

Cornell Cooperative Extension of Delaware County

Minutes Finance Committee Meeting (Draft) September 7, 2022, 7 pm via zoom

Present were Donna Dickson-Noonan, Andrea Balcom, Donna Machala, and Gary Orton

Staff: Jack Salo, Karen Graves, Corrine Tompkins, Cheryl Starcher Ceresna, Emily Roach, Christina Wilson, and Dale Dewing

- I. Welcome and Call to Order was made by Andrea Balcom at 7:03 pm
- II. **Action:** Review and approval of Minutes from July 13, 2022. A motion to approve the minutes was made by Gary Orton, seconded by Donna Machala. The motion carried unanimously.
- III. **Action:** June 2022 Financial Reports – Jack Salo referred to four revenue lines in the June 2022 Statement of Operations that are significantly below the 50% year to date amount they should be at or near during the mid-point of the fiscal year. The revenue lines were: 1. Fed Contract Contribution (EFNEP/Smith Lever): -\$14,310; 2. NYS 224 Contracts (SNAP): -\$6,496; 3. NYS Contracts Contribution (NYSERDA, RHA): -\$33,857; 4. Other Govt Grants Contribution (WAC): -\$120,493. Taken together these revenue lines are \$175,157 below where we would expect them to be mid-way through the fiscal year, based on the 2022 budget. J. Salo is continuing to work with Bonnie Blackman, SBN Finance Lead and Christina Wilson, Finance Coordinator, to gain an understanding of why the revenue picture is incomplete. B. Blackman confirmed Salo's speculation that the Revenue side of the June financials likely represents revenues not yet billed (billed late) and potentially some revenue sources not fully maximized (for admin expenses, etc.). Salo reminded those in attendance that the June reports represents only the second month of employment for Christina W. and that Christina was operating with limited training and oversight. Salo continues to work with and support Christina W. in her training and position. Both Salo and Christina W. continue to receive technical assistance and support from Bonnie Blackman.

Salo reviewed the Balance Sheet; Statement of Cash Flows (noted erosion of cash position of -\$240,319 as compared with June 2021); Statement of Operations and the Accounts Receivable Aging Summary as of September 6, 2022. Salo noted the following in the Statement of Operations: 1. Revenues are at 34% of budget, per this report at the mid-point of the fiscal year. Expenses are at 42% of budget at the mid-point of the fiscal year. Based on this report there is a net operating deficit of \$239,003. Salo pointed out the estimated \$175,157 in revenue from four revenue lines not billed as of June 30, 2022, should offset much of the operating deficit. There was a discussion about "Net From Transfers" on Page 4 of the Statement of Operations and that these are funds carried over from prior year(s). Bonnie Blackman indicated that she is not aware of any other Associations that begin the fiscal year budgeting prior year funds.

In discussing the need to bring the Association Finance Department up to speed with all tasks and responsibilities, Emily Roach noted that she has contacted Chris Carpenter to correct errors in Corrine Tompkin's salary and use of a car. They were billed to camp in error and should have been billed to the Association. Jack Salo is working with Christina Wilson to ensure all grants are being billed correctly.

Action: The committee agreed to recommend to the board that the June 2022 Financial Report be approved.

- IV. Review of Bank Account Summary Information - Jack Salo noted that the staff is working on updating a list of all bank accounts, balances, and actions needed. Signers on all accounts will be updated and a list submitted to the board for approval. Salo's understanding, based on his reading of the Cash Management Policy is that staff Signers are considered to be Assistant Treasurers. Salo recommended the Finance Committee consider reducing the number of banks the Association does business with, perhaps in conjunction with a more robust investment strategy moving forward.

Salo said he met with Tim Gutliph from the Wayne bank to discuss our accounts. Tim Gutliph said the Association has a dormant account for Paycheck Protection Program funds containing \$182,245.22. The loan was paid back, apparently from the Association checking account and the funds have not yet been transferred to the checking account to cover that payment.

Action: A motion was made by Donna Machala to close the Paycheck Protection Program dormant account and transfer funds to the Wayne Bank Checking account. Seconded by Gary Orton. The motion carried unanimously.

- V. **Action:** Cash Management Policy Update- Jack Salo reviewed the changes needed to the policy. The update is primarily language recognizing the establishment of a dedicated account to receive Watershed Ag. Council Funds. This is required in the contract with WAC. Each month transfer will be made from that account to the Association account to pay for WAP bills.

Action: The Finance committee agreed to recommend these changes to the board for approval.

- VI. 2023 Budget Process: Jack Salo said he is working on finding an individual to help with the 2023 budget. Veronique Starves will be contacted. Jack Salo will ask staff leaders what their roles have been in the budget process.
- VII. Development of an Investment Policy & Procedure: Jack Salo recommended considering enlisting the services of a fiduciary to review accounts and make recommendations to achieve higher returns.
- VIII. 2022 Audit Presentation at the September 15 Board meeting – Jack Salo suggested that the Finance Committee review the audit before the meeting. He also noted that Acumatica produces year end reports that are very similar to an audit.

Next Meeting: November 9 at 7pm

The meeting adjourned at 7:58