

August 16, 2022

Finance Committee Meeting Notes

Attending

Chair: Vacant

Members Present: Bobby Cowgill, Wayne Duman, Steve Fargis, J.C. Poma (via telephone)

Members Absent: Clay Bowles, Matt Kanne

Staff: Hunter Leemon, Laura Bennett, Katy Latimer

Announcements

- Hunter discussed Robin Gordon's resignation from the committee and board. The separation is amicable and Robin will continue to be a friend to the organization, but not serve as an officer.
- As part of this change, this committee will focus on strategic work to align with the overall direction the board is heading.
- Katy Latimer, Sportable's new Development Director, was introduced and welcomed to the meeting.
- J.C. Poma has joined the Finance Committee and was welcomed to the group.

Action

- With Robin's departure, the Finance Committee Chair/Treasurer position is vacant. Hunter asked Wayne if he would be willing to resume this role prior to the meeting. Everyone on the committee agreed Wayne was an excellent choice and thanked him for his willingness to step in.
- J.C. Poma moved to nominate Wayne Duman as the Finance Committee Chair/Treasurer. Steve Fargis seconded the motion and all present were in favor. The Finance Committee will present this recommendation to the full board on August 18, 2022.

Discussion

- Quarter 1 Financials
 - Hunter and Wayne reviewed the financials, noting we were \$255k over budget and in an excellent financial position.
 - While Aged Receivables are over \$169k, most are under 60 days and the rest are being addressed.
 - There are some improvements that can be made in terms of consistent reporting; for example, the development reports don't align with QuickBooks accounts/classes; Laura will be working with Bill on this.
 - Some questions related to event income and expenses were discussed – Hunter assured the committee that P&Ls for specific events are looked at even though income/expenses for fundraising and events aren't tied together on the financial reports presented to the committee and board.

- We have about a \$73K monthly burn rate excluding CNI; equating to about 9 months of cash on hand, which is a great position to be in.
- The committee agreed it was wise to retain the \$150k SBA loan at this time.
- Hunter has asked C&F for an additional \$100k in our line of credit and expects to get it.
- Strategic Partnerships
 - Hunter presented a sneak peak of the guiding strategic questions each committee will use moving forward. There is one key question and sub-questions to help focus the committees and the board. These will be presented to the full board on August 18. The key question for the finance committee is: *Are we building and safeguarding our resources to ensure the organization is sustainable and prepared for growth?*
 - Hunter updated the committee on various partnerships he's been cultivating:
 - Henrico County
 - We want to be have space at the new facility and have an agreement with the county to provide services. Discussions are ongoing and have been very promising; the next 18 months will require a lot of planning and behind the scenes work to make the relationship successful.
 - VDH
 - Laura discussed a multi-year contract with VDH focused on prevention of sexual violence through education, training, peer support, and internal process revisions. The grant provides relief for existing personnel costs and overhead while also funding new program staff or contractors (approximately \$95k a year). The grant will provide leadership development opportunities for female athletes in particular and also include a coaching boys into men program.
 - SAI
 - We continue to have a weekly presence there and have received \$35k from the foundation. In phase 2, we hope to have space onsite.
 - Wally/Consultant
 - Wally and another Sportable donor have agreed to match \$50k each for a total of \$100k for new donations (or significantly higher donations from existing donors) – so the focus is on new money. This will be discussed in much more detail in the coming weeks and Katy will be helping to lead this effort with Hunter.
 - Wally has also advised on strategy and Hunter recommended seeking a consultant to help the organization raise this money strategically but also to plan for the future. We need to build out several financial models and coordinate with the development committee.
 - These predictive models should make assumptions and present various pictures; for example, one with the Henrico relationship; one with SAI, etc.
 - Our product is our program and we must have the right data to sell this program. While we have some data, it is not clean or complete – not consistently collected and the repositories are multiple and disparate. Laura is working on a program database – Salesforce. We have a database consultant and a sandbox environment, but a good amount of

work is left. We do have a good idea of what our programs cost; we have timesheets in place and can get staff costs to supplement P&Ls. However, we don't have consistent data on conversion rates from referrals.

- It will be critical for the consultants to have data and cost accounting so they can build out models.
 - Potential consultants include Monument, DBD, and Fahrenheit.
 - The committee recommended the potential consultants make a pitch to all of them so they can decide which one to work with.
 - In the meantime, Bobby and Hunter will reach out to Matt and see if his company can provide resources to analyze our existing data and create models we can play around with internally.
- The committee viewed this strategic work as a way to operationalize the overall strategic plan and expressed excitement for the direction the committee's work is heading.

Old Business

There being no old business, the meeting adjourned at 5:00 p.m.