

**COMMUNITY ACTION ASSOCIATION OF PENNSYLVANIA
BOARD OF DIRECTORS' MEETING**

Teleconference

January 23, 2019

MINUTES

Board Members Present: Rick Beaton, Erin Lukoss, Gale Zalar, Sue Auman, Jen Wintermyer, Wendy Melius, Larry Berringer, Tay Waltenbaugh, John Litz, Bob Raible, David Mrozowski, Dan Jurman

Members Not Present: Megan Shreve, Darlene Bigler, Sam Ceccacci, and Mitch Little

Staff in Attendance: Susan Moore, Sue Northey, Steven Martinez and Dan Leppo

Guests: Jim Krimmel

Rick Beaton, President, called the meeting to order at 10:03 a.m. Roll call was taken, and a quorum was established.

CONSENT AGENDA

Mr. Beaton asked for corrections or changes to the July 18, 2018 Minutes. Larry requested that his name be added to those in attendance at the July meeting. With that correction, Rick requested a motion to approve.

Motion 1.23.19a: The October 17, 2019 Minutes were approved as presented. Moved by Sue Auman, seconded by Gale Zalar. The motion passed unanimously.

Susan Moore, CEO, stating that she would not spend time discussing her written report which had previously been distributed to the Board since she wanted to ensure time for the audit review and for Steven Martinez to present the final piece of the LensCAAP proposal. However, she did point out that the CAAP/DCED contract workplan was contained within her report. The contract was approved and was moving through the funding process.

Motion 1.23.19b: The CEO report was accepted as presented. Moved by Tay Waltenbaugh, seconded by Dave Mrozowski. The motion passed unanimously.

PRESIDENT'S REMARKS – Rick Beaton

Rick reminded the members that the Annual meeting and election of Officers would be held in conjunction with the Symposium on May 7th at 4:00 p.m. He appointed Jen Wintermyer to chair the election committee.

Rick also stated that he had completed the CEO's evaluation but still had to obtain comments and input from the Executive Committee before completing the evaluation process.

TREASURER'S REPORT – Sue Auman

At the request of Sue Auman, Sue Northey reviewed the November 30, 2018 CAAP Financial Statements. Included in the Statement of Financial Position, Ms. Northey indicated we have \$34,352 in our checking accounts and \$55,131 in our money market account. Our Vanguard investment account has increased in value over the last five months by \$14,025. Subsequent to November 30th, our investment account has experienced a decline in value to a low of \$594,134 and has steadily increased over the last several weeks to a balance of \$626,904 as of yesterday, January 22, 2019.

Our current ratio, which is used to predict an organization's ability to pay its short-term debt and payables with its short-term assets, continues to be strong. CAAP has \$885,508 in short-term assets if the Vanguard investment account is included and \$252,059 without the investment account. Our current liabilities total \$174,086 which includes accounts payable, accrued salaries and accrued payroll taxes and deferred revenue. The current ratio, with investments included is 5.09 and 1.45 when the investment account is excluded. The higher the current ratio, the more capable the organization is of paying its short-term obligations.

Prepaid expense, totaling \$24,934 consists mainly of insurance premiums, memberships to other organizations and registration and travel expenses corresponding to upcoming conferences or events.

Our accounts receivable includes \$5,100 in CAAP 2018-2019 Membership dues, \$13,101 in Collaborative Conference proceeds, \$417 in our Community Needs Assessment Tool billed to our agencies and \$90 in ROMA training registration fees. Our grants receivable consists of \$56,517 in CSBG funding and \$62,417 in RPIC funding.

Accrued expense, totaling \$46,500 is comprised of \$31,250 RPIC technical fees, a \$3,300 Opioid Forum expense and the accrued audit fee of \$11,950.

Deferred revenue consists of \$15,925 in VISTA Cost Share Payments received, \$78,400 in CAAP Membership Dues and \$834 in CAAP Affiliate Membership Dues. The revenue recognition of affiliate membership dues is based on the month the membership becomes effective. CAAP currently has two affiliate members.

Ms. Northey addressed specific line items of the statement of revenues and expenditures where actual amounts varied significantly from budgeted amounts. CAAP's share of the proceeds from the collaborative conference exceeded our budget projection by \$3,100. Printing expense includes costs

applicable to the collaborative conference and the opioid forum. Memberships and dues expense include \$5,000 paid for the Virtual CAP membership.

CAAP ended its first five months of operations this fiscal year with a \$27,024 excess of revenues over expenditures.

Motion 1.23.19c: The Board accepted the November 30, 2018 Financial Statement as presented.

Moved by Sue Auman, seconded by Gale Zalar. The motion passed unanimously.

James Krimmel, auditor with Hamilton & Musser, reported on CAAP's 2019 audit and Form 990, both of which had been distributed to the board members prior to his report. Jim reviewed the audit page by page and summed up by reporting that the opinion was clean.

Motion 1.23.19d: The Board accepted the 2018 Audit report and opinion and 990 as presented.

Moved by Tay Waltenbaugh, seconded by Gale Zalar. The motion passed unanimously.

OLD BUSINESS:

Steven Martinez presented the second part of the LensCAAP business proposal to the Board, focusing on the financial projections. The presentation had been sent electronically to the Board a week prior to the meeting for the Board's review.

Based on expense and revenue projections, the Board was asked to make a loan of \$195,000 to LensCAAP with an expectation that payback at a 2% interest would begin after year five.

Motion 1.23.19e: The Board approved the loan of \$195,000 at 2% interest to create and sustain LENS CAAP, a video production company, as a CAAP social enterprise. Moved by Jennifer Wintermyer, seconded by Erin Lukoss. The motion passed unanimously.

There being no further discussion, the meeting was adjourned at 11:15 a.m.

_____ Submitted by Darlene Bigler, Secretary