

Finance Committee Meeting

March 10, 2014

- **Call to Order and Attendance**

Chair Victoria Daniels called the Finance Committee Meeting to order by teleconference at 9:01 AM CDT. The roll of the Committee was called and present were Diane Hardt, Harry Fox, and Peter McVay. Absent were Senator Curt Bramble and Amy Oneacre. The quorum was established with 3 of 5 members present. Others participants were Craig Johnson and Tom Atchley.

- **Review and Approval of December 12, 2013 Finance Committee Meeting Minutes**

The Committee reviewed the December 12, 2013 Finance Committee meeting minutes with no recommended changes. Peter McVay made a motion for approval and the Committee roll was called. Three participants voted yes with 2-members absent and the motion carried.

- **Review and Approval of 2nd Quarter FY2014 Financial Report**

Chair Daniels provided the second quarter financial report ending December 31, 2013. The balance sheet and cash flow are basically where they should be for the second quarter. The major areas of expenditures include salaries and expenses which are where they should be for this time of year.

Contractual Services – Federal Affairs, \$180,000 is budgeted and the year-to-date actuals are \$105,000. Craig Johnson said for the Federal lobbyists, \$10,000 is paid to Charlie Sewell and \$5,000 to Clark, Geduldig, Cranford and Nelson, both on a monthly basis. The financials reflect 7-months of payments and at yearend will be \$180,000. The required 60-day notice to end the Charlie Sewell contact has been noticed with an effective date of April 15, 2014.

Mr. Johnson noted that he had changed the financial summary format and asked if the Committee would prefer a cumulative total. Chair Daniels and Peter McVay agreed that the new format is helpful.

Peter McVay inquired about the Office Equipment and Furniture line item. Mr. Johnson explained that \$2,106 is for the depreciation which is a write off of a portion of the laptops that were purchased in this fiscal year. The other portion of the laptop purchase was paid in the last fiscal year.

Harry Fox asked for an update of the state membership dues increase. Craig Johnson reported that the current 2014 fiscal year dues of \$775,000 had been collected. For FY2015 the dues were approved in October 2013 by the Governing Board for an increase to \$955,000. Craig Johnson reported that he will have the FY2015 state dues amounts calculated by the first week of April for completion of the invoices to be mailed by May 1, 2014.

Craig Johnson said the bids for the Central Registration System are due this Friday, March 14. He will then have the estimated costs for Finance Committee review from a financial standpoint. He reported that a number of people have contacted David Thompson for a presentation and explanation of the Central Registration System requirements.

Mr. Johnson reported that Federal Form 990 for exempt organizations was filed and mailed previously. The fees relating to the return preparation and audit will be reflected in the third quarter payments under the Fund Audit Line item. He said there were no issues with the return and there is no tax liability due.

Harry Fox made a motion to approve the second quarter financials. The roll of the Committee was called, 3-participants voted with 2-members absent and the motion carried.

- **Old Business**

- **Bank Account Move from Nashville to Wisconsin**

Craig Johnson said the main savings and checking accounts are through Wells Fargo Bank. The second savings account was with Capitol Bank of Nashville which he has closed and moved to a new interest bearing account at Westby Co-op Credit Union in Wisconsin. The Finance Committee had approved this during a previous meeting. The balance was \$107,977 and Victoria Daniels and Craig Johnson were added to the new account with signature cards. President Diane Hardt will be added on the signature card per the Governing Board Rules requirement.

- **Wells Fargo Bank Fees**

Craig Johnson stated that he had reviewed the prior Wells Fargo Bank statements regarding the monthly bank fees which he had originally contacted Wells Fargo to discuss and as the Finance Committee agreed to at its December meeting, he has changed the account such that these fees will no longer be incurred, provided the SSTGB maintains a \$40,000 account balance and has less than 500 transactions per month. We will notice this change going forward. Craig has asked Wells Fargo Bank if they can waive some or all of the prior fees on this account, which they are considering.

- **New Business**

None

- **Adjournment**

With no further business Peter McVay made a motion to adjourn the meeting at 9:22 AM CDT.