

Finance Committee Meeting Minutes  
September 3, 2024 Agenda 7pm

In Attendance:

Mary Waldron  
Tim Cotter  
Dave Painter  
Christa Stern

Joining late  
Jen Chu and Ken  
Nedim Ogelnam

James Waldron (taking notes)

Meeting Start at 7pm

Purpose of Committee

The purpose of the committee is to execute the financial responsibilities of Makersmiths, document SOPs for future committee members, and to meet regularly so that the institutional knowledge required to operate effectively can be shared.

Priorities for the balance of 2024

- Development of 2025 Budget
- Accountant for end-of-year books and 990 filing and 1099 filings
- Inventory

**Development of 2025 Budget**

- Begin in September
- Engage stewards and committees with funds/expenses in development of budget
- Meeting to discuss draft in mid October and mid November
- Draft to Board at November Board Meeting
- Final draft for Board approval by 3<sup>rd</sup> week of December
- Board approval at December Board meeting
- November and December Board meetings may move – esp December**

Items:

- Issues to discuss:
  - Separate budgets for shops
  - Projects tracked in Quick Books

Mary - Currently tracking 20 projects

Issue: Increasing budgets throughout the year

Mary - When budgets change during the year – Budgets need to be increased in Quickbooks. However QB does not enable notes to be made for date or reason for the budget change.

Issue: Establishing budgets for accounts without budgets

Some items do not have budgets. Class supplies, Honorariums. John calls these pass throughs. Need to discuss need for budget, or track.

Issue: Assign individual Finance Committee members responsible for developing the budgets for specific accounts

Mary – Jen has volunteered to come up with Class income projections with Tim. Looking at past years – they have all been different. Likely cannot use to project next year. Some are same – many vary wildly.

Dave has all things MS-P spreadsheet. For pretty much everything.  
Alert – PV raising utility rates – maybe up to 20%.

Nedim – PV just increased utilities by 16%. Cannot increase again until next year.  
Election between now and then may impact.

Mary – I'll check the PV utility bills for the increase

Mary – Leesburg – need to send numbers to Site and Shop stewards to help them develop budgets. For each individual shop.  
May recommend separate budgets. Board may ask for consolidated  
May need separate budget for janitorial supplies.

Jen – Shop supplies same as class supplies? No.

Dave – need to engage Stewards to get \$ numbers from Tool and Room Stewards  
On board with getting Budget done earlier and also looking at income. Setting targets.  
Better and more realistic numbers from stewards.

Mary – Some stewards want class income to go to supporting the specific shop that generates the class income. However, some shops class income will not cover shop expenses. Class income is just an income stream – used for all shops and expenses – not just a single shop.  
Class income is 2<sup>nd</sup> largest income stream. 17% of income. Has helped meet expenses in past when dues did not cover monthly expenses. Class income stream has helped build Reserve funds.

Dave – I have separated on my spreadsheet.  
Repairs – a SWAG.

Replacements – end of life equipment

Improvements – needed, new stuff (electrical) moving stuff.

Lists major equipment for each shop. Have some – but, ex, no idea for frame shop.

Christa – Frame shop gone?

Dave – still some equip. No place to move. Steward has health issues. Hopefully classes next year

Mary – don't need single number from stewards – need details and basis for detail

Dave – still, some things are guesses

Think we need proposal to board that they work with entire membership to come up with strategic plan. Where do we want to be next year, etc.

Mary – impacts budget and how much we put into reserve – also means less money somewhere else. Hopefully maint. not cut. May not be able to support some new machines or projects. Need a max project budget?

Which current projects will flow to next year?

Dave – budget is for project – extra goes back to treasury

Mary – Board needs to recognize this in its motions. Motions need to be consistent and specific and state the \$ budget as well as refer to the proposal.

Nedim – sharing spreadsheet is a good idea – need something to start with.

Mary – Dave to send spreadsheet – Mary will share – and will put in Quickbook data where we have it. To give information on how much spent this year.

Tim – accountant good for some categories i.e. Depreciation.

Mary – Nedim - \$100 per month presidents discretionary fund. Please look at this, decide what to spend it on and come up with figure

Christa – office supplies and postage please. Need to know what Office supplies really are.

Mary - Need Snack and drinks – under shop supplies ? Will look at historical data I have to see what it may tell us.

What else do we need ? Will discuss at next meeting.. Shop supplies, maint of equip are most important. Will find someone for Leesburg Electricity. Will ask Scott S for IT, telecom, arlo etc. Will discuss next week.

Need membership chair to get membership income.

Issue: Determine what information/data is needed and who will provide the data

Mary – Dave, I'll pull your data from quickbooks and send it to you – already sent for 2023 and 2024.

Issue: Specific steps to be taken to obtain input from stewards and committees

Mary – no chair for Marketing.

Jen – Mark is continuing membership committee until we find someone else.

Mary - Will reach out to him. Other folks on membership committee?

Jen – none

Mary – Dave to share spreadsheet. Tim to help get to stewards and help them get numbers. I'm providing both expenses and budget (in case overrun). Use to get good numbers for next year.

Nedim – Grants, earmarks. Accounted for separately? SOP?

Mary – SOP needed – encouraging someone to write grants. If successful will need SOP. Have had several grants – unrestricted. Don't know if tracked separately. Screen printing current. Assumed to be used for screenprinting – no reporting back to grantor required 100 Women and Google?

Dave – yes

Mary – we had to report back to both.

Jen = Chart of accounts?

Mary – I just supplied P&L accounts.

Jen – can create more?

Mary- Yes, but limited. Already getting warnings from QB

Christa – how much?

Mary - \$50 annual, next is \$120. Will evaluate need to place on board agenda

## **Accountant for end-of-year books, 990 filing, and 1099 filings**

### Action Items:

Who will call and who will meet with contacts

Three possible contacts

Mary – not contacted yet – wants to work with John D. Will call this week to see when can meet.

Mary – May be a M-F daytime meeting. Nedim, can you? Or Dave? Need to get info on what and costs. Need to coordinate with others who will attend.

Need in place in October – to send board recommendation to select an on-board accountant. I will call this week

September – conduct calls and meetings

October meeting (1st Tuesday of October) to provide recommendations to the Board (3<sup>rd</sup> week of October on Board agenda)

### **Inventory**

The Treasurer is required to maintain an inventory record of equipment and furniture and fixtures and their value. This inventory is submitted to the Town of Leesburg for tax assessment. The inventory is also used to determine the value of Makersmiths fixed assets for financial reporting and records and for Federal tax filing.

Per the Standing Rules the Treasurer is notified of any equipment, furniture or fixtures acquired (either by donation or purchase) and accepted by the steward. The steward will be asked to value any donated item. The Treasurer or member of the Finance Committee will place a bar code label on the item and update the inventory record.

An annual inventory will be conducted in January. The Treasurer will assemble an ad-hoc committee to conduct the inventory. A bar code reader will be used.

### Action Item:

Which member of the Finance Committee will track new and donated equipment, update the inventory record and place bar code label on the item.

Mary – need for city business taxes and eoy taxes. Treas should be notified of any new equipment.

Barcodes on Inventory. Skipped last time. Re-barcoded everything? No idea why done. Need to make decision near eoy to determine which to use.

Need someone to put barcodes on new equipment and track new equipment.

Dave – how are assets valued?

Mary – new at purchase price, used price, donated fair market value

Dave – barcode sb steward. Do we have doc describing steward responsibilities.

Mary – none – and Stewards will not know to do this. Treas has put new equip into QB. Critical due to business license and 994 we must now file.

I need this information. Could give responsibility to stewards. Jan inventory may find new stuff. Will tell us what corrections need to be made. Some stuff goes away and notice not made.

Dave – site steward can get rid of stuff less than \$1000.

Mary – we find out at inventory time.

Dave – have never had list of responsibilities. Board needs to encourage this.

Jen – What is value of item min value to get on inventory.

Mary - \$1000 or more. Except computers always in fixed assets. Recommendation to increase \$1000 to a bigger number from professional CPA. Also, computers barely 3 year property. We may start to just expense computers and raise \$1000 value to higher number.

Jen – Fixtures

Mary – are inventoried but not kept on QB

Jen – chairs tables file cabinets

Mary – decision needs to be made – John may have eliminated on report.

Jen – need to confirm what has been in inventory

Mary – Thank you. Next meeting next week – determine progress. If you are prompt will probably get another assignment.

Next meeting Tuesday Sept 10, 7:00pm. Virtual or in person. Maybe PV green room

Will be some standard accounting rules and SOPs on next meeting for review

Budget is still top priority.

Board shouldn't approve SOPs. What officers, committees, and stewards are charged with for day to day operation.

Do not need these to be carved in stone; SOPs change and need flexibility in changing them. Need to post in common space. Board approval restricts ability to manage and operate.

Division of responsibilities need to be clarified.

Attached documents

Budget vs. Actuals this Year through July

Budget vs. Actuals 2023