



SOCIETY OF ST. VINCENT DE PAUL

NEIGHBORS HELPING NEIGHBORS

Board Meeting – Minutes January 30, 2025, 4-6 PM

Presiding: Carole Johnson, President

1. Attendance:

- Voting members present or participating virtually included: Carole Johnson, Dave Little, John Stephan, Ruth Klenke, Jeanette Aubuchon, Judy Belford, Brenda Vanderford, Paul Lodewyck, Ellen Harshman, Rene Lorio, R. B. Clark III, Mike Carosone, Bill Cornwell, Bernie Sammons, Ellen Harshman, Melynie Blackshear, and Bob Hook.
- Voting members absent: Christine Novalis, Ken Patterson, Clay Whitener, and Yolanda Diaz.
- Ex Officio or non-voting members present: John Foppe and Fr. Dan Thiess
- SVdP staff present: Jason Coleman, Mike Basler, Julie Komanetsky, Gena Bast, Vandy Sharma, John Fitzpatrick, Steve Poppe
- Guests: Edie Varley and Jennifer Chickey
- Quorum present: Yes

2. Opening comments and prayer – Carole Johnson

3. Governance minute – Judy

4. Opening Prayer – Fr Dan

5. FY 2025 Q1 Strategic Progress Report – John Foppe

- Over the past two years, I have often described our challenges as a “perfect storm”—a convergence of accounting hurdles, staffing shortages, cash flow crunches, and operational restructuring. These were difficult moments that required tough decisions. Yet, through teamwork, persistence, and trust in divine Providence, we have not only weathered these storms but have positioned the Council for a stronger future.
- Financial Progress and Stability: Tonight, we celebrate a major achievement: getting our financial house back in order. In just 14 months, we have completed three years’ worth of accounting work. Following the audit firm’s recommendation that all financial activity of Conferences, Districts, and Council-managed operations be consolidated into financial statements, we undertook extensive coordination with Conferences and Districts to collect the necessary information. This process for FY2022 is now nearly complete.
- With our FY 2022 audit in its final stages, we are also reviewing financials for FY 2023, FY 2024, and the first quarter of FY 2025. Additionally, we have reestablished a regular

cadence of providing monthly financial statements, ensuring ongoing transparency and accountability.

- The numbers reflect our progress:
 - For FY 2024, we earned a net surplus of \$5.75 million on total revenues of \$24.98 million, from the budgeted \$213,000 deficit on projected revenues of \$22.66 million.
 - For the first fiscal quarter of FY 2025, we earned a \$482,000 surplus on total revenues of \$4.24 million.
 - We ended the quarter with \$504,000 in cash on hand, \$2.67 million in investments, and \$10.7 million in net assets (equity).
- Additionally, our accounting department is now fully staffed, and we recently received notice of a generous bequest exceeding \$5 million, a testament to the enduring faith and generosity of those who believe in our mission.
- We are also making progress in Human Resources:
 - Employee health benefits were renewed at a rate lower than expected.
 - Merit raises were awarded for the first time in two years, recognizing our team's dedication and hard work.
- Operational and Revenue Challenges: While we have made great financial strides, challenges remain—particularly in our thrift store operations, where sales are currently below plan. In response, we have developed and are implementing a comprehensive strategy to increase store revenue, including:
 - Special events and promotions, such as the ongoing \$4 clothing test at our St. Charles and Florissant locations, which is yielding promising results.
 - Improved processing efficiency, achieved by carefully hiring full-time employees. Our Cool Valley location, for example, has significantly increased production with a fraction of the previous personnel.
 - Aligning store manager performance criteria to better focus on revenue growth and operational efficiency.
- Donors Remain Generous
 - Despite these retail challenges, our development efforts are surging! As of December, we have raised more than \$1.33 million—46% of our annual \$2.90 million goal. Unbudgeted bequests and store donations add an additional \$70,000, bringing our total funds raised for the first quarter of FY 2025 to \$1.40 million.
 - Additionally, the Vincentian Services team have opened grant applications for Conferences to support direct assistance to our neighbors in need. Disbursements will be made this spring.
- Strengthening Finances, Governance and Transparency
 - The challenges of recent years have made one thing clear: we must diversify our revenue streams. To adapt to a changing economic and retail environment, our thrift store model requires fresh thinking—clarifying their role in the mission, exploring new store formats, reducing costs, and competing in the online thrift market space.
 - Beyond retail, we must also expand our development capacity by securing more corporate, foundation, and community grants, cultivating new major donors, and growing our planned giving program. Investing in these areas will build financial resilience and expand our impact.

- As we strengthen our financial foundation, we must leverage the Council's role in governance and support. While the Council exists to empower each Conference's work with the poor, we must acknowledge the recent challenges we have faced in audit compliance, safeguarding compliance, and banking transparency. In the past, inconsistent practices across our Conferences and Districts created vulnerabilities in these areas. Addressing these concerns has required more rigorous financial oversight, improved reporting structures, and stronger internal controls.
- As the parent organization, the Council handles foundational tasks that free Conferences to focus on direct service, but it is also responsible for ensuring compliance, safeguarding assets, and maintaining public trust. The Council amplifies the reach of every Conference, ensuring that our entire network serves those in need with greater efficiency, compassion, and sustainability. Strengthening this backbone creates a ripple effect, enhancing every Conference's ability to serve the poor more efficiently while operating in full transparency and compliance.
- As we anticipate the influx of funds from the upcoming \$5 million bequest, it is critical for the Board to strategically consider the Council's role in allocating program funding to the Conferences. Given that most nonprofit operations often rely on development revenue, we must balance the prudent stewardship of these funds with initiatives that advance our mission. This requires developing strategic funding models that prevent the accumulation of excess reserves while ensuring that financial support fosters sustainability rather than dependency or an entitlement mindset among conference members.
- Strategic Planning: To continue improving in these areas, we must commence a new strategic plan—one that reimagines our thrift store model, builds our development department, and establishes best practices for governance and financial stewardship.
- Looking ahead, this year we celebrate 180 years of serving St. Louis—a milestone that speaks to our resilience. The Council is here to stay. But to thrive for another 180 years, we must be forward-thinking, strategic, and unified in our mission.
- We have faced storms, but together, we have weathered them. As **Matthew 7:25** reminds us: *"The rain fell, the floods came, and the winds blew and beat on that house, but it did not fall, because it had been founded on the rock."* Let us continue to build on that rock—with faith, strategy, and determination—as we move forward together.
- Thank you all for your patience, dedication, and commitment to our mission. I look forward to our discussions tonight.

It was recommended that we have a plan to spend the expected \$5M bequest and communicate the plan with Conferences.

A motion passed to accept the report.

6. Treasurer's Report

- FY2022 Audit Update:
 - We need information from nine Conferences and two Districts.
 - Trial balance has been sent to Wipfli.
- FY2023 Financials:

- Conference and District financial information required for FY2023 and 2024 will be similar to FY2022, including Conference Activity Report (CAR), bank statements and reconciliations. Training is planned for Treasurers in February and March.
 - Wipfli schedule is late Spring.
- FY2024 Financials:
 - IRS form 990 is due Feb 15th and Wipfli may or not be able to file based on their review of the trial balance that we sent.
- FY2025 Financials:
 - Monthly financials are being provided on a regular basis.
 - Any plan to compare monthly financials compared to budget? Yes. We are in the process of parsing out the FY2025 annual budget into an seasonal monthly budget.
 - Liquidity status: good, \$742k in bank, \$1.37M in BDF.
- Motion passed to accept the Treasurer's report.

7. Decisions to be made:

- Resolution to form a Strategic Planning Committee: Motion passed.
- Resolution to establish a Redistricting Committee: Change the last line to a "maximum of 11 members". Revised motion passed.
- Resolution for Professional Services Fees in FY2025: Motion passed.
- Resolution to Buy Then Sell a Leased Truck: Motion passed.
- Resolution to Restart E-commerce: Motion passed.
- Resolution on Board Meeting Confidentiality: Motion passed.
- Resolution on Council Document Control Policy: Motion passed.

8. Governance presentation

- The Board retreat will occur as planned on March 8, but Tim Williams is not available. The Governance Committee will determine the facilitator.
- As an annual requirement, the Conflict of Interest statement must be signed by all Board members.

9. Board Member Development Packet

- John Fitzpatrick passed out the development packet, soliciting a contribution from Board members.

10. Motion to approve the Consent Agenda

- Motion passed with one change to the last meeting minutes (Judy Belford was absent)
- Judy provided an update on Safeguarding status. Pending an updated member list from three Conferences.
- Judy provided an update on the Vincentian Vocation & Vitality. On April 23 will be a pilgrimage to a local shrine.

11. There was no other business

12. Parking lot:

- Consider a discount for cash at the stores (Steve)
- Consider purchase of trucks in the future vs leasing (Steve)

13. Closing prayer - Fr Dan

The meeting adjourned at 6:33 PM.