

**Finance Committee Minutes**  
**Tuesday, November 15, 2011**  
**(approved December 15, 2011)**

**6:10 pm – 8:23 pm**

**Present:** Rolf Semprebon, Mel Reslor, Andrew Geller, Debbie Rabidue (by phone), Paula Small

Excused Absences: Erin Brand, Alex Roberts, Kurt Lauer

The Finance Committee members present nominated Erin B. as new Chair of the Finance Committee.

In the event that Erin B. declined the nomination, the Finance Committee members present nominated Kurt to be the Chair.

### **October Meeting Minutes**

The Committee approved the October minutes.

**Action item:** *Paula to post the approved minutes to the KBOO website, under the Finance Committee webpage.*

### **Proforma FYE11 Financials Review**

Debbie working on year-end prep for FY11, to get to Kern & Thompson in December; she'll work with them to get adjustments done and adjusted financials to the Finance Committee.

She stressed that the Committee will need to REALLY keep an eye on cash balance. It's currently at \$101,000.

Andrew & Debbie said that the Membership & Finance were pretty tied closely.

**Action Item:** *On behalf of the Finance Committee, Debbie will work with staff to do more research on the Chehalis CP & on the legal costs associated, including reimbursement and possible collection of reimbursement.*

### **October Financials Review**

Andrew provided a summary on the Fall Membership Drive 2011.

Per Andrew, if we hit ~90% fulfillment, as we've done often during the past 5 years, then we'll have a cash shortfall from the Fall Membership Drive of approx. \$4,000.

Historically, KBOO's calculated fulfillment based on the % of pledges paid against, but doesn't include dollars received versus dollars pledged.

New first-time donors still at a low level.

Andrew perceived that web pledges higher at ~15%, instead of 10%.

There was a general discussion about historical fulfillment rates.

At the request of the Committee, after the meeting, Andrew provided a snapshot of the trends in membership drive fulfillment rates (see end of minutes).

Winter Membership Drive 2012 is going to be a long drive, a little over 2 weeks. But, the Spring Membership Drive 2012 will be less than 10 days.

It's a chance to see if the Winter Membership Drive is a better time for members to give. Over the last few Winter Drives, there has been more membership giving than during Springtime.

Andrew will look at an electronic Oregon Cultural Trust add-on to his year-end letter to members, to hopefully inspire & encourage more year-end giving.

### **Staffing Needs Workgroup Update**

Debbie e-mailed a summary of the temporary staffing cuts and financial effects, in advance of the meeting.

She also updated the Committee on the Staffing Needs Workgroup progress.

Paula mentioned the use of interns, as a possible solution to meeting some needs in the Strategic Plan. She discussed internship options, based on other local non-profits. The other Committee members were interested in exploring those options.

**Action item:** *Paula will research intern options.*

**Action item:** *Debbie will relay the recommendation (below) & concerns raised at the meeting to Erin B., who will share that information to the Workgroup, on behalf of the Finance Committee.*

### **Finance Committee recommendation to the Board re: Development Director role:**

If the Board chooses to conduct an open hire for the role of Development Director, then the Board can direct the staff to initiate the open hire process by the end of November 2011.

### **Update on Switching Accounts and Results in Savings**

Mel updated the Committee on the switching of accounts & effects.

Most of the money market funds at Bank of the Cascades (BoTC) switched to the checking account at BoTC. The switch would offset account fees. The savings in the account fees offset would be greater than the interest earned, due to low market interest rates.

Mel reported that for October, KBOO Foundation saved over \$50, which included offset of fees.

He included a report outlining the savings (see end of minutes).

Interest rate was 0.15% in the checking account compared to 0.10% in the savings account.

Now paying 12 cents for each ACH item, used to be 10 cents. Adds ~\$34/mth, due to increased ACH activity. It's a result of increased membership EFTs.

BOTC charged an FDIC assessment of \$20.95 fee. We'll research options to possibly offset that fee.

### **Review of OCF & KBOO's Fund**

Mel suggested that the Committee look at possible investment options next month. He said it was a good idea & good practice for the Committee to keep options in mind.

### **Finance Committee Responsibilities & Recruitment**

Paula sent an e-mail to Committee members re: recruitment ideas & examples of Committee responsibilities. She mentioned that we always discuss making the Committee more robust, to decrease member burnout and increase knowledge sharing & perspectives.

Mel recommended that Paula draft ~25 – 40 words to use in recruiting new Finance Committee members, to include in the December bulletin.

**Action item:** *Paula will e-mail draft for bulletin to Committee members, before e-mailing to Sun.*

There was a general discussion about recruitment.

**Action item (ALL):** Brainstorm “ideal” Finance Committee members; further discussion in December. Review the e-mail Paula sent.

Andrew reminded everyone that first & foremost, potential Finance Committee members must be KBOO Foundation members.

### **“Move Your Money” and KBOO**

Mel wanted to volunteer with the “Move Your Money” movement, but also thought it would be great to spotlight KBOO’s “Move Your Money” effort: we moved most of our funds to Advantis Credit Union & remaining funds to Bank of the Cascades (local bank).

The Committee supported the idea. Andrew & Rolf suggested including information from our most recent 990.

**Action item:** *Mel will draft a blurb for the December bulletin about KBOO’s “Move Your Money” leap, which was ahead of “the curve”.*

### **Bank of the Cascades (BoTC) Account Fees Comparison (presented by Mel)**

Bank of the Cascades

KBOO transferred the bulk of the BOTC \$ on 8/26/11 from Money Market to main Checking account. The reason was that KBOO can save more in lower account fees than the interest earned in the Money Market account.

### Savings (Money Market Business account)

balance 10/31/11: \$1,022.79

Interest for October 2011: \$0.13

interest rate: 0.15% (APY earned)

### Main Checking (Non-Profit Interest Checking)

balance 10/31/11: \$135,987.70

Interest for October 2011: \$10.32

interest rate: 0.10% (APY earned)

Service charge for checking account: \$347.94

minus a balance earning (of .7%): 65.01

actual net charge: 282.93

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If the money was kept in the Savings account,  
the interest earned would have been: \$13.67

the interest in the checking account would have been: \$1.25

the balance earnings (fees reduction) would have been: \$8.75

a total of \$23.67

By transferring to the Checking account, the total is: \$75.46

a net of \$51.79 for the month of October

(this is figured with an average balance of \$15,000 in the checking account)

note:

We are paying 12¢ per ACH item, raised from ten cents over the summer. With 1,735 EFT's this is \$34.70 more per month, \$416.40 more per year.

Each deposit costs 40 cents. Up from 35 cents. Each item (check) deposited costs 7 to 10 cents each, a total of \$24.94 in October.

BOTC charges a FDIC assessment fee of \$20.95, or \$250 a year.

Advantis does not charge a NCUA fee.

***Trends in Membership Drive Fulfillment Rates*** (presented by Andrew)