



Chemeketan Council Meeting
April 4th 2018
2661 Commercial Street Suite A
Salem, Oregon

Present: Mike DeLaune, Bruce Patterson, Ralph Hall, Ann Hanus, Bill Wylie, Shonee Langford, Eillen Harder, Susan LaTour, Forrest (Frosty) Gill

Absent: None

Guests:, John Balling, Rob Kimmich, Susan Wakins, Amy Dale

Meeting called to order at 6:30 P.M.

Modify and adopt meeting agenda: The agenda was amended to include consideration of a proposed process for production of the Prospectus and confirmation of the date for the July meeting. The amended agenda was adopted by unanimous vote.

Shonee Langford reported he has reserved the Lifesource community room for the July meeting which will be Tuesday July 10th at 6:30 P.M.

Approve previous meeting's minutes: The minutes were approved unanimously.

Chemeketan Council Membership Report For 3/1/2018 through 3/31/2018

As of April 1st there are:

595 Members

578 Adult Members

9 Junior Members

8 Life Members

There were 10 new members submitted in March

There were 13 Membership Renewals in March. The ten new members were approved unanimously after a motion to except them was made.

Susan Watkins and Amy Dale reported on the 2017 Audit that they have completed. Mike DeLaune expressed his gratitude to the auditors for the important role they play. Susan performed the portion of the audit including the the General club and the outing while Amy oversaw the Climbing portion. Susan talked about her

history in doing the audit for the past 11 years and provided information about her process she follows in producing the audit. Susan reported an overall slight loss for 2017 in part due to the reinstatement costs for our tax exempt status. Amy's background is as an auditor for the state and is a CPA. She discussed her process and recommendations.

Chemeketans Auditor's Report
Fiscal Year January - December 2017

An examination of the financial records, balance sheet and statement of receipts and disbursements for the Chemeketan Outdoor Club, Climbing, and Chemeketan Annual Outing has been completed for fiscal year 2017.

All records and documentation were well organized and accurate. Transactions entered on the general ledger were accounted for through comparison with source documents for income and expenses. Income amounts were compared with bank statements and deposit slips and their supporting documentation. Entries for expenses corresponded with amounts reported on source documents. Transactions were accurately entered, and no errors were found. A deposit dated 10/31 does not have a listing of members and check numbers for dues paid.

Main club total income was \$18,156.52 with \$18,798.10 in expenses resulting in a small loss of \$641.58. Largest expenses were Accounting and Tax Prep \$2,378.65, Insurance \$3,220.50, and Meeting Space \$2,016.30. Meeting space cost is half what it was when the club met at the Chemeketan Den; however storage space for club records is lacking. Reinstatement of Chemeketan's nonprofit status was \$850, and 2016 taxes were paid in fiscal year 2017. Trail Maintenance had expenses of \$1,544.18 for maintenance of equipment and new purchases.

A budget for fiscal year 2018 was also prepared with proposed needs submitted by committee chairs. This is a good addition to the treasurer's reporting data. Outing records were well organized and accurate. No errors were found. Membership application source documents were missing; however, a transaction report listing participants was included in the documentation. Check numbers 1094-1102 were not used and the treasurer has these blank checks. Check No. 1062 for \$39.49 for tent supplies had inadequate source documentation but items were necessary for outing needs. The 2017 Outing income was on a par with the 2014 Outing in Glacier realizing a total income of \$4A,249.28 and total expenses of \$39,976.37 for a net profit of \$880.83.

The climbing audit was prepared by Amy Dale and is included as an attachment to this report. Climbing income was \$11,938.01 and expenses were 59771.82 with a net profit of \$243.18.

Total income for the Chemeketans for 2017 was \$70,963.87 which included dues of \$13,905.00. Dues were \$5,683 less than 2016. Total expenses were \$68,545.89 with a net profit of \$2,417.98. On a quarterly basis (March, June, Sept and Dec) Balance sheet and Profit and Loss statements should be compiled that combine all three units. It is especially important that the end of year Balance Sheet and Profit and Loss statements include all three areas of the club which will give the actual financial condition of the Chemeketan Hiking Club.

The agenda item regarding the Chemeketa photo gallery was tabled.

The Nominating Committee for prospective Council Members reported on its progress. Ann reported that they have met on March 14, 2018. They reviewed the timetable and are starting to identify possible candidates.

Shonee reported on the status for the Annual Banquet. He has 65 people signed up currently for the Thursday April 12th event. Don Gallagher will provide a slide show and George and Janet Adkins will bring scrapbooks for perusal.

Treasurer's Report including reimbursements

Mike presented his monthly report. The club received \$7874.17 in total revenue in March.

The Council was asked to approved various expenses/reimbursements totaling \$ 7710.22. A motion to do so was seconded and approved.

Reimbursements included:

\$ 78.60	Postal Connections February Bulletin
\$ 90.00	Salem Alliance Church May Picture Night room rental
\$ 4493.00	The Summit Group 20180-2019 general Liability policy
\$ 217.52	John Balling for Valley Mailing prospectus cost
\$ 25.00	Ink Spot for 100 member ID stickers
\$ 65.20	Bruce Patterson for stamps
\$ 95.40	Rob Kimmich for web host payment HostGator.
\$ 1685.50	Ink Spot Printing for 600 prospectuses.
\$ 960.00	Club Express for Web Site set up

\$ 7710.22 Total Expenditures for April 2018

Mike reported had the Missouri Pacific RR debenture bond has been redeemed with proceeds of \$ 6,361.67 and that he will develop a note about the history of the bond to put in the Bulletin. He further reported having met with our accountant, Vicki Holland on 3/21/18 and gave her our 2017 tax information. She plans to complete our 2017 tax and information report forms by the last week in April. Mike also reported establishing accounts with Oregon Revenue Online and Federal EFTPS (Electronic Federal Tax Payment System). With Executive Council approval these accounts will be used to pay Chemeketans state and federal taxes this year and going forwards.

Treasurer Michael G DeLaune requests Executive Council approval to submit the following forms to Vanguard, and requests approval of the individuals designated as organization representatives and authorized signatories on those forms:

Vanguard Brokerage Account Application for Organizations. This form will create a brokerage account in the name of **Chemeketans** and appoint **Michael G DeLaune** and **George L Adkins** as organization representatives. Along with the Change of Ownership form (described below), it will also authorize transferring Chemeketans current investment account mutual fund assets into the new brokerage account. It will also establish a connection between the new brokerage account and Chemeketans Pioneer Trust Bank checking account. **Michael G DeLaune** and **George L Adkins** will sign the form as organization representatives.

Change of Ownership Between Vanguard Nonretirement Accounts. This form changes the ownership of Chemeketans Vanguard assets from an investment account owned by **The Chemeketans** to a brokerage account owned by **Chemeketans**. **Michael G DeLaune** and **George L Adkins** are listed as organization representatives for both the investment account we are moving holdings from and the brokerage account we are moving holdings to. **All** holdings will be moved from the current investment account to the new brokerage account. **Michael G DeLaune** and **George L Adkins** will sign the form as organization representatives and their signatures will be guaranteed by an authorized bank officer.

Organization Resolution. This form designates Michael G DeLaune, George L Adkins, and Amy I Dale as authorized signatories on the new brokerage account. Michael G DeLaune is designated as authorized signatory to establish online access and electronic delivery for the account. Forrest C Gill, President, and Ralph G Hall, Recording Secretary, are authorized to sign the Organization Resolution form on behalf of Chemeketans.

The request stated above from Mike was made into a motion which after a second was approved.

Signatures:

Forrest C Gill, President

Ralph G Hall, Recording Secretary

Michael G DeLaune, Treasurer

George L Adkins, Investment Committee Chair

Amy I Dale, Investment Committee Member

A second request was that the Executive Council determine how much of current Main Club assets should be reserved to meet cash flow needs and possible expenditures over the next five to seven years. The council felt that a sum of \$ 30,000.00 should remain in liquid accounts and the remainder in equity investments.

IT Committee Report Rob reported progress in that the web site is ready for live development. He also discussed costs associated with development. John brought up the need for a liaison between the “public side” and “private side” of the web site. Several ideas were considered including a monthly rotation.

ACH Vendor Payment Rule

The Rules Committee presented its proposed ACH Vendor payment rule which is as follows:

Chemeketans Rule 2018-01, ACH Vendor Payments

Background and Purpose:

Chemeketans Bylaws dated 1/17/18 state: “Executive Council may approve by rule additional expenditure and revenue collection methods including but not limited to credit card, electronic funds transfer, and online bill pay.”

Automated Clearing House (ACH) is an electronic network for financial transactions in the United States. ACH processes large volumes of credit and debit transactions in batches. ACH transfers include direct deposit, payroll and vendor payments.

The purpose of this rule is to establish criteria and procedures for allowing ACH vendor payments. ACH vendor payments include both “bill pay” system payments initiated by the Treasurer, and automatic payments initiated by the vendor. Credit and debit card payments are not included in this rule.

Criteria and Procedures:

1. All ACH vendor payments shall be approved by Executive Council in advance.
2. Executive Council shall approve an ACH vendor payment as either a one-time or a recurring payment.

3. Recurring ACH vendor payments need only be approved by Executive Council once, prior to the first payment.

4. The Treasurer shall establish and maintain a list of vendors approved by Executive Council for recurring ACH vendor payments. This list shall be reviewed with Executive Council once a year at the February meeting. Executive Council may remove a vendor from the list at any time.

5. The Treasurer shall include in the monthly Treasurer's Report all ACH vendor payments made in the previous month.

After being moved and seconded the rule was adopted. Mike then moved that the list of ACH vendor payments including U.S. Treasury be approved. The motion was adopted.

John suggested the development of a written process for the production of the Prospectus of which he has produced and posted a draft proposal. He is requesting feedback.

The meeting adjourned at 8:30 PM.

These minutes are respectfully submitted by Ralph Hall Recording Secretary.