

Minutes from Board of Directors Meeting February 11, 2010

Marilyn Bok, CEO, called the Board meeting to order at 4:00 pm. Present were Leo Parchesky, Susan Storch, Brenda Smith, Lowell Coolidge, Bob Hogan and Ben Olney. Tom Freeman, Howard Smith, Frank Comfort, Dora McCarty, Tom Shannon, Bill Ransom and Joe Picco were not in attendance. Marilyn passed out attendance sheets for 2008 and 2009.

Approval of Minutes: Susan Storch moved the approval of the minutes of December 10, 2009 Board meeting. It was seconded by Lowell Coolidge and carried.

Approval of the Agenda: Marilyn asked for additions to the agenda. There were none.

Board Governance Issues: Action Items

- 1. Approval of Ben Olney to the CFTT Board of Directors** –Lowell Coolidge moved the appointment of Ben Olney of Potter County to the Board. It was seconded by Susan Storch and carried. Board members introduced themselves to Ben and welcomed him to the Board. Eventually there will two other Board members from Potter County.
- 2. Ratification of Actions Taken at the December 10, 2009 Meeting** – Due to losing a quorum half way through the December meeting, Leo Parchesky moved the ratifications of actions taken at the Dec. 10th meeting after the loss of a quorum. It was seconded by Bob Hogan and carried. Ben Olney abstained.
- 3. Conflict of Interest Forms** – Marilyn asked Board members to complete the Conflict of Interest form she passed out. At the end of the meeting she had completed forms from Susan Storch, Bob Hogan, Leo Parchesky, and Lowell Coolidge. These were added to the ones she had already received from Brenda Smith and Bill Ransom.
- 4. Email Addresses for CFTT Newsletter** – Marilyn passed out copies of the completed newsletter and stated it hadn't been distributed because she is waiting for email addresses from Board and committee members. She stated there is no sense in having a newsletter if it doesn't get distributed to the right people. She once again asked Board members to provide her with email addresses of people they believe should receive a copy of our quarterly newsletter.
- 5. New Contracts** –
 - a. **Troy Lions Club Scholarship Fund:** Marilyn reported that Richard MacIntyre of the Troy Lions Club approached her to set up a fully funded scholarship for a graduate of Troy High School who has financial need and is going on to college. They wish to give preference to individuals who will be the first members of their family to attend college. They will open the fund with \$12,500 plus another \$500 for a scholarship this year. Marilyn asked for approval to enter into a contract with the Troy Lions Club. Susan Storch moved giving Marilyn approval to enter into a contract for a scholarship fund with the Troy Lions Club. It was seconded by Brenda Smith and carried.
 - b. **Babe & George Tymoski/Rockman Fund:** Marilyn reported she delivered a Non-Endowed Scholarship Agreement along with a letter stating they had until the end of February to sign the agreement and participate in the process or if they decide not to enter into an agreement then the CFTT will implement the agreement themselves. The agreement calls for the CFTT to issue a \$500 scholarship each year to a graduate of a Valley high school who is going to college to earn a degree in Business or related field. A scholarship will be given each year until the money in this fund is depleted and the fund ceases to exist. The Board was in agreement with this approach.
- 6. Appointment of Scholarship Selection Committees for** –
 - a. Towanda Musical Society (3 individuals) – Marilyn asked if anyone had a musical background. It was suggested that Howard Smith and Jim Parks had musical backgrounds and might be willing to do it. Susan was also going to ask if Cheryl Lynn Ayres a former music teacher in Troy might do it.
 - b. **Babe & George Tymoski Scholarship Fund** (1 individual) – No volunteers and no suggestions

- c. **Troy Lions Club Scholarship Fund** (2 individuals) – Susan Storch volunteered and would ask Howard to also participate.
- d. **EITC Tuition Grants** (3 individuals) – Ben Olney stated he would participate. There were no other volunteers or suggestions.

7. Action on the Recommendation of the RFP Selection Committee for Investment Management

Services – Marilyn stated she had been researching the non-fee based services and from her research learned that what the CFTT will give up if it decides to go this route is a choice of investment vehicles that will be available to it. She procured a list from J.D. Powers of the full service Investment Firms with the highest Satisfaction Ratings and sent letters to Edward Jones, LPL Financial, Raymond James and Ameriprise Financial inquiring if they were interested in submitting a non-fee based service proposal to us. Responses were due by February 19th. It was suggested Marilyn also contact Vanguard, Fidelity and Schwab to see what they have to offer. Marilyn stated the Finance & Investment Committee offered to attend the next Board meeting on April 8th to discuss this issue with the Board. The Board welcomed that suggestion.

8. Recommendation of the Finance Investment Committee –

- a. **Amendment to the CFTT Investment & Spending Policy:** The F&I Committee recommended the Board change the wording on Section G. Spending Policy so the calculations for the 16-quarter trailing average will begin when each fund first meets its minimum fund balance. In this way the ability of a fund to give off grants will not be impacted by the fact the fund donor opted to begin a fund with less than the minimum fund balance. Leo Parchesky moved the amendment to the Spending Policy. It was seconded by Lowell Coolidge and carried.
- b. **Increase by \$10,000/month the amount of funds being reinvested in Vanguard Mutual Funds for the next three months:** Lowell Coolidge moved the Board accept the recommendation of the F&I Committee. It was seconded by Leo Parchesky and carried. Marilyn reported she had received a check for a little over \$50,000 today from Ben Olney to go into the Ulysses Library fund and that she will bring this to the F&I committee's attention in case they might want to increase the monthly amount again.

9. Adoption of Goals for 2010 – Due to so few Board members being present this item will be addressed at the Board Retreat.

10. Adoption of Dashboard Report – Marilyn reviewed the newly developed Dashboard Report she had prepared for the Board that combines the CFTT Yearly Goals with a snapshot of the present CFTT financial positions that are critical for implementing the goals. This report was developed to more clearly and concisely present the financial picture to the Board and if the Board agrees would replace the Profit & Loss and Balance Sheets now shared with the Board. A more thorough discussion would take place at the retreat where Goals for 2010 would be set. The Dashboard shows the great job that has been done increasing the endowment funds under management and how those funds are split out by fund type and also our increase in grant funds being made available to the community. The area the Board has shown the weakest performance has been in raising operating funds. This will have to be a focus of our Board Retreat. The last goal is in increasing the visibility of the Foundation which Marilyn feels will also be a primary goal for the Foundation. Lowell Coolidge moved the adoption of the Dashboard Report as a replacement for Profit & Loss & Balance Sheet for Board members. It was seconded by Ben Olney and carried.

11. Adoption of 2010 Budget – Marilyn presented the F&I Committee's recommended Operating Fund Budget for 2010 and stated it contained funds for paying for the FIMS software but did not contain funds for an assistant. She also presented a list of items needed to move the CFTT forward. Due to lack of time and attendance these items will also be decided at the Board Retreat.

12. Decision on Offer from First Community Foundation on Succession Planning – Marilyn reported she had spoken to Suzanne Lee and she will not be sending any further information because she believes that would be useless at this time. She did state that if the CFTT found itself in the position of not having a CEO they would be willing at that time to come up and negotiate for services that the CFTT Board felt were needed. The Board was open to this suggestion and Marilyn will now adjust the succession plan accordingly.

13. Adoption of List of Grants from 2009 Funds – Marilyn presented a new list of grants totaling \$43,625 which had been amended based on the newly amended Spending Policy. She stated this will definitely increase as the year progresses and new funds come into existence. The Board unanimously adopted the new list on a motion by Leo Parchesky that was seconded by Susan Storch.

DISCUSSION ITEMS – Board Governance Issues

- 1. Correspondence Report** – Neither Bill or Howard were not present to give their reports.
- 2. Update on Capital Campaign for Operating Funds** – Marilyn presented a new summary sheet showing a total of \$35,987 collected to date. She had also calculated percentages showing how much each county has contributed to the total raised.
- 3. 2009 Profit & Loss, Balance Sheet, Accounts Receivable, Investments, Budget vs. Actual Income, Expenditures for 2009, and Payment of Bills** – Marilyn asked for question on the Profit & Loss, Balance Sheet, Accounts Receivable, budget vs. Actual for 2009 and Expenditures for 2009 she emailed Board members. There were none. The Board accepted and filed these reports for audit. Leo Parchesky moved the payment of bills. It was seconded by Brenda Smith and carried.

Adjournment: The meeting adjourned at 6:15 pm.

Board Retreat on Thursday, March 11, 2010 at the CFTT Office, beginning at 4:00 PM. Dinner will be served starting at 5:00 pm.

Next Regular Meeting Date: Will be on Thursday, April 8, 2010 at CFTT Office, 104 W. Lockhart Street, Unit 2 starting at 4:00 pm.

Respectfully submitted as a true and accurate copy of the minutes of the February 11, 2010 Board meeting.

Dora McCarty, Secretary Date