

MINUTES
SPECIAL EXECUTIVE BOARD MEETING
JUNE 17, 2014
TRINITY UNITED METHODIST CHURCH

Executive Board AttendanceQuincy

Charlie Bach
Bill Daniels
Bob Dickson
Will Duryea
Sarah Fernandez
Jack Freiburg
Jeff Terry

Burlington

Terri Dowell
Carolyn Weyer
Stephen Weyer

Phone

Brent Babyak
Greg Humphrey
Jeff Kennedy
John McKillip
Jon Manley
Kevin Mineart
Bill Paxton
Jim Sholl
Jeff Spear
Rev. Mark Spring

Other Attendance

Bruce Moechnig
Rosanna Voss

Gary Mertz

Bob Dickson called the meeting to order at 5:05 p.m.

Action Items:

- ◆ MOTION (by Charlie Bach, seconded by Jeff Spear) TO APPROVE TRANSFER OF THE PORTION OF ENDOWMENT MANAGED AT MERCANTILE BANK WITH AUTHORIZATION THAT PRESIDENT SIGN ANY DOCUMENTS TO MAKE IT HAPPEN. Motion carried.
- ◆ MOTION (by Sarah Fernandez, seconded by Kevin Mineart) TO ACCEPT THE 2013 AUDIT AS PRESENTED. Motion carried.
- ◆ MOTION (by Jack Freiburg, seconded by John McKillip) TO APPROVE THE NOMINATING COMMITTEE REPORT AS PRESENTED RECOMMENDING FOR ELECTION AS COUNCIL MEMBER-AT-LARGE CECIL HASKINS. Motion carried.
- ◆ MOTION (by Rev. Mark Spring, seconded by Jeff Spear) TO APPROVE THE RECOMMENDATION OF THE NOMINATING COMMITTEE TO ELECT AS COUNCIL EXECUTIVE BOARD MEMBER CECIL HASKINS. Motion carried.
- ◆ MOTION (by Bill Daniels, seconded by Jack Freiburg) TO APPROVE THE RECOMMENDATION OF THE NOMINATING COMMITTEE TO ELECT AS COUNCIL COMMISSIONER CECIL HASKINS. Motion carried.
- ◆ MOTION (by Bill Daniels, seconded by Kevin Mineart) TO APPROVE THE RECOMMENDATION OF THE NOMINATING COMMITTEE TO ELECT AS COUNCIL ADVISORY BOARD MEMBER BRUCE MOECHNIG BY VIRTUE OF HIS POSITION AS OA LODGE ADVISOR. Motion carried.

Report Items:

- ◆ Endowment Committee Recommendation (Jeff Kennedy): The committee had a conference call with BSA Asset Management (BSAAM). Committee recommends to the Board to transfer the portion of Endowment funds managed by Mercantile Bank to BSAAM. Jeff reviewed the PowerPoint that was emailed to all Board members. BSA Endowment Fund has a low cost with total fees about 0.6% annually. The BSA Endowment Fund was opened to local councils in 2008 and is run by a Board of Managers who are volunteers. Since 2008, about 50 councils participate in BSAAM. The BSA Commingled Endowment Fund, LP is designed specifically for Boy Scouts (spending policy). The allocation is structured to support up to 5% spending rate. Focus is on a high quality, institutional process. The Asset Allocation pie chart shows there is no over-concentration in any one area. Annualized investment performance for BSAAM for three years ending June 30, 2013 is 11.7% which is comparable to other institutional managers. Bill added, the Board authorized this portion of endowment to another manager, but had problem finding trustee to manage it. This is a great option to that. Good performing manager.
- ◆ Audit Report (John McKillip): John reported the Council changed auditors this year due to Arnold, Behrens, Nesbit & Gray losing employees. The Board authorized Dennis Koch, CPA to do our audit. Dennis is a former Council Treasurer and is a CPA in Quincy. John reviewed the governance letter from Dennis. John stated the Council needs to show the Knapp Trust on our financial statements. There were no disagreements while conducting the audit. John reviewed the Internal Control letter. There were two problems noted: (1) Reconciliation of subsidiary accounts where it was recommended that all subsidiary ledgers be reviewed and supporting documentation be located, so that the accounts can be properly reconciled to the general ledger in a timely basis. (2) Preparation of financial statements where it was stated the Council relies upon its auditors to draft the financial statements. By having the financial statements ready at the time of the audit, the Council would recognize a cost savings and greatly enhance the timeliness of the audit process. John stated we need to reconcile those reports. John reported we have a clean, unqualified audit opinion. The Knapp Family Trust footnote is an adjustment to the Capital Fund (Fund 2). The audit was to have been submitted to National by June 1, 2014. The Audit Committee recommends to the Full Board approval with the knowledge of a few adjustments. Bill stated there will be nothing to change in a material manner. We went through a major accounting software change, first time auditor, just a couple details to work out.

Meeting declared adjourned at 5:34 p.m.

Respectfully submitted,

Gary S. Mertz
Scout Executive

Attest: _____
Bob Dickson, Council President

/rcv