



Electronic Finance Committee Meeting

Tuesday, September 1, 2020*

***Please Note:** This meeting is the August meeting of the Finance Committee and had been rescheduled from its original date of August 28, 2020.

Attendees: Brian Canina, Christopher Fager, Sean O'Connell, Thomas Duke, Stephen Schaffer, Brenda Trierweiler and Bob Suprenant from MP Group.

Discussions:

This meeting was started with a discussion of the PPP loan, with input from Bob Suprenant of the MP Group. Bob told the group that based on AICPA, the money should remain a liability on the balance sheet until full forgiveness is received. It is still not clear as to how the income will be recognized upon receipt of full forgiveness and due to that, he recommends the submission of forgiveness paperwork, should be delayed until after November 1, to avoid this being a subsequent event on the FY2020 financial statements. Sean suggested with the delays experienced with SBA and the FEDS, having the submission complete by October 1, 2020, would result in the notice of forgiveness to come in well after November 1, as they are seeing anywhere from 60 – 90 days in delays. Due to the amount of 24 weeks for usage, CSH will use the payroll amounts to cover the total amount of the loan. Steve inquired as to the attestations that will need to be made upon filing for forgiveness of the loan. Bob reviewed the certifications, making clear, at this point, the SBA is only looking for the acknowledgement of accuracy of information and appropriate use of funding; there appears to be no questions related to business losses / gains or any additional relief funding received. The Committee also discussed leaving the savings account at Westfield as is until forgiveness is received and then reviewing the possible movement of funds to the endowment or larger capital improvements. Bob answered all questions and then excused himself from the meeting.

The minutes of the July 28, 2020 Finance Committee meeting were sent electronically; Tom made a motion to approve, seconded by Brian and all approved.

Brenda provided the following information to the Committee:

1. As of today, we have \$253,434 in our operating account; \$1,764,895 in our savings at Westfield Bank; our current A/R is \$421,174 and we currently have \$0 in A/P as they are being processed weekly.
2. Through July 31, 2020, the organizational operations resulted in a surplus of \$81,317.
3. The residential programs, SHARP and START both had deficits for the month of July, but Cottage, by maintaining a census of 12, was able to generate surplus in excess of the other residential program deficits. SHARP continues to struggle to maintain engaged staff and mandated ratio, with program management often having to cover shifts beyond their regularly scheduled time. START has maintained enrollment and, of the residential programs, has the strongest

management team; however, they also have times of staffing shortages. This consistent problem is the result of several things; staff burn out –staff are covering excessive shifts; staff fear of infection; the ability to collect more on unemployment than this position pays; and, a hard job has gotten harder - the children have not been out of the house for nearly 5 months.

4. Family Support programs, along with Foster Care continue to function at a surplus; we have seen a dip in referrals for both but have been able to control expenses and remain sustainable.
5. For the first month of our summer programming, the Mill Pond School-Berkshire resulted in a surplus, with enrollment exceeding expectations. The Mill Pond School-Springfield and Curtis Blake Day School had a deficit for the month of July, but the losses did not exceed the surplus of Mill Pond School-Berkshire. We discussed the plans of the schools for the upcoming school year. The elementary grades will be full time in person instruction as the experience the most challenges with remote learning. The middle and high school aged students will be a hybrid model, having 3 days of in person learning and 2 days of remote learning, alternating weeks. Chris asked if it was possible to make all grades full time in person learning; however, due to the limited space of the buildings, and the need to maintain physical distancing, it just is not possible to accommodate the full student body at the same time. The group discussed the possibility of acquiring the sanctuary room that the Church still occupies in Richmond, but, to Management’s knowledge, they are still holding weekly services and the space is unavailable to CSH at this time.
6. The Committee discussed the budgeting process and where the budgets currently are in terms of development. Brenda informed the group the development of the residential budgets has been difficult, with all three programs resulting in large deficits based on proposed program census. Even with the surplus usually experienced in other programmatic budgets, the deficits exceeded projected excess. Brenda plans to re-work the budgets, produce a combined, full organizational budget, that is breakeven based on recommendation of this Committee. It will be ready for presentation to full Board at the September 25th full board meeting.

Upcoming Meetings: The next meeting, scheduled for September 22, 2020, will be a virtual ZOOM meeting; I will send out an invitation to that meeting as it gets closer.