

**COMMUNITY ACTION ASSOCIATION OF PENNSYLVANIA  
BOARD OF DIRECTORS' MEETING**

**Conference Call**

**July 19, 2017**

**MINUTES**

**Board Members Present:** Rick Beaton, Janine Kennedy, Darlene Bigler, Sue Auman, David Mrozowski, Wendy Melius, Gale Zalar, Sam Ceccacci, Mitch Little, and Bob Raible

**Members Not Present:** John Litz, Erin Lukoss, Jen Wintermyer, Tay Waltenbaugh, Megan Shreve, Dan Jurman

**Advisory Board Members Present:** Mike Hillman for Rep. Longietti, Anne Gingrich

**Staff in Attendance:** Susan Moore, Sue Northey

Rick Beaton, President, called the meeting to order at 10:00 a.m. Roll call was taken and a quorum was established.

**CONSENT AGENDA**

Mr. Beaton asked for corrections or changes to the April 19, 2017 Minutes. Hearing none, he requested a motion to approve.

<p><b>Motion 7.19.17a: The April 19, 2017 Minutes are approved as presented.</b> Moved by Bob Raible, seconded by Darlene Bigler. The motion passed unanimously.</p>
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Susan Moore, CEO, highlighted items from her written report:

**Conference(s) and Special Events:**

- Planned and executed the 2<sup>nd</sup> annual Community Action Symposium in collaboration with the Department of Community and Economic Development. Posted all presentation and video content on the symposium webpage located on CAAP's website.
- Evaluations were very positive regarding content, speakers, venue and food.
- CAAP is beginning plans for the next Symposium which will be in April 2018.
- CAAP is collaborating with the Pennsylvania Association of Nonprofit Organizations (PANO) and the Alliance of Nonprofit Resources (ANR) to host a joint annual conference. This means

that CAAP has moved its annual conference from the spring to October 2-3, 2017 in State College, PA. CAAP has regularly scheduled planning meetings with PANO. We will have five Community Action workshop tracks and will continue to conduct the annual Self-Sufficiency Awards during lunch on October 3<sup>rd</sup>. Call for SSA nominations begin July 10<sup>th</sup>, 2017 and close August 25<sup>th</sup>, 2017.

- CAAP is supporting the Community Action Partnership’s Annual Convention planning responsibilities and serves as the 2017 “host committee”.

**VISTA Program:**

- Approved for 11 slots for 2017-18
- 4 are CAP agencies and 2 are non-CAP – several have multiple slots approved
- Projects range from veterans focused to housing stability impact to creating affordable housing to data base development
- CAAP has been approved for three slots: two to work on the Public Engagement toolkits and one as a VISTA leader.

**Motion 7.19.17b: The CEO report was accepted as presented.** Moved by Bob Raible, seconded by David Mrozowski. The motion passed unanimously.

**PRESIDENT’S REMARKS – Rick Beaton**

Rick welcomed the new CAAP officers, Megan Shreve and Sue Auman, following the elections in June commenting that he knew they would bring solid and knowledgeable leadership to the Board.

He also congratulated the CAAP staff on a successful Symposium and stated he’s looking forward to the next one.

**TREASURER’S REPORT – Sue Auman**

At the request of Sue Auman, Sue Northey reviewed the June 30, 2017 CAAP Financial Statements. Included in the Statement of Financial Position, Ms. Northey indicated we have \$36,246 in cash. Our Vanguard Investments have performed extremely well this fiscal year. We obtained an 8.56% return on

the account and it increased in value by \$46,476 over the fiscal year. \$24,009 of that increase was dividends (reinvested) and \$22,467 was due to increase in market value.

Our current ratio, which is used to predict an organization's ability to pay its short-term debt and payables with its short-term assets, continues to be strong. CAAP has \$990,517 in short-term assets if the Vanguard Investment account is included and \$400,981 without the investment account. Our current liabilities total \$290,818, which includes accounts payable, accrued salaries, accrued expense and deferred revenue. The current ratio, with investments included is 3.41 and 1.38 when the investment account is excluded. The higher the current ratio, the more capable the company is of paying its obligations.

Prepaid expense, totaling \$19,012 consists mainly of annual insurance premiums, memberships, publications. We currently have \$283,423 in grants receivable (CSBG – \$219,947 and RPIC – \$63,476.)

We have not borrowed anything on our line of credit during the 2016-2017 fiscal year. Accrued expense, totaling \$99,230 consists of \$11,740 accrued audit fee, \$86,230 RPIC technical fees and \$1,260 miscellaneous expenses. Deferred revenue consists of \$84,751 in VISTA Costshare Payments received for the upcoming year and \$3,542 in deferred CAAP Affiliate Membership Dues.

CAAP concluded the fiscal year with a \$35,387 excess of revenues over expenditures.

**Budget Report** – The proposed 2017-2018 budget was presented. Budgeted revenues total \$1,160,850 and consist of the following categories: \$250,000 CSBG funding; \$250,000 CSBG Administrative Grant; \$400,000 in RPIC funding; \$79,300 for the VISTA program of which \$17,000 is grant funding; CAAP Operating funds totaling \$171,550 and \$10,000 of the 2016-2017 surplus to be allocated to sidewalk and restroom repairs.

Proposed wages include a 5% increase in salaries, since staff has not received an increase in several years. Total budgeted 2017-2018 salaries and benefits equal \$504,380 which represents approximately 43% of total budgeted expenditures. Contract services total \$465,416 and operating expenditures total \$191,054. Budgeted depreciation expense for the upcoming year will be \$9,000 less than the previous year, due to certain assets becoming fully depreciated. Total budgeted expenditures for the 2017-2018 fiscal year equal \$1,160,850 and a break-even budget was proposed.

**2017-2018 CAAP Membership Dues** – There has not been an increase in membership dues for several years and it was proposed to maintain the same rates for the upcoming year. Membership dues is calculated based on the annual amount of CSBG funding received by the agency. It is a tiered dues schedule, with assessment rates of \$2,100, \$3,600 or \$5,100. Each of the agencies will retain in the same rate category assessed for the 2016-2017 year. The 2017-2018 dues assessment will total \$134,100.

**Audit Firm Selection** – CAAP sent requests for proposals for the 2016-2017 audit to twelve firms and received six proposals. Of those six, the committee narrowed the candidate pool to three firms: Hamilton & Musser, Boyer & Ritter and Smith, Elliott & Kearns. Hamilton & Musser was recommended to perform the 2016-2017 audit. The recommendation was based on proposed fee, qualification of the firm and satisfaction with prior services.

**Motion 7.19.17c:** The Board accepted the June 30, 2017 Financial Statement as presented. Moved by Sue Auman, seconded by Darlene Bigler. The motion passed unanimously.

**Motion 7.19.17d:** The Board adopted the 2017-18 Budget as presented including a 5% wage increase for all CAAP staff. as presented. Moved by Darlene Bigler, seconded by Sam Ceccacci. The motion passed unanimously.

**Motion 7.19.17e:** The Board approved the 2017-2018 membership dues schedule as presented. Moved by Janine Kennedy, seconded by Mitch Little. The motion passed unanimously.

**Motion 7.19.17f:** The Board selected the firm of Hamilton & Musser to perform CAAP's annual audit for a three-year period beginning in 2017. Moved by Sam Ceccacci, seconded by Dave Mrozowski. The motion passed unanimously.

**REGIONAL REPORTS:**

There were no regional reports since the regions had not met since April. Scheduling for the fall meetings will begin in late August.

**DISCUSSION:**

There were questions regarding the state budget which was passed with a spending plan but not a revenue plan. Susan asked Mike Hillman if he had any insight on what will happen if a revenue plan cannot be agreed upon. He stated that since this has not occurred before, or at least not for many years, no one really knows what will happen. However, he is optimistic that a plan will be developed and passed soon.

Rick asked if there were any other items needing to be discussed. There were none.

The meeting was adjourned at 11:00 a.m.

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Submitted by Darlene Bigler, Secretary