



Finance Committee Meeting
Zoom Meeting
September 13, 2021
6:00 pm

Members Present: Matt Gittleman, Brian Kloza, Clark Macheimer and Chris Halkyard

Staff Present: Purna Rodman Conare, Szuzsanna Joo and Natasha McCall

Purna introduced Szuzsanna Joo, Pillar's Senior finance accountant, who has been working on the budget and audit during Hassan's leave and Natasha McCall as the new board liaison. Hassan will be on leave until November 2, 2021.

The Committee reviewed the cash flow, balance sheet and statement of activities for FY2021 ending June 30, 2021. A few key items from those above:

1. \$180K was budgeted for Harding & Morristown (\$90 each). Although the cash was received, the revenue will not be booked until next year when the homes are opened.
2. Fee for Service over budget due to additional 20% paid to residential staff during pandemic.
3. Salaries and fringe benefits are below budget due to furloughs and program closures due to COVID.
4. Other direct program costs are below budget due to program closures
5. Travel and transportation are below budget due to program closures and remote services offered instead of in person services during the year
6. Wayne Day Program write off of \$372K (\$92K from Meadow Road and \$279K from Hamburg Turnpike)
7. Under miscellaneous and bank charges we logged the non-payment from DDD for \$923K as a write-off from Respite contract in 2020
8. Depreciation was not budgeted for the new Harding Building (\$17K) nor for Administration (\$50K) – this is being corrected in FY22 budget
9. Contracted services are above budget due to new security system and cleaning in the elementary school (\$26K) and cleaning in the high school (\$19K) and administrative consultants (\$13K)

After reviewing all, the Committee agreed that moving forward they only need to see material variance above 5% and/or \$100K.

Purna reported that the budget ended better than assumed and we were able to pay down our \$4K line of credit to \$1K.

- **Due to continued growth overall in the agency, the committee would like for the Executive Committee to discuss policies with stipulations for Directors Fund. And how to handle excess of gala revenues each year.**

The committee reviewed the **FY22 budget** for all programs. The \$43m budget presented has an increase from FY21 year-end due to the higher revenue from the schools with the additional students and \$600,000 from group homes.

A few key notes from the budget review were:

1. Health insurance budgeted to increase \$10K at mid-year
2. DSP Salaries increased to \$15 per hour – will be reviewed mid-year
3. Operating expenses projected w/o inflation factor
4. 401k match of 4% was reinstated as of mid-July – cost \$500,000
5. Depreciation in total expenses approximately is \$815,000
6. Investment income not included in budgeted revenue
7. Day programs are at 65% of pre-COVID attendance
8. Gala Revenue is at \$500K
9. Some budget cushions (\$450K - \$650K) were included at the bottom line to be conservative

- **The committee would like a mid-year forecast after 6 months of the actual budget. Purna and Hassan has template in place from last year.**

The Finance Committee reviewed and approved the FY22 Budget. Purna will present the Budget to the Board via email for their approval.

The meeting adjourned at 7:33pm.

Matt Gittleman, Treasurer

Purna Rodman Conare, CEO

Natasha McCall, Recorder