



SOCIETY OF ST. VINCENT DE PAUL

NEIGHBORS HELPING NEIGHBORS

Special Council Board Meeting Minutes January 9, 2024, 4:00-5:00 p.m.

Presiding: Carole Johnson, President

1. Attendance:

- Voting members present or participating virtually: Carole Johnson, Lyle Gilbertson, Mary Murphy, Jeanette Aubuchon, John Stephan, Russ Struttman, Dave Little, Judy Belford, R.B. Clark III, Clay Whitener, Rene Lorio, Ruth Klenke, Bernie Sammons, Christine Novalis, Yolanda Diaz, Brenda Vanderford, Ellen Harshman.
- Voting members absent: Meg Huber, Kenneth Patterson,
- Ex Officio or non-voting members present: John Foppe and Fr. Dan Thiess
- SVdP staff present: Mike Goering, Steve Poppe
- Guests: Jason Coleman (Blue Summit Consulting) and Edie Varley (St Anselm Conference)
- Quorum present: Yes

2. Opening prayer - Fr. Dan Thiess

The meeting began at 4:05 p.m. Fr. Dan read a quote from Blessed Frederic Ozanam, indicating that we should know the poor not by reading books but by meeting them where they are and getting to know them. He also wished everyone a Happy New Year.

3. Resolution regarding the Line of Credit (LOC) at UBS

- Carole Johnson welcomed everyone, indicating that the purpose of the special meeting was to discuss and act on the resolution for an LOC at UBS. Carole confirmed that all Board members had received the resolution prior to the meeting.
- John Foppe indicated that there had been several twists and turns in getting an LOC in place since the Executive Committee initially authorized in early November. SVdP's cash flow situation has improved since that time, so at this point the LOC may not be needed. Jason Coleman added that successful fundraising during the Christmas season plus a review and "cleanup" of expenses had reduced the urgency of getting an LOC. However, an LOC would provide a "safety valve" if the cash flow situation worsens in upcoming months; also, the LOC doesn't cost anything (UBS doesn't charge a facility fee).
- A motion to approve the LOC resolution was made and seconded.

- An extensive discussion of the LOC resolution followed. Concerns were expressed about why the LOC is needed at all (have not previously had an LOC); incurring debt to assist the poor (how much in debt will SVdP have and for how long); lack of specifics on draws on the LOC (amounts and need for Board involvement); and possibly draw on the government bond fund SVdP has with UBS (instead of an LOC draw) at times when there are cash needs exceeding fundraising and stores receipts.
- Jason Coleman stated that we now have better insight into revenues and expenses, but we're not completely in the clear. We have a higher cost structure than in years past (e.g., higher store wages – Council recommended and Board approved following the pandemic). We can't rule out the possibility later this year of cash flow problems similar to those experienced this past fall.

It was also mentioned that the government bond fund is a Board Designated Fund not intended to address cash flow issues. Also, there is seasonality of donations which can lead to cash flow issues outside of peak giving seasons (such as Christmas).

The resolution indicates an LOC of \$1,010,000 rather than \$1,000,000 to put us into the band above \$1,000,000 where the interest charge is lower.

Unfortunately, SVdP Council financial reporting is not available at this time, and won't be available until April. This makes projection of cash flows more difficult, making it more difficult to determine the need for an LOC.

Finally, the "window" of time for completing the UBS LOC closes on January 14th. John Foppe indicated that the LOC is a stopgap; it can be tabled at this time

A motion to table the LOC until at least the January 25th Board meeting was made and seconded, but not voted on.

- Further discussion ensued on modifying the proposed resolution. Concern was expressed over the possibility that a payroll (\$275K for each 2-week pay period) could be missed due to a cash flow issue. An LOC would eliminate that concern. The resolution was modified to indicate that all draws on the LOC will require the full Board's approval.
- A motion to approve the LOC resolution as revised was made and seconded. There were 9 Yes votes and 6 No votes; 1 member could not stay for the vote. Carole announced that the resolution was adopted.

4. Closing prayer - Fr Dan Thiess

Fr. Dan emphasized giving thanks for our donors, and moving forward with prudence in 2024.

The Meeting adjourned at 5:50 PM

Respectfully submitted by: John Stephan, Secretary