

**Boys & Girls Club of Chaffee County (BGCCC)  
Minutes of the Finance Committee  
February 18, 2021**

Attendees: Board Chairperson Duncan Campbell, Finance Committee Chair Jan Schmidt, Committee Members Gloria Broudy, Irv Broudy, Jo Ann Guattery, Jack Lee, Danny Stotler, Chas Weaver, and Staff Member Brian Beaulieu.

1. Meeting Kickoff

The meeting was held on the Go To Meeting application and, after some connection issues, got underway at 2:10PM.

2. New Member Welcome and Discussion of Meeting Date / Time

Jan welcomed Chas Weaver and thanked her for joining the finance committee. She asked that all members (if they have not already done so) reply to the email sent yesterday requesting their top three choices of times to meet and any times that they were unable to meet. She said she thought the most efficient way to handle this would be to review those responses and then email out the results with one or more suggested new times that would work for all.

3. Approval of Minutes from January meeting

Minutes from the Finance Committee meeting held on January 21, 2020 were distributed to members in advance with all the materials for this meeting. Danny made a motion to approve the minutes. Duncan seconded the motion, and it carried unanimously.

4. Finance Department Update

Jan revised the meeting agenda to move up a discussion of changes taking place in the Finance Department. She emphasized the importance of keeping the utmost confidence about what was to be discussed. She provided some background information and said she would request the following action from the committee:

- Authorization for Brian to enter into a severance agreement with the Finance Director that will provide payment for one (1) week of severance pay for every year of service (total of 11 weeks) and two months of COBRA, include a general release of any claims and language to protect the reputation of the club and club's Executive Director.

At the conclusion of the discussion with input from Danny, Jo Ann, Jack and Irv - including the expression of several concerns, support, past and present problems, confidence in the process described, and practical input about the future - the preceding motion was made by Duncan and seconded by Gloria. Danny had previously recused himself and tendered his resignation stating that he had a conflict of interest with this decision. Remaining members of the finance committee unanimously approved the motion.

## 5. January Financial Statements

The Balance Sheet, Profit & Loss Budget Performance and a Cash Flow report for the seven months ended January 31, 2021 was reviewed and discussed. Jan said that Alisa had omitted the trend report and included a cash flow report this month. She read through the comments prepared by Alisa on the Finance Memo.

## 6. Presentation of Capital Campaign Report

The Capital Campaign report discussed at previous meetings was included in the meeting packet for the first time this month. Going forward, it will be part of the monthly financial statements presented to the committee and full board. Jan expressed appreciation to Jo Ann for volunteering her time to update the report with data from QuickBooks through January 31, 2021.

Jan stated this report is trying to accomplish a few different things:

- Present capital contributions since the campaign started in more detail than included in the monthly financial statements and across three fiscal years. The first phase of capital campaign crosses multiple fiscal years. Other financial reports are for the current fiscal year only.
- Distribute contributions between Salida and Buena Vista, which is not tracked in QuickBooks. If not restricted by the donor, amounts are allocated 65% to Salida and 35% to Buena Vista as the board designated last year.
- Forecast Capital Campaign contributions for the remainder of the fundraising campaign.
- Track spending of capital campaign dollars that includes the pay down of the Salida facility loan (liability reduction on the balance sheet) and expenses shown in the monthly financial statements as part of normal operations and as “other expenses” (eg. not part of normal ongoing operations).
- Project cash flow for collecting and spending capital campaign dollars

She said that the report was still a work in progress. Better tracking of pledges was happening with the Gift Acceptance Letter developed by staff and an ad hoc committee of board members. The number reported for pledges on the report, however, did not match the pledges receivable on the balance sheet. She said more work was also needed on the forecast of spending for capital improvements.

## 7. Facilities Update and Proposal for Capital Improvements at the Salida Club

Brian said the clear number one priority for capital improvements is the playground. There is a potential grant for \$150,000. If awarded, plans for the surfacing and play structures would be upgraded. Other priorities are the kitchen and rock climbing wall, for which the club has received specific donations. He said no restricted donations have been received for the bathroom upgrades and the club is not in violation of building code requirements, which allow 75 kids per bathroom. It was also stated that fencing could be upgraded if funding allowed.

## 8. Resolution of Action Items from Past Meetings / Discussions

The agenda included a list of the following items that had been discussed at previous committee or board meetings regarding which updates were requested from staff.

- a. Scholarship MOU – Brian said this document remains unsigned.

- b. Julie Mordecai Contract – Brian said the contract was completed and signed by Julie and himself but not Duncan, who then said he would go to the club to sign.
- c. Banking Updates (per Dec 3<sup>rd</sup> re-cap email included in December committee meeting) – Jan said that she and staff were working on completing these changes. Not having updated signers on some accounts was causing some delays.
- d. In addition the items on the agenda, Jan said that the IT Services Contract was signed by Duncan this morning. The Estimate for Hardware and Software was being revised downward as some items were purchased by Kiki at a lower cost. These items had been approved at the January meeting.

## 9. Update Banking Authorizations

Jan stated that the updating of banking authorizations needed to become an agenda item for the January meeting of every year when there were changes in the Executive Committee.

She referenced paragraph 21 of Financial Management Policies:

“Members of the Board authorized to sign include all members of the present Executive Committee and other current Board members approved by the Executive Committee. It is the responsibility of the CPO and staff for Finance to assure that current signature cards are filed with the bank within two months of the installation of a new Executive Committee.”

Some banks require minutes of the board in order to update signers. This update will need to be ratified at the next board meeting. It should name the Executive Director as well as the current members of the Executive Committee:

- Brian Beaulieu
- Duncan Campbell
- Gwen Allen
- Deborah Payton
- Jan Schmidt

## 10. Selection of Design Firm and Awarding Contract for Design of BV club

Brian took the committee through the process followed to reach a recommendation for awarding a contract to STG Design. He said that Abe Hachman put together an RFQ for the design. They placed ads in the paper and contacted local contractors directly. Of the three firms that expressed interest that were selected as finalists, one backed out because they were too busy. The committee developed a rubric and interview questions to evaluate the responses. The committee’s unanimous consensus was that STG presented the strongest proposal. The price difference between their \$30,000 bid and the other bid received for \$29,400 was considered immaterial in light of the overall qualifications and specific fit for this project’s specifications.

Duncan said that he felt including kids in the design process was a differential in the bids received. STG’s experience working with kids and construction firms was valuable. It was noted that it was important to show funders the momentum with moving the project forward.

Irv asked if the Town of Buena Vista would pay a portion of the contract costs since they would also benefit from this work toward a new club and a recreation center.

It was agreed to move forward despite some unanswered questions that would be addressed as the design project is launched.

Duncan made a motion to award the design contract to STG Design. Irv seconded. The motion passed unanimously.

#### 11. Investment Policy & Discussion of Investment Cash for Longer Term

Jan stated that she had started to review policies related to investments and would be presenting revision versions for approval. She said that the current policy had not been followed as turnover in board members occurred. An example was that it states that, "The Finance Committee shall review this this policy and present to the Board for approval at least annually...." It did not appear that this has been done more than a couple of times (2/7/08 and 6/19/18) since its initial approval by the board on October 30, 2007. Jan said that she did not plan to ask the board to re-approve the policy until revisions were made.

She said that investing some money for the longer term is a higher priority now that an endowment was established by the board and the club was holding substantial reserves.

Jan noted that Resolution on Endowment established an Endowment Committee and membership was specified in the resolution to include the club's ED, Chairs of the Finance and RD committees and a second member from each of those committees. She believes the policy for the endowment also needs to be updated. For example, there is now overlap and conflict with the club's Gift Acceptance Policy adopted in 2020. She felt members of the board should be named to serve on that Endowment Committee to comply with the policy. However, she would like to replace the Endowment Committee with an Investment Committee (not limited to managing funds in the endowment) and include outside members with investment expertise through their careers or otherwise. She asked members to think of community members who might be asked to join this committee. A couple names of investment professionals were suggested.

#### 12. Other Items

No other items were noted for discussion.

#### 13. Next Meeting

The date of the next meeting will be scheduled after reviewing the member's responses about preferred days of the week and times.

The meeting concluded at 3:45pm.

Minutes submitted by Jan Schmidt