**Finance Committee Meeting Minutes**

**Thursday, August 18th, 2022**

**8:30 AM – 9:30 AM**

**Members Present**: (CEO of Smart Start of Forsyth County) **Louis Finney Jr**., (Committee Chair) **Bennett Bruff**, (Committee Member) **Mark Flowers**, (Committee Member) **Diana Santos-Johnson**

**Members Absent:** (Committee Member) **Ariel Hickman**

**Staff Present:** Elizabeth Wallace, Tim Campbell

**Call to Order:**

(Committee Chair) Bennett Bruff called the meeting to order at 8:34 AM. The Chair established a quorum.

**Review and Adopt Agenda:**

A motion to approve the agenda was made by (Committee Member) Diana Santos-Johnson. The motion to approve the agenda was seconded by (Committee Member) Mark Flowers. All Committee Members present voted unanimously to adopt the agenda. Motion Carries.

**Introduction of visitors and opportunity for public comment**:

**Visitors:** None

**Public Comment:** Elizabeth Wallace, new finance director, introduced herself to the committee, explaining that she had worked the past seven years in charter schools, and prior to that with school districts.

**For Discussion:**

* Treasurer’s Reports (see attached)
* Forsyth Year End Package 06 30 2022 (see attached)
* Summary of Financials 07 31 2022 (see attached)
* IRA Contribution Consideration (presentation during meeting)
* Retention IRA Bonus for employees retained for two years or employed two years or longer
* Plan to use funds from the current benefit plan, which is 28% of salaries, to add retention IRA benefit of 2% contribution at the employee’s two-year anniversary at SSFC
* If approved, would cost an additional $10,477.55/year, effective October 1, 2022
* Current benefit plan is $68,541.98, so the new total, if approved, would be $79,019.53

Meeting Minutes:

As there was no meeting prior to this one whose minutes required approval, no motion was taken.

**Treasurer’s Report: CEO of Smart Start of Forsyth County Louis Finney Jr.**

(CEO of Smart Start of Forsyth County) Louis Finney Jr. presented the Treasurer’s Report and mentioned that at this point in the year, we should be aiming for activities to have expended roughly 8% of their budget. The Dual Subsidy Administration activity, which has expended 10% of its budget was identified as one to evaluate. Many activities that are fully funded by NCPC are at 0% expended, as we cannot go into contract with those activities until we receive our allocation from NCPC. The NC Pre-K activity has only just begun, which explains its having expended only 1% of its budget. Dr. Finney explained that the Additional Sources & Uses category of the report included activities and funds which operated on different calendars than NCPC, explaining the wide variance in year-to-date expenditures. In that category, Dr. Finney added that we had fully paid off our Paycheck Protection Program loan and received an anonymous gift of $20,000 toward the Dolly Parton Imagination Library activity.

**Year End Close Reporting Workbook: CEO of Smart Start of Forsyth County Louis Finney Jr.**

(CEO of Smart Start of Forsyth County) Louis Finney Jr. alerted the committee that we would revert $421,041.90, which was mostly the result of receiving an additional $600,000 of state funds 90 days before we closed our budget year. The funding was used for providers, scholarships, retention bonuses, staff equity pay, and cost of living adjustments for employees. We plan to request those funds be returned to us but will likely not receive them until the spring. Upon a request for information from (Committee Member) Mark Flowers, it was clarified that family child care homes, rather than child care centers, were the recipients of this funding. Following this, (Committee Member) Mark Flowers made a motion to accept both reports that had been shared, and (Committee Member) Diana Santos-Johnson seconded the motion. The motion carried unanimously.

**IRA Contribution Consideration: CEO of Smart Start of Forsyth County Louis Finney Jr.**

(CEO of Smart Start of Forsyth County) Louis Finney Jr. proposed an additional IRA contribution for employees who had been with the organization for two years or longer. As we compete both with school systems and other Smart Start partnerships for employees, we are seeking ways to improve employee retention. We currently provide a set 6% IRA contribution, but after comparing benefit plans with other Smart Start partnerships, particularly those in Guilford and Durham Counties, Dr. Finney argued that we could provide 8% to employees who had been with the organization for over two years. We currently have sufficient funding in the budget to accommodate this increase. The set IRA plan that we currently use has a much higher cap on contributions than alternative IRA contributions, and 403(b) plans would be much more expensive to manage. (Committee Chair) Bennett Bruff raised a concern that we may not be allowed to make differing contributions for different employees, and (CEO of Smart Start of Forsyth County) Louis Finney Jr. agreed to follow up with our financial advisor who manages our IRA contributions. This idea will be going before the HR Committee, assuming we can offer different contributions to different employees.

**Adjourn**

A motion was made to adjourn the Board meeting by (Committee Member) Mark Flowers. The motion to adjourn was seconded by (Committee Member) Diana Santos-Johnson. All Committee members present approved to adjourn the meeting at 8:54 AM.