

**COMMUNITY BOATING, INCORPORATED
REGULAR MEETING OF THE BOARD OF DIRECTORS
AUGUST 25, 2020**

MINUTES

The meeting was called to order at 6:30pm over Zoom with Mr. Bates presiding and Ms. O'Sullivan recording. Other directors present were Ms. Boudreau, Ms. Chrenko, Mr. Gaysunas, Ms. Harvey, Mr. Robinson, and Mr. Yu. Mr. Kline joined by phone. Mr. Zechel was present in his capacity as Executive Director. Mr. Twombly, a member of the Corporation, also joined the session.

ORDER OF BUSINESS

APPROVAL OF CONSENT AGENDA

The Board voted to approve the June 23rd Regular Meeting Minutes. The board amended the July 21st Special Meeting Minutes to correct the names of the board members working on planning the Annual Meeting to Ms. Boudreau, Ms. Chrenko, and Ms. O'Sullivan. The Board approved the Minutes as amended.

REPORTS

Auditors Report (Ms. Gilroy)

- Melissa Gilroy, Community Boating's auditor, presented audit findings to the Board.
- Ms. Gilroy recommended that CBI create a process to track and document the permissions from donors related to their wishes. In addition, she shared the necessary required communications and new accounting pronouncements.

President (Mr. Bates)

- Updated group on various projects that board members are currently working on:
 - Budget and Finance Committee: Chip, Dana, Deb, Chris helping to manage our financial response
 - Endowments: Chip and Pam working with pro bono counsel to understand legal obligations
 - Bylaw change: Pam, Chris, Barbara proposed wording to accommodate virtual meetings
 - Annual Meeting: Barbara, Deb, Catie planning zoom corporation meeting
 - 2019 Annual Report: Catie updating 2019 report in the new format
 - 2021 Campaign: John leading campaign with management
 - Website: Barbara providing additional feedback
- Campaign Update

- Update on current campaign status of \$68,300 which includes actual donations, two matching challenge gifts, and hard pledges
- Grant funding presentation
 - Based on feedback from MA Philanthropy webinar, aim to emphasize CBI's demonstrated organizational commitment to diversity, and specifically engaging underserved demographics of greater Boston
- Reviews of the Executive Director
 - Board members should schedule meetings with Charlie prior to next board meeting and provide any notes to John to aggregate into a consolidated review
- Prepare to discuss major strategic issues during next board meeting on 9/22

Treasurer (Mr. Gaysunas)

- Financial Update
 - Through July CBI's Cash from Operations is running \$520k behind Prior Year (\$575k excluding 2021 Challenge and Polar) due to a decline in revenues of over \$870k or 60%, partly offset by a \$355k decrease in cash expenses.
 - The decline in revenues was seen across the board but mostly in membership revenue which was down \$680k or 66% from \$1,027k to \$347k.
 - The decrease in cash expenses was primarily due to a \$250k decrease in payroll and benefits expense due to a decrease in seasonal staff
 - At 7/31, CBI's Unrestricted Cash was running \$254k behind Prior Year. This gap is expected to decrease to less than \$10k by 11/30, due to lower staffing expense and the anticipated receipt of \$150k in EIDL financing. The variance to prior year through July would be significantly greater if not for \$241.5k in PPP and EIDL funding received to date.
 - The weekly model currently projects unrestricted cash of \$289M at 12/31 compared with \$341 at 12/31/19.
 - At the August BufCom meeting it was suggested the weekly model incorporate information on anticipated future cash obligations (e.g. deferred payroll tax obligations) to ensure a more accurate picture of CBI's cash position going forward. At 12/31, unrestricted cash net of \$24k in deferred payroll tax obligations is projected to be approximately \$265k (down \$75k from Prior Year).
- External Financing Update
 - CBI is still waiting for EIDL proceeds of \$150k and expects these funds will be received in September.
 - CBI has incurred over \$231.5k in qualifying PPP expenses and expects full forgiveness of its PPP Loan with Citizens Bank – Additional legislation or guidance from the Treasury addressing PPP forgiveness is anticipated in the coming weeks.
 - CBI has considered the Fed's Main Street Lending Program; however, the cost of this financing, the 5 year maturity, and certain eligibility requirements make this a less attractive financing option for CBI.

- It appears additional PPP financing may become available to certain small businesses and non-profits as part of second federal stimulus package.
- Endowment Update
 - The market value of CBI's endowment investments with Fidelity is currently in excess of \$3.0MM, an \$850K or 40% increase from a low of \$2,150 in Q1'20 due to COVID-19. The board is reviewing the amount and timing of potential accelerated releases from the endowment.
- 2021 Budget
 - The 2021 Budget process is expected to be launched in October; however, due to uncertainty around many aspects of CBI's programming in 2021, the budget may require several iterations. Ongoing communication between management, BufCom and the Board will help ensure CBI remains flexible in responding to financial and other challenges as we transition from 2020 to 2021.

Executive Director (Mr. Zechel)

- Update on the construction of the Priebsch Pavilion. Aim to continue sailing and kayaking operations as long as possible in the season.
- Received two new corporate grants: \$15K from EF and \$5K from Car Gurus (anticipated).
- Discussed plan to provide a Junior Program next summer under different scenarios. 2021 Programming remains uncertain in terms of structure and format.

NEW BUSINESS

Campaign update / next steps

- Reviewed breakdown of current campaign in terms of dollars and number of donors
- Discussed opportunities to solicit additional donations from Corporation members with goal to get full participation, including call-out at Annual Meeting and personal outreach by Board members

Draft amendment to Bylaws

- Proposed Revisions to the CBI Bylaws to Allow Telephonic, Electronic or other Virtual Participation
- Board voted unanimously to change the language of the bylaw to give discretion to the Board to call the meeting virtually and remove references to protocols and procedures related to holding remote meetings
- Final wording of proposed bylaw change will be forwarded to Corporation members as part of Annual Meeting communications

Plan for Annual Meeting

- Reviewed communications plan leading up to the Annual Meeting and shared proposed agenda for the meeting structure

- Identified relevant next steps including: testing polling capability, checking attendance capacity, and clearly communicating voting procedures to members

AOB
ADJOURNMENT

The meeting adjourned at 9:08PM.

Submitted:
Catie O'Sullivan