

MANNA FOOD BANK BOARD OF DIRECTORS MEETING February 18, 2015

TODAY'S Conference Call: 5:00

The mission of MANNA FoodBank is to involve, educate, and unite people in the work of ending hunger in WNC.

Our vision is a hunger-free Western North Carolina

AGENDA

1. Call to order - Jim Mathews, President
2. Consent calendar - January minutes
3. Development Committee report - Melody Dunlop
4. Space to Erase project budget: -Nancy Flippin
6. State Association report - Terry Latanich
7. President's report - Jim Mathews
8. Executive Director's Report - Cindy Threlkeld
9. Old Business
10. New Business
11. Adjourn

Upcoming events

March 18: next Board meeting

April 14: kickoff of Space to Erase public phase

June 6: Blue Jean Ball

Board Portal on MANNA's website: <http://mannafoodbank.org/board-access>

Password: apple.

See minutes, policies, board lists, etc.

**MANNA FoodBank
Board of Directors Meeting**

Date: January 21, 2015	Begin Time: 5:00 p.m.	End Time: 6:35 p.m.	Total Time: 1:35 min.
<p>Members Present: Allen King, Beth Palien, Brandon Anderson, Elaine Beattie, Janie Wilson, Jeff Grindstaff, Jim Mathews, Jim Peterson, Joyce Miles, Kip Marshall, Louise O'Connor, Marjorie Ulin, Mary Ritter, Melody Dunlop, Phil Hardin, Ross Sloan, Sage Turner, Scott McLean, Terry Latanich By phone: n/a Members Absent: Jo Blaylock, Teresa Roach</p>			
Guests Present: n/a			
Staff Present: Cindy Threlkeld, ED; Nancy Flippin, CFO, Donna Ensley			
Report/Member/ Handouts	Discussion/Recommendations/Conclusions	Action/Follow Up	
Call to Order	Jim Mathews called the meeting to order and asked former Board president Jim Peterson to read the mission and vision statement of MANNA FoodBank.		
Introduction of new Board members	JM introduced four new Board members: Brandon Anderson, Jeff Grindstaff, Louise O'Connor, and Sage Turner.		
Consent Calendar	JM asked for approval of the December and November minutes. There were two minor changes to be made to the attendance lists. The minutes were approved pending said changes.		
Dashboard Reviews Handout #1—MANNA FoodBank Food Receipts and Distribution	JM presented a handout noting the food receipts and distribution for FY 2014-15. He made particular note of the 13% increase in pounds distributed.		
Finance Committee Handout #2--Statement of Operating Activities for period ending Dec. 31, 2014 Handout #3—Statement of Position for period ending 12/31/14.	PH presented handouts of financial schedules previously reviewed by the FC. The first document was a statement of operating activities for the six months ending December 2014. He noted several items but, in summary, reported that MANNA is at 50% expenses and 59% income, YTD against the current budget. He also noted that at this time there is approximately \$2 million in cash on the balance sheet. The suggestion had been made to use some of this cash to pay off the debt incurred thus far to fund the STEH. However, the FC suggested leaving the existing loan balance outstanding, as it is at a low rate of interest, and they also felt it was important to continue with a strong banking relationship with the lender. Plus, DE noted that soliciting campaign donations was more effective if there was a debt involved.		
Capital Campaign	DE reported that Phase 1/Quiet Phase of the STEH campaign had ended with a total of \$1.8 million raised. Plans are now underway to initiate the public phase of the campaign. An event is planned at MANNA for April 14, 2015 at which time the public will be informed of the campaign. Invitees to this event will include donors, potential donors, high prospect, and media. David Holt, noted NC musician and storyteller, has agreed to participate in the event and it is hoped that his high profile might generate more interest in the campaign.		

<p>Strategic Plan Update Handout #4—Strategic Planning Document 2015-2020</p>	<p>CT presented the draft of the strategic plan for the next five years. She reported that the draft had been reviewed by the EC and by senior staff. She noted a few changes to wording and grammar, but otherwise those two groups had approved the plan. She then proceeded to go over the draft and ask for input or comments. After some discussion over wording, it was moved that, pending revision of the noted sentences, that the draft be approved and that it be presented at the February Board meeting for final approval.</p>	<p>Motion: That the Draft of the Strategic Planning Document be approved, pending minor changes to wording as noted by the ED.</p> <p>Motion was seconded and carried unanimously.</p>
<p>President’s Report Handout #5—Board Goals for 2015</p>	<p>JM reported on a proposal to buy a new truck. Jill Hanson reported to the EC in January that the largest truck in the fleet is 15 years old and in constant need of repair. She requested approval to purchase a replacement. The cost would be approximately \$150,000 but there is \$140,000 in the Truck Reserve Fund. The EC recommended purchase of the truck. In addition, PH reported that the Finance Committee reviewed the proposal and also recommended approval, with the caveat that the Board would continue to regularly put aside money into the Truck Reserve Fund for future needs. A motion was made and approved by the Board to move forward with the truck purchase.</p> <p>JM then outlined his Board Goals for 2015 and asked that each Board member read over them. He also requested that each member sign the “Conflict of Interest” and “Board Basic Commitment” documents.</p>	<p>Motion: That the Board of MANNA FoodBank approve the use of the \$140,000 in the Truck Reserve Fund to purchase a new truck.</p> <p>Motion was seconded and carried unanimously.</p>
<p>Executive Director’s Report Handout #6—Capital Campaign Summary</p>	<p>The ED reported that Phase 1 of the STEH was complete, and that Phase 2 could possibly begin as early June, pending approval of certain permits.</p> <p>The search for a Development Director is underway. At this point 27 applicants have applied with the selection of 5 candidates under consideration at this point. She noted that the search might take a while and that they were in no hurry to select a candidate.</p> <p>She noted the visit of Senators Apodaca and Hise. They toured the warehouse and listened to the staff and some Board members discuss the needs and concerns of operating the facility. She felt it was a beneficial visit as they both seemed enlightened on how a food bank works.</p>	
<p>Old Business</p>	<p>JM offered thanks to Melody Dunlop for agreeing to chair the Development Committee, Scott McLean for taking on the chair of the Membership and Governance Committee, and Phil Hardin for serving as Chair of the Finance Committee and Board Treasurer.</p> <p>NF asked that Board members report on any time spent on board committees or other MANNA projects, as she would like to keep an accounting of how much time the Board spends on related activities for reporting on Form 990.</p>	
<p>Next Board Meeting</p>	<p>February 17, 2015</p>	

Joyce Miles, Secretary
January 21, 2015

Development Report---Melody Dunlop

Under the topic of development, it is my pleasure to report on several activities that are already well underway due to the efforts of both MANNA's staff and volunteers. As you are aware, MANNA has 2 signature events that it holds in the calendar year with the Blue Jean Ball in June and Empty Bowls in September. Planning for both has begun including a special thanks to those on the Auction Committee who are already looking closely at this year's silent auction items for the Blue Jean Bowl.

Corporate sponsorships are a vital part to the success of these events, and MANNA has taken a very smart, efficient approach in their corporate sponsorship efforts by giving choices of engagement to its potential sponsors. Alisa Hixson who is the Director of Corporate Relations for MANNA has shared with me that the mailing for potential sponsors has gone out and the engagement opportunities includes choices of giving levels for being Blue Jean Balls sponsors, Empty Bowls sponsors, or annual sponsors which includes sponsorship for both events. We will have further information for you on these opportunities.

Capital Campaign

In regards to the Capital Campaign, I am very pleased to announce that the confirmed cash and pledges received to date in the Quiet Phase of the Campaign is now \$1,999,197. Just last week news of a \$125,000 commitment from Blue Cross and Blue Shield and a \$60,000 gift from HomeTrust Bank has put us at that updated total. The gift from HomeTrust Bank comes with a naming opportunity for the new lobby and reception area, and it is a recommendation from the Capital Campaign Committee that we accept this gift with its naming opportunity for HomeTrust Bank.

Also, there are still several pending foundation requests which when added together represent approximately \$500K in outstanding asks. These include asks to SunTrust Bank, Provident, Benevolent, James H. Cummings Foundation, Cannon Foundation, and the Weinberg Foundation. Within the last week, MANNA has conducted very extensive visits with both the Cummings Foundation and the Cannon Foundation, and we remain hopeful regarding these 2 foundations.

Last month, Chief Development Officer Donna Ensley let us know to save the date of the evening of Tuesday, April 14th for an event to be held at MANNA to celebrate the quiet phase of the campaign, and to launch the public phase. David Holt will be a special guest of honor that evening. Special invitations have been ordered and the envelopes will be hand addressed to a guest list which includes regular volunteers, monthly donors, major donors, campaign donors, media and public officials. We have confirmed donations of food from Harrah's, Highland Brewing Beer, and Biltmore Wine.

Please mark your calendars to attend this very special evening, and stay tuned for more opportunities to help which may include follow-up calls to potential attendees.

Space to Erase Hunger Campaign Summary

Revised 02/18/15

<u>Phase</u>	<u>Pledges</u>	<u>Non-pledge gifts</u>	<u>Gifts in kind</u>	<u>Total</u>
Board	\$163,250.00	\$5,000.00		\$168,250.00
CSC	\$83,200.00	\$53,652.00		\$136,852.00
Former Board	\$36,000.00	\$47,784.86		\$83,784.86
Staff	\$12,970.00	\$24,600.52		\$37,570.52
Lead individuals	\$115,250.00	\$637,800.00		\$753,050.00
Foundations	\$430,000.00	\$125,000.00		\$555,000.00
Businesses	\$11,500.00	\$52,000.00		\$63,500.00
Gifts in kind			\$23,160.00	\$23,160.00
Other	\$0.00	\$0.00		\$0.00
TOTAL	\$852,170.00	\$945,837.38	\$23,160.00	\$1,821,167.38

73% of \$2.5 mil project goal

61% of \$3 mil stretch goal

<u>Capital Campaign Phase I</u>	<u>Actual</u>	<u>Budgeted</u>	<u>Notes</u>
H & M Contractors (anticipated total)	\$ 1,088,900	\$ 1,068,000	change order \$20,900 --ballards in loading dock, site work
Fundraising Expenses (includes consulting & other out of pocket expenses)	\$ 77,937	\$ 84,000	
Equipment	\$ 199,693	\$ 120,000	warehouse racking, forklifts, scales, dock leveler, audio/visual for Laurel's kitchen
Furniture & Fixtures	\$ 35,084	\$ 35,000	volunteer center, Laurel's Kitchen, and warehouse offices
Design Services, offsite warehouse, utilities, and other misc	\$ 129,336	\$ 78,000	\$30,000 for offsite storage was not in the budget as well as the utilities associated with the temporary space; flood plain surveys; architectural services alone exceeded the total budget amount
Financing	\$ 2,951	TBD	no amount was put in the budget--only TBD
Contingency		\$ 80,000	offset cost overruns on equipment
Total Expenses Phase I	\$ 1,533,901	\$ 1,465,000	
% of variance actual/budget	5%		
Donated Goods & Services (not included in totals above)	\$ 23,160		lighting and interior design servies
<u>Anticipated Expenses Phase II</u>	<u>Original Budget</u>	<u>Proposed Budget</u>	
Freezer Equip & Installation	\$ 155,000	\$ 158,000	slight increase based on latest information
Cooler Equip & Installation	\$ 85,000	\$ 85,000	
Roofing	\$ 125,000	\$ 140,000	based on latest estimates
reserves on hand for roof		\$ (96,000)	
Racking Installation	\$ 20,000	\$ 20,000	
H&M Contractors: 623 renovations **	\$ -	\$ 129,563	add'l foundation work in freezer/coolers; electrical

H&M Contractors: 627 renovations **	\$ 150,000	\$ 580,734	produce room, shopping floor, mezzanine, offices
Furniture & Fixtures	\$ 60,000	\$ 100,000	
Contingency	\$ 39,000	\$ 39,000	
Temp Relocation & moving exp	\$ 15,000	\$ 50,000	estimating 4 months offsite
Fundraising	\$ 36,000	\$ 25,000	
Pledge Attrition	\$ 50,000	\$ 50,000	
Sub-total	\$ 735,000	\$ 1,281,297	74.33%
Regional Distribution Projects	\$300,000	\$ 300,000	
IT improvements		\$ 250,000	phone system, accounting & donor management software, fiber optics, inventory system upgrades, IT switches & wiring
Total Budget Phase II	\$ 1,035,000	\$ 1,831,297	
Grand Total	<u>\$2,500,000</u>	<u>\$3,365,198</u>	

** The original Campaign Budget was created before we knew that the work would need to be divided into 2 phases; in addition, the budget was broken down by building. We have had to do our best guess in matching up line items from the original budget to the actual work that was done in Phase I and what is estimated to be done for Phase II; as a result, the line items in the original budget for the renovations in Phase II are admittedly grossly understated.