

KBOO Foundation Finance Committee

March 21, 2019
4:30pm at KBOO

Present:

MacRae Bogdanov (Finance Coordinator), Gene Bradley, Marc Anderson, Dan Shramek

Facilitator: Marc Anderson

Note taker: Dan Shramek

Monthly financial reports

MacRae reviewed the February financial reports, including the Profit & Loss, Current Cash Position, and End of Year Projections reports.

- Operating revenue was below budget in February, primarily due to a couple of specific revenue streams:
 - Winter Drive revenue budgeted for February will actually come in during March from the Raffle fundraiser, but overall Winter Drive revenue will still likely be below expectations.
 - Underwriting revenue was below expectations. MacRae met with Underwriting Director Serena Korn to get a better projection of end-of-year revenues. While she is hopeful for several new accounts, the overall annual revenue will likely be below expectations.
- Operating expenses were also below budget in February, primarily due to lower-than-budgeted personnel expenses and printing/copying expenses.
- MacRae reviewed her latest end-of-year projections for both operating revenue and expenses:
 - Revenues are projected to be below budget, primarily due to lower-than-expected revenues from Winter Drive and Underwriting.
 - Expenses are also projected to be below budget, primarily due to lower-than-expected personnel expenses, and some staff positions currently being interim versus permanent. Because we do not know the timing of the expected new hires in the coming months, it is difficult to accurately project end-of-year expenses right now.
 - There are also several unbudgeted expenses that will affect operating results, including Human Resources contracting. We will likely know more about the estimated costs for these expenses in the coming weeks.
- Gene asked regarding whether we had a plan to pursue Major Donations, and offered to meet with new Development Director, Allison Kolb, to help develop one.

Marla Davis bequest

We reviewed the motion previously made to recommend that the board authorizes the transfer of \$45,646 from the Operating Reserves account at Advantis Credit Union to the Restricted Savings account at Point West Bank to be allocated for the Marla Davis restricted fund to fight the religious right.

- ***Action item: Dan will present the recommendation from the Finance Committee to transfer the funds at the next board meeting***

We discussed the planning and oversight for both the Native American programming fund (50% of the bequest) and the fund to fight the religious right (50% of the bequest). MacRae explained that Program Director Erin Yanke is the staff person overseeing and approving expenditures from the restricted funds. We discussed the need for some kind of structure regarding how both funds should be best used to honor the donor's intent, including a document that describes the fund's goals and objectives, a timeline for disbursement of funds, and an annual budget. Marc suggested that project work plans should be developed with this guiding information.

Operating Reserve Policy draft

We reviewed potential language changes to the updated Operating Reserve Policy draft. Dan will update the draft with proposed changes and distribute it for final review before presenting to the board.

Capital Budget

We discussed some of the questions we have regarding developing a Capital Budget. One of the primary questions we have is how to prioritize the various capital assets and projects once we have developed our “wish list,” and who will be involved in the prioritization process. We will continue to work on these issues and policy drafts in the coming months.

Credit Union change

MacRae has recommended that we switch credit unions from Point West Credit Union to OnPoint Community Credit Union as soon as possible. She has lost trust in Point West after many customer service problems since opening accounts, including several instances of lost paperwork, and the credit union continuing to have the wrong authorized check signers on file long after she hand-delivered board-approved account access changes. The credit union has also had poor financial results recently.

When we switch credit unions, all authorized account owners and check signers will remain the same with the new accounts.

- ***Action item: At the March board meeting, Dan will present the recommendation from the Finance Committee for the board to approve closing our Operating checking and Restricted Fund savings accounts at Point West Credit Union, and transferring the funds to new checking and savings accounts at OnPoint Community Credit Union.***

Check Signing and Limit policy

- ***Action item: Dan will present the recommendation from the Finance Committee to approve the updated Check Signing and Limit policy at the next board meeting*** (see February meeting notes for more information).

Advantis Credit Union account access

- ***Action item: Dan will present the recommendation from the Finance Committee to approve changing the access to the Advantis Credit Union Operating Reserve account at the next board meeting*** (see February meeting notes for more information).

Other notes

- Gene suggested that we start future meetings with a review of progress regarding action items from the previous meeting, and the committee agreed.

Meeting adjourned – 6:00pm

The Finance Committee will hold their next monthly meeting at KBOO on **Thursday, April 18th** at 4:30pm.