

Hope Shores Alliance
Finance Committee Agenda

Date: January 26, 2023

Attending: Nikki, Val, Natalie, Char, Edna

Excused:

Called to Order: 12:05 pm

Topic	Discussion	Action
<p>Financials:</p> <p>September 2022 -Finalized October 2022-Finalized November 2022 - Finalized December 2022 Q1 FY23</p>	<p>Nikki shared the finalized September through November financials.</p> <p>Nikki reviewed the December and Q1 Financials with the attached notes.</p> <p>Edna requested to add the YTD Budgeted amounts for comparison along with the Total Budget amounts.</p> <p>Edna asked about a Centralized Ordering process. Nikki and Val shared the current ordering process and confirmed that it is centralized but now we are ordering more in bulk.</p> <p>Val asked for a breakdown of the Cash Contributions.</p> <p>Val asked about a GF report.</p>	<p>Edna to take monthly and Quarterly Financials to BOD for approval.</p> <p>Nikki will add the YTD Budget column back to the reports.</p> <p>Nikki will provide Val with the Cash Receipt report for Cash contributions.</p> <p>Nikki will begin presenting a GF specific budget report monthly.</p>
<p>Thrift Stores:</p> <p>Revolve</p> <p>Seconds on Third</p>	<p>Nikki reviewed the financials for both Thrift Stores.</p> <p>The committee discussed the credit card fees and looking into the idea of an ATM machine.</p> <p>Val asked about the Salaries for December at Seconds on Third.</p> <p>Natalie presented her store report.</p> <p>Volunteer numbers are high currently and the appreciation dinners are taking place for both locations.</p> <p>Average sales were down in December at both locations.</p> <p>Revolve's back room is clean, processed, priced and ready to go out on the floor. It's looking really nice back there.</p>	<p>Nikki will discuss fee options with Sekure to see what options we have for reducing fees.</p> <p>Nikki will review wage report to see what made up the higher fees, other than 3 pays.</p>

Line of Credit - Huntington Bank	Nikki notified Finance Committee of the denial, Most likely due to not have collateral. We could relook at this option if we are able to secure funds to use.	N/A
Calcite CU Merger to AAACU	Merger effective 3/18/23	N/A
Financial Audit Update	Nikki updated the committee that the auditor is still working on the financials but has not asked any follow up questions from the site visit.	N/A
Next Meeting		

Adjourned: 1:25 pm
Respectfully Submitted: Nikki Amrich

Finance Meeting Notes:

Balance Sheet:

- Other Receivables – Besser Foundation
- Prepaid Expenses - Annual payment for Cyber Insurance
- Accrued Compensated Absences – Removed Vacation Accrual for new policy eff. 1/1/23
- YTD profit - \$31,657.57

Statement of Revenue & Expenses – Budgeted

- Revenues
 - Fund Revenue – increased due to higher wages and 3 pays in December.
 - Comstock Fund – Check should be here in a few weeks
 - Misc. Grants – Received 2 mini grants from individuals processed through Community Foundation and received the DTE mini grant.
 - Cash Contributions – Budgeted at an estimated \$5,000 per month, after being down in November we are now ahead of this estimate with \$17,599 for the quarter.
- Expenditures
 - Salary and Fringe are both increased in December due to having 3-pays
 - Client Assistance is down. Val and I halted client assistance mid-December in order to develop a more consistent, survivor equity process.
 - Miscellaneous Expense consists of a deposit for Staff Enrichment that was paid with a check.
 - Supplies – There was a supply spending freeze through December 31st

Statement of Revenues & Expenditures – Comparative

- Revenues
 - Fund Revenue is higher than last December due to timing of 3rd payroll.
 - Besser Foundation is the next step down amount
 - United Way and Misc Grants are a timing difference on when payments come in or are recorded
 - Misc. Grants is higher for December and the quarter due to the unexpected mini grants received.
 - Cash Contributions are higher than December last year but the YTD is lower. It doesn't seem that we receive as many individual donations as we have in the past.
 - Thrift Store proceeds are increased due to Revolve opening on the 21st last year.
- Expenditures
 - Payroll is up from December of last year but down for the quarter. We had a few employees out on unpaid leave of absence.
 - Fringe is showing a credit due to the reversal of the accrued vacation that ended 12/31. This is also causing the quarter to be down. We will no longer be accruing this balance so the monthly amounts should even back out with a lower YTD balance.
 - Client Assistance spending is down due to cash flow and evaluating needs
 - Contracted Services – this is down from last year due to the monthly billing of 1010 Technology for IT services to the quarterly billing we have for Tier 4. I have not received the Q1 bill from Tier 4 yet.

- Leasing Vouchers – is down due to the 2015 OVW award ending. The 2022 award has been approved but we have not implemented the new program yet.
- Supplies – is equivalent to December of last year but we are down for the quarter. Last year were several end of year COVID grant purchases that we do not have this year.
- Transportation – is increased due to the higher mileage reimbursement rate
- Utilities – is down, most likely due to the warmer weather we have been having to keep heat costs down. There will be an increase in this line item for January due to the Emergency Shelter washing machine breaking and leaking water.

Summary Budget Comparison

- Percent of budget used should be around 25% for the quarter.
- Revenues
 - Fund Revenue is down for the quarter most likely due to 2 employees being out of unpaid leave, spending freeze for supplies, and the halt mid-December for specific assistance.
 - United Way and EFSP – the budget for ESFP was originally combined with United way prior to creating its own line item. The percentages for these should be:
 - United Way budget \$8,500 – 45% received
 - ESFP budget \$20,100 – 48% received, however this amount will be reduced since we did not get the 2023 allocation.
- Expense
 - Employee Benefits – down due to the accrued vacation change
 - Client Assistance – down due to reduced spending and evaluation of program processes
 - Contracted Services – down due to current IT servicer billing quarterly vs. monthly.
 - Supplies – down due to spending freeze
 - Utilities – down due to warmer weather and reduced heating needs

Revolve Thrift Store

- Currently at an operating loss of \$2,237.46.
- Sales were down for December. It is the lowest revenue amount YTD.
- Repair & Maintenance was high for November due to the purchase of additional fire extinguishers required.
- Comparison
 - This is the first month of comparison, however last December was only 10 days
 - Expenses are down overall about \$500 from December last year. This is seen in Salaries and Fringe. Natalie was charging more of her time to the store at start up

Seconds on Third Thrift Store

- Currently has an operating profit of \$2,896.86.
- Sales were down for December here as well. It was also the lowest revenue amount YTD.
- Salaries are increased due to the 3 payrolls and the transition of employees.
- Mileage charge was for Madison's trip to the store.

- Telephone/Internet bills came in late and were paid in January.
- Comparison
 - Sales increased from December of last year but Cash Contributions are down. YTD sales are also higher than they were last year.
 - Salaries and Fringe are slightly lower than last year due to open positions and having PT staff vs. FT staff
 - Supplies are down from last year due to spending freeze and only ordering necessities
 - Refuse/Snow Removal is down due to invoices arriving in January for November and December