**January 27, 2017**

**DRAFT CIBO Board Meeting Minutes**

A conference call was conducted to discuss the Council’s 2016 financial performance and the proposed 2017 financial budget. Bob Bessette, Ann McIver, Jay Hofmann, Chris Keuleman, Scott Darling, Mark Calmes, and Amber LeClair participated.

Ann McIver called the meeting to order at 12:35 pm (EST).

**I. 2016 Financial Review**

Treasurer Jay Hofmann provided a brief summary of the Council’s financial condition as of December 31, 2016. Next, the 2016 financial highlights were discussed.  The Council did not achieve the budgeted revenue target in 2016 mainly due to lower than expected member dues (associated with unanticipated member cancellations during the year). Expenses were generally lower than the budgeted levels. Since there was no cash surplus in excess of the budgeted level, there will be no bonus earned based on the 2016 results. Therefore, there will be no bonus accrual in 2016.

On January 24, 2017, Shawn Sumrall from the accounting firm Badger Sumrall initiated the annual financial review. Shawn requested and received various documents including bank statements for the periods ending December 31, 2016 and January 31, 2017, a spreadsheet listing revenue for the year and its sources, supporting documents for receivables at December 31, 2016, supporting documents for fixed assets at December 31, 2016, a list of aged accounts payable at December 31, 2016, a schedule of other payables (i.e. prepaid dues, accrued pension, etc.) as of December 31, 2016, a copy of the federal payroll tax returns (IRS Form 941), for the quarters ended March, June, September, and December 2016, the employee W-2s for the year ended December 31, 2016, minutes from all board meetings from January 2016 to December 31, 2016, and a current (as of January 24, 2017) QuickBooks data file.

On January 26, 2017, Shawn provided Jay and Bob with his preliminary assessment of the documents and data provided. Shawn found no significant irregularities in the documentation and he suggested two minor accrual adjustments to the year-end financial data as contained in the QuickBooks file as of January 26, 2017. The first being a $3,000 expense associated with contracted services (Bracewell) for which CIBO had yet to receive a final invoice as of the date of the review. The $3,000 expense will be accrued as a 2016 expense. The second being an adjustment associated with a missed 2014 401(k) voluntary pension payment that was actually paid in 2016 (the payment should have been completed in early, 2015). The 2015 CIBO financial statements will be amended as a result. Shaun made the adjustment placing a $12,249 liability on the 2015 statements.

**II. 2017 Budget Discussion**

Bob Bessette led the 2017 budget discussion.

The discussion focused on the 2017 budget summary document attached to these minutes. Bob walked the Board through the salient elements of the 2017 budget.

The following line items that were discussed:

1. Conference income and expense.
2. Exhibit booth income and expense.
3. Quarterly meeting income and expense.
4. Government affairs expense.
5. Travel expenses.
6. Coalition activity expense.
7. New Higher Logic (a community based knowledge management system) expense.

In general, the 2017 line expense and income items were set equal to or less than the 2016 actual values. The expected dues were set equal to the current membership count plus one new associate member. The government affairs expense budget was eliminated and the coalition activity budget was significantly reduced relative to both the 2016 actual spend and the 2016 budget. The Higher Logic expense line item was added to the 2017 budget without formal approval to purchase the community based knowledge management system.

The 2017 budget was approved as submitted. The Board agreed that the current staff has been doing an excellent job.  Compensation increases for the staff were approved, consistent with a 2% level of increase.  This level is reflected in the approved budget.  The precise compensation changes for the three Council employees will be identified the 2017 compensation letter.  In addition, the Board approved the payment of the voluntary portion of the accrued 2016 401(k) match, equal to $13,755.37.

The meeting was adjourned at 2:05 pm (EST).