

**Boys & Girls Club of Chaffee County (BGCCC)  
Minutes of the Finance Committee  
December 14, 2022**

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

1. Greetings / Call to Order

The meeting was held at the Salida club with a Go To Meeting option for remote participants. It started at 11:00 am.

2. Presentation FY 21-22 Audited Financial Statements by Taylor Roth & Co.

Two members of the audit team joined the meeting online – Shannon Gilliland and Russell Bargmann. Shannon led a discussion of the audit, opinion letter and annual financial statements. She said that she appreciated how management prioritized providing the requested information for the audit. She noted that the opinion report was revised this year with the opinion paragraph coming first. She also noted that in the first year of the audit they present only that year and the following year would be comparative to the prior year. There were numerous questions and thoughtful discussion throughout the presentation. A few revisions will be made prior to finalizing the report.

**ACTION ITEM:** Austin will look into the calculation of the board designated endowment for the FY 21-22 operating surplus currently not reflected in the financial statements and exceeding the amount of undesignated net assets as of June 30, 2022.

**ACTION ITEM:** The audit team will revise the annual financial report for a final review by staff and the Finance Committee:

- Add a subtotal before non-recurring capital campaign items in the Statement of Functional Expenses
- Revise Note 10 – Endowment to reflect BGCCC’s Investment and Reserves Policy adopted March 2021 (which superseded the Endowment Policy).
- Allocate investment income between the endowment and capital campaign
- Revise Note 16 – Specify that the revenue concentration is related to the capital campaign and that only the endowment can be invested in equities.

**ACTION ITEM:** The audit team will complete the Form 990 for review by staff and the Finance Committee.

3. Approval of November meeting minutes

Irv made a motion to approve the minutes and Gloria seconded the motion. Minutes were unanimously approved.

4. November Financial Statements compared to Budget

In the interest of limited time, the November financial statements were not discussed in any detail.

ACTION ITEM: Austin will exclude all in-kind revenue and expense for internal monthly budget to actual comparisons since this was not budgeted this year. (This will be presented in annual financial statements, and we should consider budgeting for it next year.)

5. BV Project update / Capital Campaign

Austin presented the BV capital campaign report, and it was discussed that Dustin or Abe should attend finance committee meetings perhaps once per quarter. Kristen suggested adding a subtotal to the report and Austin agreed. Duncan stated that a cash burn forecast is needed to manage the investments.

ACTION ITEM: Austin will add a subtotal to the report.

ACTION ITEM: Jan will follow up with Dustin about attending future meetings and assisting with developing a cash burn forecast for the project.

6. Approval of Lou Galleta agreement

Agenda item removed. The agreement was not yet available for review and approval.

7. Policies & Procedures – discussion of changes and presentation to the board

Very limited discussion took place of the accepted and pending changes due to time constraints.

ACTION ITEM: Austin will schedule a work session to review updated drafts of the documents.

8. Financial Acumen training by BGCA update

A draft agenda for the training session was included in the meeting packet. Jan said she was concerned about board attendance and winter travel if the session is scheduled for February and perhaps May is a better time.

ACTION ITEM: Jan will follow up with Lauren about timing and completion of the agenda.

9. Investment Committee Update

Jan said the investment committee met the previous week. Draft minutes were included in the meeting packet. Members remain reluctant to pay a fee to manage fixed income investments.

ACTION ITEM: Jan will continue discussions with Investment Committee members and possible professional money managers about fees.

10 – 11. Finance Department Update, Follow Up / Old Business, Wrap Up / Next Meeting

The final three agenda items were not discussed due to time constraints.