

4CORE Board Meeting Minutes: October 17th, 2013



LOCATION

Carnegie Building Meeting Room

BOARD MEMBERS PRESENT

Enid Brodsky
Werner Heiber
Mary Beth Miles
Peter May Ostendorp
Kurt Schneider
Paul Senecal

ABSENT

Gwen Lachelt
Roy Peterson
Lew Pratsch
Mark Schwantes

4CORE STAFF IN ATTENDANCE

Gregg Dubit
Bonnie Rozean
Teresa Shishim

GUESTS – Potential Board Member

Tom Holcomb – Employed by Living Solar

Call to order - 3:08 pm

Introductions were made.

Tom Holcomb was introduced.

OLD BUSINESS

Approve minutes from September 19th.

Motion: Kurt asked if there was a consensus regarding the frequency of reporting discussion held last moth. Kurt noted that the Bylaws do state quarterly reported be provided. It was decided that staff would provide monthly staff and financial reports as recommended by the board. Enid made a motion to approve the September board meeting minutes; Mary Beth seconded.

Vote: Motion approved.

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HomeRx Call to Action Reminder

Werner arrived at 3:17 pm

Peter reminded the board to sign up for an audit and shared his audit experience. Peter was impressed with the level of vigor and the value of the audit on his home.

Board Development Updates: Candidates for Nomination

Steve Calwell decided not to join the board. Claudia Williams is undecided but has signed up for an audit. Peter noted that Tom Holcomb has been very engaged in the Ways and Means meetings. Peter nominated Tom to join the board. Werner moved for Tom to join the board. Mary Beth seconded. Paul asked how many board members had reviewed Tom's qualifications. Three members have done this review. Tom shared his background with the board. Tom was formerly CEO with Renewal Choice and has a background in business development. Tom was involved with the Mosaic startup carbon accounting software program. Tom has advisory board and board member experience.

Vote: Motion approved.

NEW BUSINESS

Solarize Program Update

Teresa updated the board on the Solarize program. The launch date is October 22nd and the board is invited to attend from 5:30 – 7pm at the Durango Discovery Museum. A five cent per watt installed fee has been approved as a funding stream for 4CORE. Teresa has submitted numerous funding applications for the program as well. There will be a form on the website for interested folks to complete and 4CORE will follow up. First National Bank and First Southwest Bank have been chosen as the lending institutions. 4CORE will not be contracting directly with the installers. Written agreements will be drawn up between the installers and 4CORE. The installers and banks will be communicating directly with the clients. 4CORE will be the lead liaison. Distributing the leads to the contractors is being worked out. The base system pricing has been finalized and is ready for distribution. Gregg added that this program shows a significant shift in community engagement. Five contractors have signed up. The prices being offered are below the current market rate. The goal is to Solarize 100 homes in La Plata County with an average system of 5kW. The sign up period will begin at the launch and run through January 2014 and the program will run through early spring. The City of Durango contributed \$500 to the effort which is being matched by the steering committee. The board is welcome to donate to the project as well. Peter shared his perspective regarding this endeavor and how Erich would be proud of the accomplishments. Paul asked the board who was able to come on Tuesday and all in attendance confirmed attendance. Gregg requested that friends and neighbors be invited to the launch. The goal of 100 homes is higher than the internal 4CORE original goal of 50. Gregg discussed the implementation of the customer relationship marketing software that Teresa has implemented at 4CORE. Board members are welcome to come to the office to make calls to potential clients using the software.

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Bank Account Signing Authority

Bonnie described the requirements of the banks regarding board member's authorization to sign on the bank accounts. Mary Beth moved that the Board Chair and Board Treasurer are authorized as signers on 4CORE bank accounts. Enid seconded.

Vote: Motion approved.

Dialog on Minimum Reserves

Gregg thanked Mary Beth for the information shared on creating a minimum reserve. Currently 4CORE does not have a minimum reserve policy. Kurt elaborated his concerns regarding the fiduciary responsibilities of the board to assure the organization can meet its obligations. Kurt recommended that an operating reserve policy at a minimum be drafted and perhaps language added to the Bylaws. Gregg gave some background and the financial outlook for 4CORE. Kurt recommended staff draft a worst case scenario reserve policy. Gregg noted that current grants are on a reimbursement basis which will need to be considered when drafting the policy. Bonnie offered to draft a reserve policy with Gregg and Kurt's input for presentation at the next board meeting. Enid recommended checking with the Community Foundation and other local nonprofits on what the best practices are for creating a policy. Kurt recommended general language might be added to the Bylaws; this will be discussed further by the board once staff has done research on best practices.

2014 Budget Discussion

A revised draft budget was handed out to the board. Gregg recommended that the board consider adopting the 2014 budget at the December meeting. A probability table was added to page 3 of the draft budget. Gregg updated the board on the LPEA request presentation. \$10,000 was approved for Energy Efficiency and \$10,000 for Housing Solutions. It is unclear whether these funds are for 2013 or 2014. Gregg will be in contact with Mark to determine which year. Mary Beth raised her comment about budgeting to the probability amounts and Gregg had noted ~~that~~ that ~~could~~~~would~~ induce 4CORE to make staffing cuts perhaps prematurely. The 2014 budget does not include the forecast reserve amount. Enid inquired about what the monthly cost for the organization is. Gregg noted the monthly burn rate for both the full proposed budget and the probability budget. Peter added that as new ideas flesh out those probabilities should be considered. Mary Beth discussed prioritizing program areas. Kurt discussed setting benchmarks for assessing organizational financial health. Discussion continued on probabilities of different funding streams. Kurt discussed allowing the new focus areas to prove themselves. Gregg summarized that the board would like to see a more conservative budget tied to the probabilities and allowing room for promising programs to prove themselves. Tom discussed that the probabilities may be too conservative and asked what the milestones would be to determine if goals are being met. Board asked staff to determine where cuts would be made to meet the probability budget. Staff and some board members will meet and revise the draft budget to be presented at the November meeting.

Enid left at 4:54 pm.

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Ways & Means/Fundraising Discussion & Actions

Peter went over the goals of the Ways and Means committee – to develop a strategy to address the \$106k budget shortfall and to propose and vote on the 2014 budget at the November or December meeting.

Peter went over the objectives some of which are for short term funding efforts and to create a “parking lot” for long term ideas.

Gregg noted how helpful it is for the board to meet with funders to assure continuing funding.

Peter and Gregg went over new, high priority, and short term initiatives. Some board members are currently championing a few of these initiative and others need board member leads. Peter suggested that this report be circulated to the board. Discussion was held on scheduling the next Ways and Means committee meeting.

Additional Business

NEXT MEETING

November 21st, 3:00 – 5:00 pm at the Carnegie Building

ADJOURNMENT

Tom moved to adjourn, Kurt seconded. Motion approved at 5:07 pm.

Drafted by Bonnie Rozean, Finance Manager

Respectfully Submitted by:

Paul Senecal, Secretary

4CORE Board of Directors