

Port Chester Carver Center

Minutes of the Special Meeting

Monday, July 8, 2019

Present:	<i>Sonia Alcantarilla, Stephanie Barrett, John Condon, Michael Flynn, Brendan Goodhouse, Shaker Khayatt, Rob Kost, Rich Lawrence, Sam Ortiz, Jennifer Prather, Claire Steinberg, Brian Stern</i>	
Absent:		
Staff:	<i>Anne Bradner, Leanne Tormey</i>	
SUBJECT	DISCUSSION	OUTCOME
<p>Call to Order</p> <p>Welcome</p>	<p>Claire Steinberg, Board President, called the Carver Board meeting to order at 2:00 p.m. Claire thanked various people who have been involved in the budget process.</p> <p>Claire further explained that the Finance Committee recommended that the Board consider and approve the budget before the September meeting, so that is why this Special Meeting was called.</p>	
<p>Presentation Regarding Budget Materials Provided to the Board For the Special Meeting</p>	<p>Rob Kost presented an overview of the budget and reviewed key points from the past fiscal year. Rob began by walking the Board through a summary of budget and budget-related handouts provided to the Board for the meeting. Rob explained that the Executive Committee, the Finance Committee and the Budget Task Force all played a significant role in the development of the FY 2020 budget.</p> <p>The key takeaways for the budget are the salary reductions and cut backs in the after school program, both of which are necessary to make up for the anticipated reduction in funding in FY 2020. The budget includes additional savings in transportation expenses and professional fee reductions, as well</p>	

as other miscellaneous items. The FY 2020 budget does have a small surplus, but it will take significant work and discipline to achieve the budget targets.

The FY 2020 budget has the support of the Finance Committee, the Budget Taskforce, the Executive team and the Executive Committee.

Rob then turned over the discussion to Carver CEO, **Anne Bradner**. Anne reviewed the details of the expense reductions and her views of the difficult choices in the budget. Anne stressed that one of the goals of the budget process was to save as much of the After School Program (ASP) as possible. She explained the importance of the ASP to Carver. The unfortunate aspect of the budget is the people impact – that is, the necessary staff cuts. Anne then discussed the revisions to the ASP and how those revisions impact the budget in terms of salaries for ASP staff. The ASP will remain in all three schools, but the middle school program enrollment will be cut to 30 students. The hope is that Carver will be able to build the ASP back up over time. In addition, there are additional cuts in other programs reflected in the budget, including Saturday Enrichment and Community Wellness, as well as cuts in other staff (e.g. custodial staff).

Anne then reviewed the initiatives Carver is undertaking to attempt to raise additional funds, including the summer camp fundraising initiative and grant applications.

Leanne Tormey added more details on the transportation issues related to the ASP and the impact the transportation cuts will have going forward on the ASP.

The Board, Anne and Leanne also discussed communications with parents about the changes to the ASP.

There was additional discussion about future challenges concerning cash flows, Dalio funding and use of the revolving credit facility, as well as the reduction in fitness center staff.

	<p>Anne provided additional information on each of these issues, bringing the Board up to speed on the assumptions underlying the budget and contingency plans Carver has to deal with these issues.</p>	
<p>Presentation of the Motions to Approve the FY 2020 Budget and Annual Withdrawal of Endowed Funds</p>	<p>A motion, which was duly seconded, was made to approve the FY 2020 budget as recommended by Carver Management and the Finance Committee and as presented to the Board.</p> <p>WHEREAS, consistent with the provisions of the New York Prudent Management Of Institutional Funds Act (“NYPMIFA”), the Board carefully considered the following eight factors, if relevant, when deciding to appropriate from its endowment fund:</p> <ol style="list-style-type: none"> 1. the duration and preservation of the endowment fund; 2. the purposes of the institution and the endowment fund; 3. general economic conditions; 4. the possible effect of inflation or deflation; 5. the expected total return from income and the appreciation of investments; 6. other resources of the institution; 7. the investment policy of the institution; and 8. where appropriate and circumstances would otherwise warrant, alternatives to expenditure of the endowment fund, giving due consideration to the effect that such alternatives may have on the organization; and <p>WHEREAS Rob Kost, as Chair of the Finance Committee, indicated to the Board that the proposed withdrawal of funds from the endowment reflected in the FY 2020 budget was in accordance with the recommended percentages under New York law.</p>	<p>Resolved that the Board members present unanimously voted to approve the FY 2020 budget, as recommended by Carver Management and the Finance Committee and as presented to the Board</p>

	A motion, which was duly seconded, was made to approve the annual withdrawal of funds from the endowment as reflected in the FY 2020 budget and as recommended by the Finance Committee and after due consideration of the relevant factors under New York law.	Resolved that the Board members present unanimously voted to approve the annual withdrawal of funds from the endowment, as reflected in the FY 2020 budget and as recommended by the Finance Committee and after due consideration of the relevant factors under New York law.
Adjournment	The meeting was adjourned by Claire Steinberg at approximately 2:55 p.m.	