



SOCIETY OF ST. VINCENT DE PAUL

NEIGHBORS HELPING NEIGHBORS

Ad Hoc Council Board Meeting – Minutes July 1, 2024, 3:30-4:40 p.m.

Presiding: Carole Johnson, President

1. Attendance:

- Voting members present or participating virtually included: Carole Johnson, Dave Little, Mary Murphy, John Stephan, Ruth Klenke, Jeanette Aubuchon, Rene Lorio, R. B. Clark III, Christine Novalis, Judy Belford, Brenda Vanderford, Melynie Blackshear, Kenneth Patterson, Paul Lodewyck, Clay Whitener and Yolanda Diaz.
- Voting members absent: Russ Struttman and Ellen Harshman.
- Ex Officio or non-voting members present: John Foppe and Fr. Dan Thiess
- SVdP staff present: Jason Coleman, Juie Komanetsky, and Steve Poppe.
- Guests: Lyle Gilbertson, Edie Varley, Mike Carosone, Pat Lyons and Jennifer Chickey.
- Quorum present: Yes

2. Opening prayer – Carole Johnson and Fr. Dan

3. Status of Financial Reporting – John Foppe and Jason

- We have taken actions over the past year to increase revenue and reduce expenses. While some efforts have proved effective, other efforts have taken longer or not improved our liquidity quickly enough. Therefore, other actions are required.
- We purchased Cool Valley in January 2020, just prior to COVID, with the thought to offer employment in a depressed area along with processing and distributing goods more equitably. Ever since the opening, we have struggled to maintain manpower at an adequate level. We need to right-size our workforce for processing.
- Although store revenue is up, it is not up consistently at an adequate level. For example, last Friday, store revenue was \$39k and on Saturday was \$47k. However, we need store revenue to be at least \$39k every day.
- Jason outlined accounting challenges and progress on QuickBooks (refer to Page 6 of the attached briefing).
- Given the recent accounting challenges, management Financial Statements are expected in October 2024.
- For the July Board meeting, we can expect to see financials through April, maybe through May or June if the seven-week QuickBooks gap is completed or closed.

4. The proposed structuring resolution was discussed.

- Highlights of the proposed restructuring plan:
 - Close the Cool Valley Thrift Outlet and Processing Center and shift processing back to the stores
 - Council Staff: Eliminate seven positions. Implement a 20% furlough of remaining staff.
 - Reduce BlueSummit consulting costs, delaying purchasing and inventory accounting (to begin July 1st, 2024).
 - Eliminate or reduce the hours of 18 store employee positions
 - Temporarily cease unrestricted funding of Council programs, while continuing programs funded by restricted donations. Encourage continued Conference Twinning.
 - The Executive Director is authorized to implement a hiring freeze for all positions except the accounting staff and two e-commerce associates.
 - The Executive Director may withdraw up to \$500k as needed from Board Designated Funds (BDF) to fund Council operations.
 - The total monthly impact on cash flow was approximately \$314k
- During discussions, it was agreed that the request to draw \$500k from BDF should be reduced to \$250k. The Council should reapproach the Board if and when the other \$250 is required. Additionally, the proposed furlough of remaining Council staff was eliminated from the plan.
- With the changes above, the motion was passed to approve the resolution, improving cash flow by an estimated \$291k.

5. Closing prayer – Fr. Dan Thiess

Respectfully submitted by Steve Poppe, Executive Assistant and Council Office Manager