

Boys & Girls Club of Chaffee County (BGCCC)
Minutes of the Finance Committee
November 16, 2022

Attendees: Board Chairperson Duncan Campbell (by phone), Finance Committee Chair Jan Schmidt, Committee Members Gloria Broudy, Irv Broudy (online), JoAnn Guattery, Kristen Hussey (online) and Staff Members Brian Beaulieu and Austin Taylor.

1. Greetings / Call to Order

The meeting was held at the Salida club with some participants using Go To Meeting. It started at 1:05 pm.

2. Approval of Minutes from October meeting

Austin noted the draft did not have the allowance for doubtful accounts number filled in. Gloria made a motion to approve the minutes pending that change. JoAnn seconded the motion. Minutes were unanimously approved.

3. October Financial Statements compared to Budget

Austin presented highlights of the financial results and position for the first four months of the fiscal year. See prepared memo for highlights.

Irv noted that the available cash balance of 11 months operations exceeded the reserve per policy and asked if these funds could be invested in CDs to generate interest income. Jan said the operating reserve was invested in CDs or US Treasuries. She said the amount shown on the balance sheet as unrestricted cash was overstated. Austin agreed that the categorization in QuickBooks was not showing all the restricted cash for the capital campaign.

There was discussion of categorization of Chaffee Cares as a local government grant vs a community grant.

Irv asked if the membership revenue variance could be reported in terms of the number of kids and said he thought this was supposed to be included in the key metrics.

Expenses were 10% over budget and Austin said he's now recording in-kind contributions/expenses more accurately. The in-kind contributions have not net effect and are not budgeted. Jan calculated that without the in-kind, expenses exceeded budget by only 4%. It was discussed that for monthly budget comparisons, it might be best to exclude the in-kind. Another of the expense variances was unused rental assistance intended for Americorps positions not filled, and Austin said he would like to propose utilizing these funds for other staff members. Jan said she felt staff should be paid a sufficient wage to afford to live in the community, but that Austin and Brian should bring back a specific proposal if they want the Finance Committee to consider this.

ACTION ITEM: Austin will revise the October financial statements and memo for the next board meeting

ACTION ITEM: In-kind will be excluded for internal monthly budget to actual comparisons in the future.

ACTION ITEM: Brian and Austin will consider an alternative proposal for use of the budgeted rental assistance for staff members.

ACTION ITEM: Brian and Austin will continue to work to fully implement the key metrics and dashboard.

4. BV Project update / Capital Campaign

Financial aspects of the capital campaign were covered in the financial statements. Jan asked about the status of the capital campaign and what exactly “quiet phase” meant. Brian explained the focus on key donors and campaign leadership and said the ramp up has been slower than initially expected. He also said that staff member Tessa has taken over most of the duties of independent contractor Julie Mordecai who will continue to phase out her work by year end.

5. Policies & Procedures – discussion of appropriate board oversight and internal procedures & controls

Jan addressed the status of the update / completion of policies and procedures. She said it wasn’t clear if everyone was on the same page in the direction she had intended for the two documents.

- Financial Policies – revision of the board policies that became outdated and redundant when new separate policies were developed (eg. gift acceptance, investment). This document should be at a high level. It contains policies the board will adopt. It should not repeat (or contradict) other policies or details in the operational document that staff follows.
- Accounting and Administrative Procedures - completion of operating policies and procedures started years ago but never finished. It needed both updating and completion. This document should describe the procedures followed to comply with board policies and manage the day-to-day financial functions. It should also include steps to comply with the overall statement on internal controls included in the board policy. This document will be approved by the finance committee but not the full board.

ACTION ITEM: Finance Committee members will all review the changes and comments in the documents on the shared google drive; Austin will bring revised documents back to the committee for further discussion and ultimate approval.

6. Financial Acumen training by BGCA

Jan said she and Duncan had a good discussion with Lauren Hackney with BGA about an in-person training session at the Salida club for the Board. Timing and winter travel considerations were discussed.

ACTION ITEM: Jan will follow up with Lauren about planning an in-person training in February. If weather conditions pose a risk, the training may be moved to a webinar.

7. Other Training / Development

- Preventing Fraud – Jan said encouraged committee members to attend this webinar the following day; she also mentioned the content would be helpful as they were updating the procedures documents to include internal controls.
- Diversity, Equity & Inclusion training – Duncan and Brian discussed the planned training with Wendell Pryor on December 7th.

8. Investment Committee Update

Jan presented an interim report on the endowment to meet the requirements of the investment policy. It shows the financial performance of the initial investments, prior to proceeding with investing the FY 22 operating surplus. Irv suggested adding the S&P Index performance and Jan agreed that should be included.

ACTION ITEM: Jan will revise the investment committee report to add a comparison to the S&P index.

9. Finance Department Update

Covered under other agenda items.

10. Updates / Follow Up / Old Business

- a. Lou Galletta agreement - contract negotiations are under way
- b. Performance room update - underway
- c. Other Salida facility repairs / maintenance / upgrades – no updated
- d. Meeting materials / Adobe Pro license – being implemented
- e. Key Metrics / Dashboard implementation on website - ongoing
- f. Endowment Marketing – Brian will bring marketing materials to the next meeting

11. Wrap Up / Next Meeting

- Next meeting will be on December 14 (2nd Wednesday).
- There's a possibility Jan will ask to reschedule the January 18th meeting to the 2nd Wednesday.
- It was noted that members will be participating remotely from Mexico in the winter.
- The meeting concluded at 3:15pm.

Minutes submitted by Jan Schmidt