



The mission of the Mendocino College Foundation is to educate leaders, foster intellectual growth and enrich lives by creating opportunities to invest in a better future for our students and communities.

MENDOCINO COLLEGE FOUNDATION, INC.
MINUTES OF THE FINANCE COMMITTEE MEETING
APPROVED AT FINANCE COMMITTEE MEETING ON January 19, 2021

A regular meeting of the Mendocino College Foundation, Inc. Finance Committee convened on Tuesday, November 17, 2020 via Zoom.

GENERAL MATTERS				
Call to Order	The meeting was called to order by Finance Committee Chair, Mark DeMeulenaere at 3:01 pm.			
Members Present	Tom Dow, President	Present	Marilyn Harden	Present
	Timothy Karas, Secretary/Treasurer	Present	Mark DeMeulenaere	Present
	Channing Cornell	Absent	Todd Kong	Present
	Greg Cavalin	Present		
Staff Present	Katie Fairbairn, Executive Director Eliza Fields, Administrative Assistant II/Scholarship Coordinator			
College Staff Present	Eileen Cichocki, Assistant Superintendent/Vice-President of Administrative Services Joe Atherton, Director of Fiscal Services			
Guests Present	James Demmert, Main Street Research			
Public Comment	None			
Change Order	M/S/C (Harden/Dow). To approve the request of Director DeMeulenaere to move item 5.6 to 5.8 and 5.8 to 5.6. The matter passed 5-0.			
Approval of Agenda <i>Director Cavalin entered at 3:04 pm</i>	M/S/C (Harden/Dow). To approve the agenda as presented. The matter passed 6-0.			
Approval of Minutes	M/S/C (Dow/Harden). To approve the minutes from July 28, 2020 as presented. The matter passed 6-0.			



TIMED ITEM	James Demmert. James Demmert expressed the concern from donors regarding the COVID-19 pandemic and the effects on income, jobs, etc. Certain parts of the economy have benefited from the pandemic such as food companies, Walmart, Amazon and many more. In these terms the economy has become strangely bifurcated. Due to the unique stop loss program that MSR employs, the Foundation's assets have been able to mitigate the risk of our current economy.
DISCUSSION/ACTION	
	Investment Portfolio. October 31, 2020 reports attached for information.
	Donations Summary. Donation Summary report attached for information.
	20/21 Budget Update. Director DeMeulenaere advised that the 20/21 expenses are tracking on budget for the year. Foundation staff along with Fiscal services will continue to review the budget as the year progresses.
	Ending Fund Balance Analysis Update. Director DeMeulenaere discussed that the original ending fund balance mechanism has been used for roughly five years now. Director DeMeulenaere's recommendation is to review the mechanism for the ending fund balance to see if any changes are needed to the policy. Recommendations will be made after the stress test analysis is conducted by Main Street Research.
	Stress Test Portfolio by MSR Update. Director DeMeulenaere outlined that an added benefit of working with Main Street Research is their ability to analyze the investment accounts under what is called a "Stress Test". They have been asked to stress test all the funds at their current spending level.
	19/20 Draft Audit Report. Director DeMeulenaere reviewed the final draft version of the 19/20 Audit which is complete. He also provided a thank you to Joe Atherton, Eileen Cichocki and the foundation staff for another clean audit.
	Foundation Land Sale. Director DeMeulenaere reviewed that a land note from one of the land owners was paid off and the foundation will lose the receivable interest on the note for the remainder of the year. The money from the payoff was put into the Treasury as a part of our annual payment to the district.
	Foundation Loan to District. The district faces cash flow difficulties due to the deferral of \$5.2 million in the state. Joe, Eileen and the auditors worked on cash flow scenarios. The district indicated that they do not want to be in a position where they become cash insolvent. The low point will be May and June of 2021. The general fund will be out up to \$1 million. The county treasury looks at all the funds as one or together. They have reviewed and will not have to resort to external borrowing due to a prudent reserve in their general fund.



ADJOURNMENT	The meeting of the Mendocino College Foundation Finance Committee adjourned at 4:12 pm by Finance Committee Chair, Mark DeMeulenaere. Submitted by: Eliza Fields, Administrative Assistant II, Mendocino College Foundation, Inc.