

## **Gompers Finance Committee Meeting**

September 20, 2018 7:30am – 9:00am

Notes by Greg Lechowski

Attendees: Jonah Roehl, Greg Frost, Cary Pfeffer, Mark Jacoby, Scott Muller, Chuck Foley, Greg Lechowski

Unable to attend: Leon Reivitz

### **Annual Property and Casualty Review**

Ed Dresselhyus, our insurance broker from USI, presented the annual insurance review. Our rates and coverage remain close to the same as in the past year. Coverage and rates are competitive and provide good insurance for the organization.

### **Current Financial Review**

The August financials were highlighted by Chuck. Revenue is down \$164K (-9.1%) for the two months in the fiscal YTD. Expenses and the bottom line are favorable to budget, essentially due to a timing error in the budget. The last June payroll of fiscal 2018 was actually budgeted in July 2018, leading to June expense being significantly over budget and July expense being significantly under budget. Chuck is accurately booking/accruing expense and will adjust future budget projections accordingly.

General discussion during the financial review section of the meeting covered:

- The new payroll transition to AmCheck is proceeding as expected. Lots of work has been done and the first payroll will be processed in October. Incorporated in the new payroll system is better time keeping of hours worked and an integration with the HR system. Much efficiency and system reliability is expected.
- The 401K audit was successfully concluded and the finance committee had previously reviewed the audit documents.
- The field work has been completed for the annual financial audit. Work on the audit and the tax return is expected to be completed in time to be reviewed and approved by the board in its November board meeting.
- Chuck is exploring Wells Fargo and other banks in order to improve upon the services and support provided by our current bank, Chase.
- Carey suggested a meeting with ACF, our investment firm, to express our dissatisfaction with the lack of timely reporting, financial support and other issues. Mark will coordinate a meeting with ACF in October to include Mark, Chuck and at least one board member.
- Employee turnover and retention was discussed. While our turnover rate is high, Mark stated that similar organizations' rates were higher.
- Mark, Scott and the team are working on firming census numbers for reporting and billing DDD. There is some discrepancy among the various internal systems on census that needs to be resolved.

### **Capital Expenditure Update**

- 3 MAC vans were received and issued to the Blythe location. The new vans, a result of a Maricopa County grant, will replace three old vans.
- 11 total new smart boards were installed, 6 of them at Blythe. Blythe did not previously have that technology.

- The approved capital budget for the year included 3-4 passenger vehicles to be used by Employment Services. The original Nissan model has now been determined to be too small, so the KIA Optima is being explored. Certified used vehicles are under consideration.
- The management team requested that new flooring be installed in two classrooms on a test basis. If successful, the flooring would be installed in other areas, including DTA.
  - *The finance committee authorized capital spending in excess of the approved capital plan in the amount of \$15,000 to fund the flooring test.*

### **Building Project Update**

Mark stated that the Blythe work should be complete in a week. The project incurred some extra cost, including \$7K for flooring. The garden update should also be completed within a week.

### **Wage Ranges**

We discussed Mark's memo on the newly created wage ranges. Please refer to Mark's memo for further details.

### **Grants Update**

The current state of grants was reviewed and the grant writing process moves forward.

Mark advised that \$20K from the 2017 Golf Fore Gompers event was still in a separate bank account and would be spent with the 2018 money. The \$20K represented cash in a separate account and Gompers still honored the timely spending of the money raised in 2017.

### **Empowerment Scholarship Update**

Scott provided background on the ES status, including that the school census stands at 12, of which 4 students are on the ES.

### **Property**

The vacant lot and house near the Gompers playground has been sold. We had loosely considered buying it over the past few years, if it made sense for future plans.

### **Draft Calendar**

Mark circulated a draft calendar of 2019 finance committee meetings.

The meeting was adjourned.

- **The next finance committee meeting will be at 7:30am on November 8, 2018.**