

## STCA BOARD CONFERENCE CALL – MARCH 19, 2014

**PRESENT:** Pres. Charla Hill, Vice Pres. Lori Kelly, Treas. Rhea Spence, Corres. Sec. Pam Williams, AKC Delegate, Helen Prince, Dirs. 2014: Jerry Burge, Charlie Gann, Pat Wooster, Adrian Sanchez, Dirs. 2015: Kelli Edell, Nancy Hurren, Jeff Waite, and Steve Russell. Absent: Theresa Thomas  
**Call to Order:** Charla Hill, Pres., called the meeting to order at 8:35PM PST.  
**Motion:** to excuse Theresa Thomas' absence. Waite/Price. Unanimous. Motion approved.

**1. CONSTITUTION AND BYLAWS** - Helen Prince reported Constitution and By-Laws amendments were sent to AKC, and all amendments have been approved by AKC.

**Motion:** that STCA hire Mark Todd, CPA, to count ballots returned by the membership regarding amendments to Constitution and By-Laws, with CPA to be paid \$3.00 per ballot plus the Post Office Box fee, with a minimum of \$2,000.00 to be paid for his services. Prince/Williams. Unanimous. Motion approved.

**2. MONTGOMERY COUNTY BOARD MEETING** – Discussion on either to have an all day Board Meeting on Wednesday or two half-day meetings on Wednesday afternoon and Thursday morning.  
**Board Consensus:** to have an all day meeting on Wednesday.

**3. PERMISSION SOUGHT BY STCE** – The Scottish Terrier Club of England has requested that they be allowed to reprint the Health Article from our Introduction to the Scottish Terrier Pamphlet.

**Motion:** to allow Scottish Terrier Club of England to print the “Health” Article from the STCA Introduction to the Scottish Terrier in the STCE yearbook. Prince/Gann. Passed unanimously.

Pam Williams will inform STCE of our approval with the request that a disclaimer be included that the article was being re-printed with STCA approved.

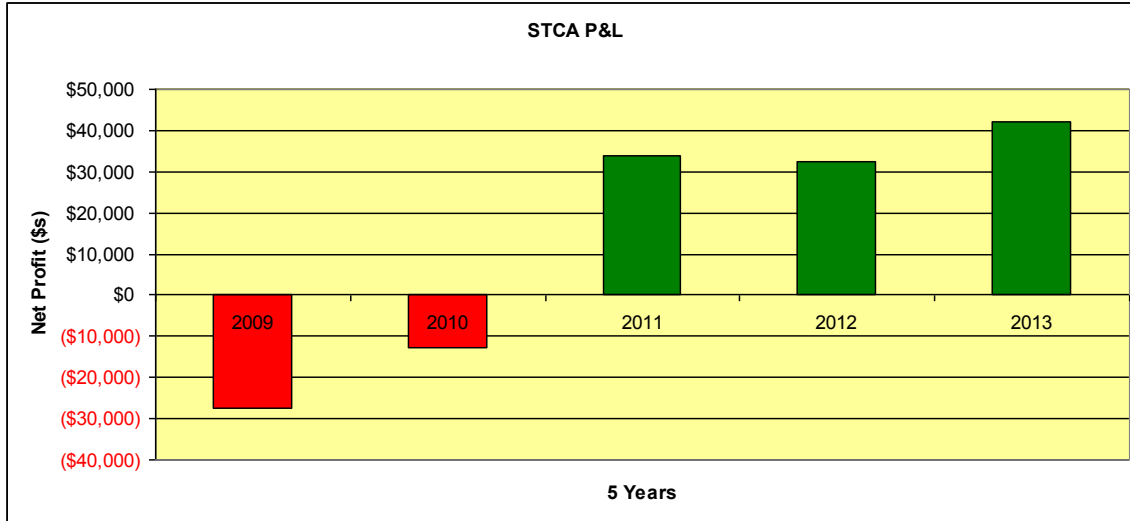
**4. ROTATING UPDATE** – Lori Kelly reported the Premium List for the Rotating is now up on the website. Everything is set to go with the Eye Clinic, and Debbie Davis from Progressive has been instrumental in arranging for the Accommodations for the Clinic. Sullivan Catering is doing food for the Banquet, but no cash bar due to restrictions with the show site building. STCA will have access to the building on Thursday from 9:00 am to 5:00 pm to start setting up and then again on Friday at 6:00 am, but we don't want to interfere with the Terrier Show, which is being held on Friday. Trophies, Judges Baskets, Catalog Ads and Trophy Donation List are all ready. Lori notes the good job Debi Russell was doing with the Catalog Ads. Lori asked that all board members get their Hospitality and Banquet reservations in ASAP. Deadline is 4/9/14, entries also close on 4/9/14.

**5. REGIONAL CLUB REPRESENTATIVES** – The Board will be working on the SOP for the Regional Club Representatives at the Meeting in April and Lori has drafted a letter which she plans to send to all Regional Club Presidents after the meeting.

**Motion:** to change designation from “Regional Representative” to “Regional Delegate to the STCA and to modify the SOP accordingly with regard to the name change. Williams/Wooster. Passed unanimously.

### 6. FINANCIAL REPORT AND BUDGET

**STCA 2014 Budget (Trial)** - 5 years ago, the STCA was losing ~\$30,000 per year. The Board began a financial turnaround, which has been sustained. The Club operated at a profit again in 2013 for the 3<sup>rd</sup> consecutive



#### 2013 P&L

Income	\$118,441.99
Expense	\$ 76,370.39
Profit	\$ 42,071.60

The STCA operates on Income of ~\$120,000 per year (about ½ of this revenue flows through PayPal) and has operating Expenses of ~\$80,000 year. This has left \$30-40,000 the past 3 years to recover losses, initiate discretionary projects, and reserve funds for a rainy day.

To achieve these results, the Club has benefited greatly from re-bidding the Bagpiper Magazine production, increasing year-round Shoppe sales, the Grooming Manual fund raiser, and conservative management of other spending, including shows.

To forecast the 2014 Budget, 5 years of spending from 2009-2013 were averaged across each chart of accounts item. Details are shown in the attached spreadsheet in an Activity Based Costing (aka, organizational) view. The first 4 years (2009-2012) are hidden to simplify the 1-page report. Adjustments were made based on the latest year's (2013) spending and planned non-recurring initiatives.

2014 Budget (Trial)

STCA 2014 Budget (Trial 030714)

Organization	Activity	2013 Income	2013 Expense	2013 P&L Net	5-Yr Average	2014 Budget	
<b>President</b>	Board Meetings		(95.59) ✓	(95.59)			
	Board Meetings		(637.87) ✓	(637.87)			
		0.00	(733.46)	(733.46)	(958.56)	(1,000.00)	
<b>VP/Show Chair</b>	Montgomery	14,081.48 ✓	(18,458.24) ✓	(4,376.76)			
	Rotating	15,393.68 ✓	(15,088.85) ✓	304.83			
	VP Expense		(83.02) ✓	(83.02)			
	Donations General	43.26 ✓		43.26			
		29,518.42	(33,630.11)	(4,111.69)	(7,051.17)	(4,000.00)	
<i>Show Committees: Advertising, Agility, Banquet, Earthdog, Judges Baskets, Monty Support, Obedience, Rally, Ring Decorations, Sweeps Show Secretary, and Trophies are budgeted separately at the discretion of the VP/Show Chair.</i>							
<b>Treasurer</b>	Membership	30,358.14 ✓	(654.23) ✓	29,703.91			
	Legal & Accounting		(500.00) ✓	(500.00)			
	Insurance	65.09 ✓	(2,019.00) ✓	(1,953.91)			
	Treasurer		(129.14) ✓	(129.14)			
	Banking	60.59 ✓	(1,499.43) ✓	(1,438.84)			
	Tax Return		(525.00) ✓	(525.00)			
	PayPal	252.38 ✓		252.38			
			30,736.20	(5,326.80)	25,409.40	30,043.72	25,000.00
<b>Corresponding Secretary</b>	Corresponding		(140.65) ✓	(140.65)			
	Mailing (Postage)		(689.88) ✓	(689.88)			
	STCA Logo Merchandise	3.00 ✓		3.00			
		3.00	(830.53)	(827.53)	(1,441.40)	(1,500.00)	
<b>Recording Secretary</b>	Recording / Elections		(2,834.36) ✓	(2,834.36)	(3,097.43)	(3,000.00)	
<b>AKC</b>	AKC Delegate		(725.34) ✓	(725.34)	(747.04)	(1,500.00)	
	AKC Gazette			0.00	0.00		
	AKC Donations						
	AKC CH Eukanuba		(215.00) ✓	(215.00)	(215.00)		
	AKC Humane Fund		0.00 ✓	0.00	(500.00)	(500.00)	
	AKC Legislative Fund		0.00	0.00	(500.00)	(500.00)	
	AKC PAC	0.00	0.00 ✓	0.00	0.00	0.00	
	AKC Subtotal	0.00	(940.34)	(940.34)	(1,051.04)	(2,500.00)	
<b>Committees</b>	Awards		(329.35) ✓	(329.35)	(2,493.88)	(4,000.00)	
	Bagpiper	43,285.91 ✓	(23,172.70) ✓	20,113.21	127.95	20,000.00	
	Breeder Referral/P.Ed.		0.00	0.00	0.00	(50.00)	
	Historian		(180.95) ✓	(180.95)	(36.19)	(200.00)	
	Judges Education		(588.87) ✓	(588.87)	(877.28)	(500.00)	
	Junior Showmanship			0.00	0.00	(50.00)	
	PAWS for Juniors	2,937.00 ✓	(480.48) ✓	2,456.52	1,050.30	1,500.00	
	Legislative		0.00	0.00	(5.00)	(50.00)	
	Membership		0.00	0.00	(87.45)	(50.00)	
	Nominating Committee		(41.83) ✓	(41.83)	(321.27)	(50.00)	
	Regional Clubs		(426.00) ✓	(426.00)	(275.45)	(1,000.00)	
	Standards		0.00	0.00	(33.77)	(50.00)	
	Sunshine			0.00	0.00	(50.00)	
	Tallies		(700.00) ✓	(700.00)	(293.00)	(750.00)	
	Ways & Means Shoppe	7,971.56 ✓	(4,413.16) ✓	3,558.40	1,981.17	3,000.00	
	Website		(170.92) ✓	(170.92)	(253.53)	(500.00)	
	Miscellaneous			0.00	(340.01)	0.00	
	Committee Subtotal	54,194.47	(30,504.26)	23,690.21	(1,857.41)	17,200.00	
<b>Budget for Annual Recurring Activities</b>		<b>114,452.09</b>	<b>(74,799.86)</b>	<b>39,652.23</b>	14,586.71	31,200.00	
<b>Non-Annual Activities</b>	Audit / CPA			0.00	0.00	(1,000.00)	
	BBE Medallions for Specialties		0.00	0.00	(480.00)	0.00	
	C&BL Vote			0.00	0.00	(4,000.00)	
	Grooming Manual	3,708.49 ✓		3,708.49	3,050.08	1,500.00	
	Handbook	177.71 ✓		177.71	80.71	0.00	
	Illustrated Standard	103.70 ✓		103.70	(2,661.80)	100.00	
	Roster	0.00	(2.58) ✓	(2.58)	(653.18)	(3,697.13)	
	Scottish Terrier Booklet		(1,204.80) ✓	0.00	0.00	0.00	
	Standards Vote			0.00	0.00	0.00	
	Stud Book			0.00	0.00	0.00	
	Trifolds - Club_Breed		(147.15) ✓	0.00	0.00	0.00	
		Non-Recurring Subtotal					(7,097.13)
	<b>Total Budget</b>		<b>118,441.99</b>	<b>(76,154.39)</b>	<b>42,287.60</b>	13,652.12	24,102.87
<b>% Profit / (Loss)</b>				<b>36%</b>		<b>21%</b>	
<b>Donation Pass-Thru</b>	Health Trust Fund	5,892.54 ✓	(5,892.54) ✓	0.00	6,485.06	0.00	
	Rescue Trust Fund	5,993.00 ✓	(5,993.00) ✓	0.00	6,216.24	0.00	
		11,885.54	(11,885.54)	0.00	12,701.30	0.00	
Tie to Treasurer's Year-end Financial Statement		130,327.53	(88,039.93)	42,287.60		24,102.87	
Check Totals		\$ 60.59	\$ (216.00)	\$ 216.00			

5-Year Financial Summary --->	
Ave Revenue	\$ 113,827.03
Ave Expense	\$ (100,174.91)
5-Year Net	\$ 13,652.12
Profit %	12.0%

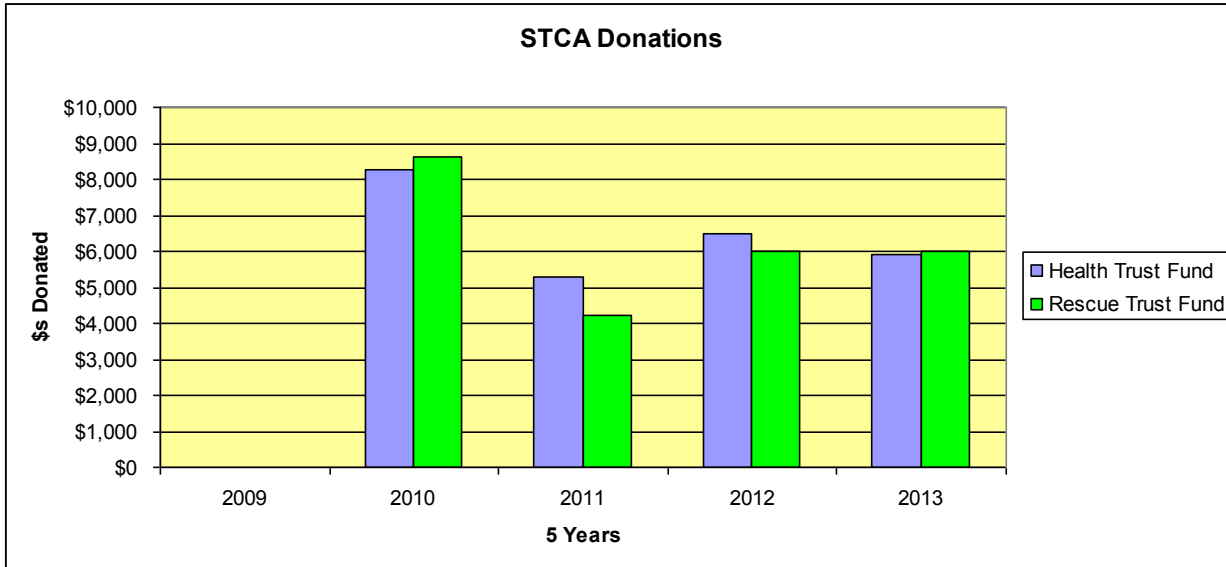
Review Budget during the Board conference call on March 19.

The 2014 Budget (Trial) is shown in the final green column as a "Net" P&L from each activity. Planned non-recurring activities include: (1) CPA Account Reconciliation, (2) Constitution & Bylaws Voting, and (3) biannual Roster update. In total, the budget forecasts that we will again operate at a profit in 2014.

To finalize the budget, the Board needs to review these numbers for reasonableness and make any desired adjustments. For accuracy, it is critical to identify any other sending that may not be included.

Motion: *To reserve funds, retain 6-month cash requirements in the Checking Account and transfer surplus cash of \$67,000 of \$122,519 to the Savings Account.*

Lastly, while it does not effect the Club's P&L, I thought those that liaison with the Trusts should see how pass-through Donations have evolved through this period. Collections are down about 10% from the 5-year average.



Respectfully submitted, Steve Russell, Finance Committee

Reviewed the 2014 Budget prepared by Steve Russell from the Finance Committee. Some modifications were discussed to allow for anticipated expenses for planned education projects. Discussed income derived Bagpiper as well as income from Ways and Means and Grooming Manual.

**Motion: to retain 6 months revenue in Checking Account for operating expenses and to transfer surplus cash of \$67,000 to Savings Account. Russell/Gann. Passed unanimously.**

**Motion: to adjourn at 9:55 PM PST. Prince/Gann. Motion Approved.**

Respectfully submitted by Nancy Hurren on behalf of Recording Secretary, Theresa Kay Thomas.