

**BENZIE SENIOR RESOURCES
FINANCE COMMITTEE MEETING
January 18, 2023**

The Finance Committee meeting was called to order by Victor Dinsmoore, Committee Chair at 3:05 pm. This meeting is being conducted in person at the Administrative Office and Zoom for Amber Mack, CPA of the firm Anderson, Tackman & Company

Committee Members Present: Victor Dinsmoore, Deb Rogers, Nancy Mullen Call and Paul Turner.

Staff Present: Douglas Durand, Sabra Boyle & Dawn Bousamra all non-voting members

Committee Members Absent & Excused: None

Staff Members Absent & Excused: None

Public/Others: None

Agenda

Motion by Deb Rogers to accept the 1/18/2023 agenda as presented. Seconded by Nancy Mullen Call. All Ayes. Motion approved.

Minutes

Motion made by Nancy Mullen Call to accept the 12/21/2022 meeting minutes as present. Seconded by Deb Rogers. All ayes. Motion approved.

Review Draft of Fiscal Year 2022 Financial Audit with Amber Mack, CPA

Amber attended the meeting via Zoom at 3:15pm. Below is her review of sections of the audit. Statement of Financial Position – Amber focused in on the line item “Accrued Pension Cost” as several committee members had questions related to closed MERS Pension and the formula she uses to come to this figure.

Statement of Activities – Amber explained With Donor Restriction and Without Donor Restriction funds. Discussion on the loss of \$22,196.

Statement of Functional Expenses – Amber reviewed the different program and supporting services categories. Discussion was assigned allocations to each category especially in salaries/wages.

Statement of Cash Flows – The discussion from the committee centered on the net change in cash and equivalents of \$100,397 versus last year. The change is related to the County Millage check that arrived in October 2022 but had to be journaled into FY’ 2022 as it was the last check for the fiscal year from the Benzie County Treasurer’s Office.

Notes to Financial Statements – General discussion was on some new accounting practices that took effect in 2022 and BSR is already following those new changes. Deeper discussion in Cash and Equivalents continued. Capital leases were discussed with the only lease is the copier machine. Volunteer Wages In-kind Donation was discussed and how the wage is determined and the different volunteer services that we can count on for the financials and audits. The

MERS pension fund again was discussed in detail regarding the pension fund liabilities. Last item to be reviewed was the Governance letter. Amber reported that she is always impressed that if there are deficiencies found on the previous audits, that they are quickly corrected, and she does not have any repeats to worry about with BSR. Sabra does a really good job of maintaining accurate files and folders. The only audit deficiency found was in disbursements and Amber found 2 purchases that lack the proper approval to back up the paperwork. Amber's find was a check that only had one required signature instead of the required two signatures. Overall, Amber reported that the clean audit and they enjoyed working once again with Sabra and Doug.

Review and Approve December 2022 Financials and 1st Quarter Financials and Narratives with Recommendations to the full Board to approve.

Victor reported that he had a board member requesting additional information on the following expenses, Mutual of Omaha, Aflac, Blue Care Network and Cincinnati Insurance. Sabra and Doug explained each of them to the committee.

Motion made by Deb Rogers to recommend to the full board for approval of the December 2022, 1st Quarter Financials and Narratives. Seconded by Paul Turner. Roll call vote-Rogers-yes, Turner-yes, Dinsmoore-yes, and Mullen Call-yes. Motion passed.

Review Operating Reserve Fund Policy

In keeping with the policy and based on industry recommended standards, the target minimum Reserve should be increased to \$565,700, which would represent three months of operating expenses on average for FY'2022. The Finance Committee will make a recommendation to increase the Operating Reserve based on the expenses of the approved Fiscal Year 2022 Financial Audit to reflect 25% (3 months) which is equal to \$565,700 at the February 15, 2023, after the Fiscal Year 2022 Financial Audit is approved.

Discussion on the new IRS Mileage Rate for 2023

Doug reported that the IRS raised the standard business rate by 3 cents to .655 cents from .625. This is just for informational purposes since the Board voted in 2022 to follow the recommendations from the IRS when establishing mileage reimbursement for staff and volunteers. Doug will make this increase effective with the current payroll beginning on 1/9/2023.

Strategic Plan Review

Currently the assigned focus areas for the Finance Committee as no updates to report on.

Discussion of the current fuel cost in relation to staff reimbursement

Gas prices continue to drop in price and currently, there is no need for the committee to take any action at this time.

Review and sign the December 2022 Bank Statements

Committee Members, Deb Rogers, Paul Turner, Victor Dinsmoore and Nancy Mullen Call reviewed and signed off on the December 2022 bank statements.

Adjournment

Motion made by Deb Rogers to adjourn the meeting. Seconded by Nancy Mullen Call. All Ayes. Motion passed. Meeting ended at 4:22pm

Next scheduled Finance Committee will be on February 15, 2023.

Respectfully submitted,

Douglas Durand