

BALTIMORE CIVIC FUND

Board Meeting

Thursday, November 9, 2023

9:00 am to 10:00 am
Via Video Conference

Board Members Present: John Brothers, HyeSook Chung, Byron Deese, Michael Moiseyev, and Laurie Schwartz

Guest Present: Ruby Zhang from Goldin Group

Staff Present: Lea Ferguson and Rachel Donegan

A regularly scheduled meeting of the Board of Directors of the Baltimore Civic Fund, a Maryland nonprofit corporation, was held via web-teleconference **November 9, 2023, from 9:05 am to 10:07 am.**

John Brothers called the meeting to order at 9:05 am.

The first item of business was a motion to approve board meeting minutes from the June 26, 2023, Board meeting. The Board unanimously approved the Board meeting notes.

Finance Updates

FY24 Year to Date

Staff presented a year-to-date financial statement and reviewed the current financial position in more detail. We were under budget like the last few years. We budgeted \$1.8 million for the operating budget and with the revenue forecast it looks like we will come in at around \$1.6 million. We will review later the revenue forecast to fill in the gap.

FY22 Audit

Like FY21 audit, we anticipate a clean audit with our single audit for the 2nd year in a role.

The focus since the creation of the COO position has been creating the appropriate infrastructure and implementing the new accounting software, so it is integrated throughout the financial systems. In addition, the new finance team took the lead on the FY22 audit from beginning to end. A huge milestone for us as a team trying to keep up with the growth in our fiscal sponsorship work.

Started F23 audit and will have finalized numbers soon for the Board to review.

FY24 Revenue

On the revenue side, we will not receive financial support from the City this year. The board presented different scenarios on the revenue side to ensure we meet this gap. We have had several conversations with City leadership to understand how their financial contribution would help our bottom line. We have sent follow-up information.

The City shared the difficult budget year and will have a challenging time making a financial commitment this year. City leadership did not want to close the conversation and asked if we keep our options open throughout this fiscal year and revisit for future years.

The Board discussed possibilities for future revenue drivers and ways to maintain financial health and operational budget moving forward.

The Executive team is continuing to work with the City's legal team to revise a master agreement for all philanthropic dollars received. The goal is to develop a master agreement for both philanthropic and non-philanthropic funds in the new year.

In the revised revenue budget, the City's contribution is removed, administrative fee is adjusted to allow for reduction in programmatic revenue, waiving admin fee is removed, bank account interest is added, and investment withdrawal is increased.

With these options, we recommend withdrawing from the investment portfolio as follows: two separate withdrawals, the first in January 2024 and the second withdrawal in May 2024 with new insight to determine and finalize the final amount.

The Board chair proposed the motion the increase admin fee to 8% in quarter 4 to expedite stable operating revenue. The board moved and voted in favor of moving the admin fee to 8% in the 4th quarter of FY24.

Partnership Update

Staff presented a high-level overview with the type or projects started since June of 2023. In summary:

- 20 new accounts were opened
- New accounts reflect a variety of areas including older adults, staff support, new immigrants, events, food insecurity and youth development.

From January through April the team focused on updating accounts and closing inactive accounts. The Board asked what happens to the funding if there is no response from primary signatories. Staff shared that many make decisions to move funds from closed accounts to different projects and we have not had many cases where we have no response from an agency. The minimal amount to date was put in the general operating account.

President's Update

HyeSook updated the Board regarding the need to focus on recruitment of additional board members. The priority is still to identify members representing university system and legal background.

The Board chair asked if there was a need for an executive session. No one raised concerns or issues.

Closing Remarks and Adjournment

John thanked everyone for attending the meeting. The meeting was adjourned at 10:012 a.m.

Prepared by: HyeSook Chung, interim Secretary of the Board

