



# *Finance Committee Minutes*

Date: 08/08/2017	Time: 6:00 p.m.	Location: District Office
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Call to Order	Jim Brown, Committee Chair, called the meeting to order.
Committee Members Attendance	Jim Brown, JoAnn Layell, Marion Wellborn, Larry Johnson, and Jimmy Walker. There was a quorum with 5 of 8 members present.
Staff Attendance	Rick Seibert, Kathy Payne, Jeff Cockerham, Janet Phillips, and Lisa Sexton
Excused	Mickey Cartner, Mary Olvera, and Cindi Dixon
Approval of Minutes	Minutes from the last Finance Committee meeting on June 13, 2017 were approved at the Board of Directors meeting held on June 22 2017.

<b>Agenda Topic</b>	<b>Budgets and Financial Statements</b>
Discussion	<p><b><u>Agency Financial Statements – May and June</u></b></p> <p>Rick distributed a packet of information that included the financial statements for May and June. He drew the Committee’s attention to page 4 of the Agency Statement of Revenues and Expenses. This is the preliminary year-end results for each program. CSBG spent 98.5% of funds awarded with no overspend. The Head Start programs, which include Head Start, Migrant Head Start (MHS), and NC Pre-Kindergarten (NCPK), ended with a \$52,000 surplus. All Federal funds were expended. Rick commended Rhonda Wrenn and Yolanda Saffo for a job well done. The Child Nutrition Program (CNP) had a small surplus from a \$300,000 grant. OAA finished with a slight deficit of \$2,400. The Weatherization Program (WAP) along with the Duke Helping Home (DHH) have performed well this year. Rick stated that Tommy Eads had done well managing these programs. Transportation had a good year after ending with an \$113,000 surplus. Rick explained that the Domestic Violence/ Sexual Assault (DV/SA) programs had the biggest deficit in FY 17. Rick worked closely with Linda Trivette to manage these programs. Considering the level of difficulty of managing DV/SA and the decrease in local funds, Rick stated that the programs ended with the best result that was achievable. The Senior Centers and the FRC are combined under the Local Service Programs. Rick informed the Committee that after making adjustments and reducing employee hours during the 4<sup>th</sup> quarter, the local programs only experienced a \$6,900 deficit. The new funding strategy from Yadkin County presented challenges in FY 17, but Rick expects there to be more flexibility with the Yadkin County funding in FY 18. Rick discussed items listed on the Fund Statement as of June 30,</p>

2017. Cash in checking increased by \$200,000 compared to FY 16. Grants receivable also shows an increase. Rick explained that the deferred revenue on page 2 came from the Canon grant that will be used in FY 18. Also on page 2, Rick stated that the retirement contributions are now current as evidenced by the zero balance in accrued accounts payable. After depreciation is posted, Rick said the financial statements will show a small deficit for FY 17. However, from an operating stand point, YVEDDI performed well for the year.

After fielding questions concerning individual programs, there was no further discussion concerning the financial statements.

**Cash Flow**

The Committee reviewed the Projected Cash Flow spreadsheet provided by Rick. All of the cash drawn from the line of credit in FY 17 was paid during the same year. Rick explained that funding from grantors is slow at the beginning of the fiscal year. Also, the recent implementation of NTracks has caused funding delays with Surry DSS. In July, a large down payment for commercial insurance was paid.

Rick pointed out that \$40,000 of funding from Yadkin County for FY 17 was not received until after the end of the fiscal year. Kathy explained the stipulations that Yadkin County placed on funding for Meals on Wheels for FY 17.

Discussion ended on this topic.

**Credit Card Statement**

Rick provided a copy of the most recent credit card statement along with the reconciliation spreadsheet. He stated that the balance is lower than previous months because most programs slowed spending at the end of the fiscal year.

Discussion ended with no questions.

Agenda Topic	General
Discussion	<p><b><u>Yadkinville Head Start Building Update</u></b></p> <p>Rick informed the Committee that construction on the new Head Start facility in Yadkinville is progressing well. Tony Aquilano is doing a great job managing this project.</p> <p>Discussion ended on this topic.</p>

Agenda Topic	Transportation
Discussion	<p><b><u>Brock Lease</u></b>  Jeff provided a packet of information for review and discussion. He drew the Committee’s attention to pages 3-12 which contained the new lease agreement with Davie County concerning the space used at the Brock Center located in Mocksville. Due to new leadership in Davie, the county will now require Transportation to pay \$8,300 per year to occupy the facility. Larry asked if the program could afford to pay this amount. Rick explained that it’s not feasible to move quickly. Also YVEDDI is trying to establish a bigger presence in Davie County within the Transportation program and moving may hinder that effort. Jeff assured the Committee that other options had been researched and ruled out.</p> <p><b>Jeff asked the Committee to approve the execution of the Property Lease Agreement with Davie County for the space occupied at the Brock Center in Mocksville. Marion Welborn made a motion to approve the Property Lease Agreement. Larry Johnson seconded the motion. There was not further discussion. All were in favor and the motion carried.</b></p> <p>After the vote, Marion recommended that Jeff request Davie County to make the lease a one-year term.</p> <p><b><u>Operation Budget</u></b>  The CTP Operations Budget Worksheet provided by Jeff was located on pages 13-17. Jeff explained that the FY 18 Operations budget is developed by using the budget from FY 17 and making adjustments for any known increases or decreases. Jeff expects an estimated \$48,000 surplus in the Operations budget for FY 18. Rick explained that the expenses in this budget remain consistent from year to year. The challenge lies with formulating the billing rate to generate adequate revenues and remain competitive. Jim asked for details concerning the expenses for “computer supplies and software” and “telephone” listed on page 17. Jeff explained that these expenses include the software maintenance fees, as well as phones and data services used on the vehicles.</p> <p><b>Jeff asked the Committee to approve the CTP Operations Budget Worksheet for FY 18 as presented. Jim Brown made a motion to approve the CTP Operations Budget Worksheet. Marion Welborn seconded the motion. There was no further discussion. All were in favor and the motion carried.</b></p> <p><b><u>PTRC Vehicle Purchase (Loan)</u></b>  Jeff presented information concerning the three vehicles recently purchased for lease by the Piedmont Triad Regional Council (PTRC). He explained that these vehicles were purchased by YVEDDI for</p>

	<p>approximately \$25,000 each. Rick recommends securing a loan in the amount \$75,000 at 4.4% interest over 5 years to replace the cash that was used to purchase the vehicles. The PTRC will make monthly lease payments for the vehicles which will cover the repayment of the loan.</p> <p><b>Rick asked the Committee to approve the acquisition of the \$75,000 loan at 4.4% interest. Larry Johnson made a motion to approve the loan of \$75,000 at 4.4% interest. Jim Brown seconded the motion. There was no further discussion. With all in favor, the motion carried.</b></p>
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Agenda Topic	Other
Discussion	<p><b><u>Health Insurance Increase</u></b>  Janet informed the Committee that she, along with Kathy, Rick, and Lisa, had recently met with Skip Woody from Hill, Chesson and Woody (HCW) to discuss the health insurance renewal for December 1<sup>st</sup>, 2017. Blue Cross Blue Shield (BCBS) originally presented an 18% increase in premiums. Janet stated that HCW has negotiated the increase down to 14%. HCW plans to continue to negotiate for a smaller increase in premium. Once negotiations are complete, Janet explained that YVEDDI can look at changes to benefits to reduce the increase further. Rick feels that this is a good time to look at all the options available to YVEDDI. The Committee would like for Skip to make a presentation at the Board meeting in October if negotiations are complete at that time.</p> <p>There was no further discussion on concerning this topic.</p> <p><b><u>Annual Fundraising Plan</u></b>  Kathy presented the YVEDDI Fundraising Plan for FY 18. She stated that individual programs complete fundraisers as required to fulfill match requirements. The programs that do not fundraise are CSBG, Head Start, MHS, and WAP. Kathy was open for recommendations for large fundraisers. Larry had several ideas for large, agency-wide fundraisers. Jimmy recommended forming a committee with Larry as the chairperson. Kathy suggested adding “in progress” in the large fundraiser section of the plan.</p> <p><b>Kathy asked the Committee to approve the YVEDDI Fundraising Plan with the addition of “in progress” under the large fundraiser section. Jim Brown made a motion to approve the YVEDDI Fundraising Plan with noted changes. Marion Welborn seconded the motion. With no further discussion, the Committee voted on Kathy’s request. All were in favor and the motion carried.</b></p> <p><b><u>Fiscal Procedures</u></b></p>

	<p>Kathy announced that YVEDDI will begin updating the Fiscal Operating Procedures soon. As improvements have been made to systems and processes, the fiscal procedures need to be updated to reflect the improvements. Any updates will be brought to the Finance Committee for approval.</p> <p>Discussion ended on this topic.</p>
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<b>Agenda Topic</b>	<b>Adjournment of Meeting</b>
Motion/Second/Time	The meeting was adjourned at 7:25 p.m. One member was excused and there was no longer a quorum at the end of the meeting.

Date of Next Meeting: October 10, 2017 at 5:15 p.m. (Time is tentative)
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<b>Minutes Recorded By/Signature</b>	
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