee members agreed not to repay the loan early since more interest income could be earned. The interest rate differential / net financial impact is currently over \$8k ($\sim \$380k \times 2.21\% = \$8.4k$). However, these economics only apply if the funds are held at Fidelity where 5% is being earned. The loan agreement does not have a compensating balance requirement at CPB. The committee discussed how much money should continue to be held at Collegiate Peaks Bank to sustain a good relationship with this local bank, and settled on transferring all but \$100,000 to Fidelity. The restricted balance also needs to be trued up based on Alison's recalculation of funds collected and spent. Her predecessor had not been adjusting balances or paying capital campaign expenses from restricted funds. Alison also noted that the capital campaign included funds to pay off the loan principle, but the interest is treated as a regular operating expense.
 - BVCC – agenda item covered above
- 3) Audit – agenda item covered above
- 4) Finance Committee Charter – *agenda item was not discussed due to time constraints*
- 5) Gift Acceptance Policy – Jan said she would be asking the board to approve the changes, which this committee had already reviewed.
- 6) QuickBooks capability for BGCCC needs – Alison said she had not yet talked to other clubs using QuickBooks but she would do so. Changes made in the chart of accounts have enabled her to make the system work better for now. Helen agreed that QuickBooks wasn't a great system but there are not other affordable options.
- 7) Long-term capital plan – *agenda item was not discussed due to time constraints*

New Business

- 1) BGCCC approached to oversee the Bonnie Culpepper memorial music scholarships – Brian updated the committee about this request from the Coletrain Music Academy. It was agreed that a detailed Memorandum of Understanding would be needed. Committee members were in favor of pursuing an arrangement that would benefit club members through the scholarship opportunity.

ACTION ITEM: Brian will continue discussions with Coletrain and include Jan in drafting an MOU that would ultimately need to be approved by the board.

Remaining agenda items were not discussed due to time constraints

- 2) *Investment Committee - update*
- 3) *Finance committee members - update*
- 4) *Finance Department - update (any items not already covered above)*
- 5) *Other unscheduled items*

Wrap Up / Next Meetings

- The next committee meeting was rescheduled for March 21 (Thurs) from 1:00 to 2:30.
- Some subsequent meetings also need to be rescheduled from the normal time on the third Wednesday of each month.
- Alison will send a doodle poll to find times that work for most committee members.
- Sue confirmed her interest in joining the committee; Jan will email her to potential committee member information sheet and ask the board to officially appoint her at the Feb 27th meeting.
- The meeting was adjourned at approximately 6pm.