

Financial Committee Meeting
August 31, 2017

Present

Rev. Curtis Crumpecker
Cynthia Eckelkamp
Jenny Wallach
Julia Hampton, ex-officio member

Staff

Jill Lombardo
Kristin Firle

The Finance Committee Meeting was called to order at 12:35 pm by Curtis Crumpecker at Jefferson Franklin Community Action Corporation, # 2 Merchant Street, Hillsboro, Missouri 63050.

The July 11, 2017, Finance Committee Minutes were unanimously approved.

Kristin Firle reviewed the July 2017 Financial Statements & Reports. The statement summaries now have more details so that the program directors have additional information to help them manage their budgets. Our expenses are consistent with expectations. Cash on hand is slightly better than last year due to timing of funding. We now have been seeing the financial ratios for one year so all historical information is complete.

The Finance Committee unanimously approved the July 2017 Financial Statements and Reports.

The Grant Update had only two new items. First, CSBG expects to be asked to provide a budget without an estimate of the grant that will be available. Second, WIC funding has been reduced by \$50,000 (about 8.7%) due to a reduction in clients served in the past year. We expect this to increase in the next year.

Our Line of Credit had expired due to an inability to communicate with Regions Bank. A representative of Regions Bank attended the meeting to obtain signatures on the new Line of Credit. We obtained a Line of Credit for \$250,000 for 1 year for a \$500 origination fee with the stipulation that this fee will be refunded if we enter into other relationships with this bank. Our interest rate was reduced to prime plus 1.2% with a floor of 5.45% (the current rate). Our request to increase the Line of Credit to \$500,000 has not yet been approved pending conversations about what other relationships we may develop with the bank.

Kristin Firle provided an outline of a contingency plan to follow in the event of budget cuts or a government shutdown. Before following the plan or accessing the Line of Credit the Board of Directors will be consulted.

The staff has been meeting with various individuals and firms to determine how we might be able to obtain a better investment return on our reserves. A plan will be prepared for our consideration in the future.

The Gray Summit Head Start Center's legal fees due to its decision to unionize are about \$10,000 to date. Based upon our limited grant funding, this additional cost makes the financial viability of this center problematic.

We received Audit proposals from five firms. Based upon a combination of rating, cost, and experience the committee unanimously decided to recommend that the firm of Anders CPA's and Advisors be retained for our next audit.

The next Finance Committee meeting will be held in St. Clair on October 26, 2017, at 12:30 pm.

The meeting was adjourned at 2:15 pm.