

MINUTES
ElderSource, Inc. (Parent) Board of Directors
Finance Committee Meeting
January 19, 2022, at 12:00 PM
Via Zoom

PRESENT

Stuart Gaines, Chair
Melissa Gilreath
Fran Pepis
Ed Salek

STAFF PRESENT:

Linda Levin, Chief Executive Officer
James Lee, Chief Financial Officer
Jessica Del Rio, Executive Administrative Assistant

CALL TO ORDER:

Stuart Gaines, chair called the meeting to order at 12:05 PM

ROLL CALL:

Jessica Del Rio, Executive Administrative Assistant, called the roll. A quorum was present.

REVIEW OF FINANCIALS

November 2021

James Lee, CFO, presented the financials for the date ending November 30, 2021.

He stated that the total Parent income is \$185,850.29 with a projected end-of-year total of \$202,745.77. The total Fundraising is at \$3,760.00; the total reflects the 2021 Night With the Stars event. Board contributions are low; we are continuing to reach out to our Board members for 2021 Board pledges.

James stated that the total operations budget is \$38,830.00. The total includes the consultant fees for the fundraising development person. That project was put on hold.

The year-to-date net total is \$97,351.29, with a year-end projection of \$104,504.51.

James noted that we would close out December's books by the end of March 2022.

Motion:

Melissa Gilreath moved to approve the financial reports ending November 30, 2021, as presented. Fran Pepis seconded the motion. The motion passed without opposition.

Finance Budget Presentation

James presented the Parent Finance Budget Presentation. He stated that the current budget consists of the following sections:

- Department of Elder Affairs, Foundations, Other Grants
- Personnel Costs
- Operational Costs
- Donations

James stated that the total balances in the ElderSource bank account as of 2/8/2022 is \$2,096,781.98. Note that the accounts are being reconciled to the accounting systems.

The ElderSource bank account balances consist of the following accounts:

- Caregiver Coalition
- Medicaid Management Services, Inc.
- PTO Accrued
- ElderSource Parent Company
- Wise Owl
- HCE
- AAA Operating
- Payroll
- Veterans
- Veterans-Star Fees
- ES Institute

James highlighted each individual ElderSource bank account and balance with the Committee.

James stated that the restricted funds are designated funds that are limited to the purpose of which it was acquired. The unrestricted funds are non-designated, flexible, and ROI.

James stated that there are a total of \$1,137,192.42 in restricted funds within our accounts. James highlighted each individual account with restricted funds.

James highlighted the unrestricted bank account balances with the Committee.

He reviewed the following findings within the listed accounts:

- Medicaid Management
 - Staff time expenditures not being transferred
- AAA Operating
 - All expenditures are being posted, but not being transferred to correct accounts to offset the revenue.
 - Excess of \$200,000 is available for Unrestricted
- Veterans

- All expenditures are being posted, but not being transferred to correct accounts to offset the revenue.
- Excess of \$240,000 is available for reserves
- Veterans - Star Fees
 - VA received \$21k back as a return of funds

James highlighted the following recommendations:

- Caregiver Coalition
 - Allow funds to remain restricted
- Medicaid Management
 - Retrieve all expenditures from January 1, 2021, and move them from AAA operating to Medicaid Management.
- Wise Owl
 - Restrict usage of funds until of end of 2021 and allow the balance to accrue. Potential opportunity to move 50% to ElderSource Parent and have the remaining 50% available for operational costs.
- HCE
 - Allow funds to remain restricted and not in use
- Veterans
 - Retrieve all expenditures from January 1, 2021, and move them from AAA operating to Veterans.
 - The reserves of \$200,000 should be moved to the ElderSource parent company.
- AAA Operating
 - Transfer Medicaid and veterans expenditures to the correct account.
 - This will increase operating revenue by \$100,000
 - Continue to keep upfront funds for programs with a minimum threshold of \$400,000 as restricted.
 - At the end of 2021, move \$200,000 to ElderSource parent company.
 - This will leave the operating balance at \$450,000

After the presentation, the Committee agreed to continue to monitor and create a plan for the accounts before making adjustments. The Committee also agreed to create an investment policy at the next meeting to be approved by the Board of Directors.

ADJOURNMENT:

Having no further business, the meeting was adjourned at 12:45 PM.
 Jessica Del Rio, Executive Administrative Assistant, prepared the minutes.

Approved by: _____
 Melissa Gilreath, Secretary

Date: _____