

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

ZOOM MEETING

February 17, 2021

MINUTES

Board Members Present: Rick Beaton, Erin Lukoss, Darlene Bigler, Gale Zalar, Jen Wintermyer, Wendy Melius, John Litz, Bob Raible, Sue Auman, Larry Berringer, Megan Shreve, David Mrozowski and Mitch Little

Board Members Absent: Dennis Phelps

Staff in Attendance: Susan Moore, Courtney Miller and Dan Leppo

Guests: James Krimmel, Hamilton & Musser

President Beaton called the meeting to order at 10:02 a.m. Roll call was taken, and a quorum was established.

MINUTES

Mr. Beaton asked for any corrections or changes to the October 21, 2020 Minutes.

Motion 2.17.21a: The October 21, 2020 Minutes were approved as presented. Moved by Megan Shreve; seconded by Gale Zalar. The motion passed unanimously.

TREASURER'S REPORT – Sue Auman

CAAP's auditor, Jim Krimmel of Hamilton & Musser, presented the June 30, 2020 audited financial statements and the 2019 Form 990. Jim went through the audit page by page and ended his report by saying he did not issue a management letter because the audit was clean and there were no issues or recommendations.

Motion 2.17.21b: The Board accepted the June 30, 2020 audited financial statements and the 2019 Form 990 as presented. Moved by Sue Auman; seconded by Darlene Bigler. The motion passed unanimously.

Treasurer Auman requested Courtney Miller, CAAP Finance Manager, to provide the report. Courtney reviewed the December 31, 2020 CAAP Financial Statements. Included in the Statement of Financial Position, Ms.

Miller indicated we have \$13,029 in our checking accounts and \$25,192 in our money market account. Since the last board meeting, our Vanguard investment account has appreciated in value by \$36,958.

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—but only when investments are included. Without investments, current assets do not cover current liabilities. CAAP has \$640,870 in short-term assets when including the Vanguard investment account, and \$73,607 in short-term assets when excluding the investment account. Our current liabilities total \$118,782, which includes accounts payable, accrued payroll, accrued audit expense, deferred revenue, and payroll liabilities. The current ratio with investments included is 5.40 and the current ratio with investments excluded is 0.62. The higher the current ratio, the more capable the organization is of paying its short-term obligations. Deferred Revenue of \$68,100 makes up most of the current liabilities amount. The current ratio will improve as deferred revenue is recognized throughout the year.

Our 12/31/20 accounts receivable balance of \$88 is for a workers' compensation insurance premium refund from the 2019-2020 workers' compensation insurance audit. Payment was collected on 01/05/21.

Our 12/31/20 grants and contracts receivable balance of \$(26,347) consists of \$(79,760) due CAAP from the DCED Services Contract, \$44,187 from DCED CARES, and \$9,226 from the RPIC grant. The DCED contract receivable has a credit balance. This is due to DCED allowing CAAP to invoice for an additional six weeks in expenditures since there is always a delay in receiving funds. Additionally, excess funds were received, which will be carried over to 2021. The 2020 DCED contract was extended to 03/31/21.

Ms. Miller addressed specific line items of the Statement of Revenues and Expenditures where actual amounts varied significantly from budgeted amounts. Interest Income and Unrealized Gain on Investments are more favorable than budgeted. Consultants/Training and Conferences/Workshops/Meetings are significantly under budget due to fewer events being held because of COVID-19. Consultants/Training expense will increase as costs are incurred for the CAAP virtual speaker series. The series runs from February through December 2021. Office Supplies are below budget due to fewer work-from-home expenses than anticipated. Telephone/Communications expense is under budget due to reducing the office phone and fax lines from five to two. Additionally, Zoom has replaced the conference calls line and is significantly less expensive. Network Maintenance/Internet Access is high due to the additional cost of implementing a virtual private network (VPN) so that staff can access the network drive from home. The Interest/Bank Fees expense line has a negative balance due to an IRS refund of \$550 for the 990-T filing extension fee.

CAAP ended its first six months of operations this fiscal year with an \$88,279 excess of revenues over expenditures.

Motion 2.17.21c: The Board accepted the December 31, 2020 Financial Statement as presented.

Moved by David Mrozowski; seconded by John Litz. The motion passed unanimously.

A modified budget for fiscal year 2020-2021 was also presented. The budget was revised to include columns for DCED CARES and RPIC CARES. Expense allocations were also adjusted to reflect current needs and to add costs

related to the Senior Director for Strategic Change, who was not included in the original budget. The modified budget will be used for the second half of the fiscal year (January through June 2021).

Motion 2.17.21d: The Board approved the revised 2020/2021 budget as presented. Moved by Sue Auman; seconded by Megan Shreve. The motion passed unanimously.

PRESIDENT’S REMARKS – Rick Beaton

Rick stated he would save any remarks he had for later in the meeting and asked Susan Moore to present her report.

CEO REPORT – Susan Moore

Susan said that there were several issues to discuss so if there were no questions or discussion arising out of the written report that had previously been sent to the Board members, she would move on to other matters.

She reminded the board that the bi-annual election of officers would normally take place in April 2021; however, she suggested that the Board consider putting off the election until April 2022 due to the pandemic and the need for a sense of continuity and the difficulty of bringing in new leadership under a remote meeting scenario. There was considerable discussion about this, including referring to the bylaws. Ultimately, due to the unusual circumstances, the Board members agreed to delay the elections and extend the officers terms for a year until April 2022.

Susan discussed the two Task Forces that had come into being – the Equity Task Force, chaired by Vanessa Philbert and the Pandemic Task Force, chaired by Sue Auman – and suggested that the Board consider making both of them official ad hoc committees since this would demonstrate the support of the board and the importance placed on these activities by the board.

Motion 2.17.21e: The Board agreed that the Equity Task Force and the Pandemic Task Force would immediately become official ad hoc committees of the Board of Directors. Moved by Megan Shreve; seconded by Darlene Bigler. The motion passed unanimously.

Finally, Susan announced that due to ill health, she was resigning effective April 30, 2021. There was considerable surprise and a great deal of discussion. The members decided that they needed time to

digest this and asked that Jen Wintermyer, Chair of the Personnel Committee, pull together Board meetings to discuss next steps and agreed that Susan would not be required to attend these meetings so the Board would meet in executive session.

Motion 2.17.21f: A motion to adjourn was offered. Moved by David Mrozowski; seconded by Gale Zalar. The motion passed unanimously.

There being no further discussion, the meeting was adjourned at 11:13 a.m.

Submitted by Darlene Bigler, Secretary

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