

Boys & Girls Club of Chaffee County (BGCCC)
Minutes of the Finance Committee
August 17, 2022

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

1. Greetings / Call to Order

The meeting was held at the Salida club and started at approximately 1:00 pm.

2. Approval of Minutes from July meeting

Irv clarified his intention to recognize both committee and board members for service when their terms end. JoAnn pointed out that her name was missing from the attendees. Irv then made a motion to approve the minutes with those two changes. Gloria seconded the motion. Minutes were unanimously approved.

3. Fiscal 21-22 (year end) financial statements / audit update

Austin said he was still finishing a few adjustments to the year end financial statements. There had been some outstanding credit card charges that he recorded. Jan asked about some open items as of the July meeting, including the determination of a possible grant receivable discussed. Brian clarified fiscal 21-22 was the year when the gap in funding was experienced; the club would receive a total of \$60k in the 22-23 fiscal year. Austin was still working to separate out the investments and cash by the different classifications reported on the balance sheet.

4. July Financial Statements

Austin provided highlights of the preliminary financial statements for the month of July 2022. Expenses exceeded revenue for ongoing operations. BV Capital Campaign revenue exceeded \$252k. Approaches for determining an allowance for doubtful accounts were discussed and Austin shared a worksheet with the estimated reserve by aging categories.

ACTION ITEM: Austin will finalize an approach for booking an allowance for doubtful accounts; it will not include reserve for grants receivables since collectability is considered to be assured.

ACTION ITEM: Austin will email Jan an updated financial memo for inclusion with materials for the board meeting at the end of August.

5. Capital Campaign Reports

- Salida close-out

Follow up from the July meeting included a discussion about one uncollectible pledge and the timing of a few that remain outstanding, including a 10-year pledge from High Country Bank.

- Buena Vista fundraising & cost estimates

The estimated \$8.5 million cost was discussed, along with status of the capital campaign.

6. Proposed Agreement with Abe Hachman

Brian said that Abe Hachman had proposed being paid a monthly retainer of \$1,400. Gloria asked if he has a schedule of the work he will be doing for BGCCC. There was further discussion and various questions remained unanswered about both Abe's work and the project (e.g. the 99-year ground lease with the town, building ownership, etc.). The committee concluded that, while not outright opposed to the retainer, they needed a scope of work and timeline before they would feel comfortable approving it.

ACTION ITEM: Brian will ask Abe for a scope of work and timeline.

ACTION ITEM: Duncan will follow up to get the Finance Committee updated on the BV project.

7. Long-range Financial Planning

Austin said he booked the estimated \$30k reserve for future Salida facility capital needs / replacements. He said the solar estimate had not been received, yet. Brian said it would be very expensive and would not be a project undertaken without substantial grant funding specific to solar installations.

ACTION ITEM: Austin and Brian will continue to gather cost estimates for long-range capital needs.

8. Investments

Jan said she thought the finance committee and board should reconsider hiring an investment advisor now that over \$2 million was held at Fidelity, much of it not invested. She said she had obtained referrals from her representative at Fidelity and had preliminary discussions started. She was trying to schedule an investment committee meeting before the end of the month to continue these discussions. She had also completed new account applications to separate out the funds being held at Fidelity between the endowment/quasi-endowment, capital campaign and other.

ACTION ITEM: Jan will submit the signed new account paperwork to Fidelity to open additional accounts.

ACTION ITEM: Austin will provide Jan with the balances to be transferred after allocating interest earnings between the different types of reserves.

ACTION ITEM: Jan will schedule an Investment Committee meeting and online meeting(s) with potential investment advisors that finance committee members will also be welcome to attend.

9. Finance Department Update

Items were covered through other agenda items.

10. Updates / Follow Up / Old Business

- Key Metrics – Austin will look at minutes from past months where those metrics approved by the Finance Committee are documented and then implement month reporting
- Endowment Marketing – this is in a very preliminary status. Brian said the RD plan is complete, but the marketing plan is not finished
- Auditor Transition – Covered above
- IT Provider – Staff said they continue to be happy with the new company and are realizing substantial cost savings

- Staffing – Brian spoke about the Americorps staffing resources
- Policies & Procedures – Austin said he has not yet incorporated the comments he received from Kristen, Jan and Lyman and would do so

11. Wrap Up / Next Meetings

Jan noted there would not be a financial committee meeting in the month of September. The next committee meeting will be October 19th from 1:00 to 2:30.

She asked if there were conflicts with the regular scheduled meetings on the 3rd Wednesday of each month from 1:00 to 2:30pm. There was a preference to move the December meeting to the 2nd Wednesday (regular time).

Before concluding the meeting, Duncan said comments in the recently completed board assessment revealed that members were not comfortable understanding financials. Discussion leaned in favor of hiring a professional trainer to present information to the board to address this with Jan and Austin co-facilitating to tailor the information to BGCCC. It may also be possible to collaborate with the Chaffee County Community Foundation to bring training to other nonprofits in the county.

ACTION ITEM: Brian and Duncan will discuss next steps and begin develop a way to address this development opportunity.

Minutes submitted by Jan Schmidt