

## TEXAS FOLK MUSIC FOUNDATION

### Board Meeting Minutes

Sept. 27, 2011

(Conference Call)

**Board Members Present:** Larry West, Thomas Chapmond, Michael D'Eath, Jon Charles, Val Stinson, Theresa Tod

**Board Members Absent:** Lloyd Maines, Adams Kirkpatrick, Stan Berkefelt

**Guests Present:** Syd Franz

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Michael D'Eath, Chair, called the meeting to order at 5:30 p.m., and announced that he'd asked Thomas to chair the meeting, as he would need to leave shortly. A quorum was established. (Theresa Tod joined the meeting in time to retain a quorum).

Thomas acknowledged Larry West and Syd Franz to present the financial report.

Financial Report: (Larry West, Treasurer) Larry referenced the financial report documents he'd circulated Monday by email, for advance review; including a Statement of Income and Expense, Balance Sheet, Capital Expenditures, and Statement of Changes in Cash – all through March 31<sup>st</sup>, 2011.

He presented the Dec. 31, 2010 financial statements first for discussion. Michael moved and Jon seconded to approve the 12-31-10 financial statements; the vote to approve was unanimous.

Larry then presented the March 31, 2011 financial statements for discussion. For Income and Expense, we discussed the fact that "Festival Expenses" includes a \$32,000 down payment to the sound engineer that probably should have been recognized as expense in the month of the festival but was not reclassified since the June 30 statements were close to being completed. We discussed that these statements were manually constructed by Syd since the new format had not yet been created in QuickBooks. It was noted that these statements had been prepared using the accrual basis of accounting instead of the cash basis of accounting formerly used.

On the Balance Sheet, Larry pointed out the growth in "Accounts Receivable" and that it needed review for collectability. We know that some is not collectible. He also pointed out the "Prepaid Rent" and "Prepaid Insurance" accounts and explained that they contained amounts representing expenses that had been paid, but that the month of service had not yet passed. We also briefly discussed that "Other Liabilities" is primarily credit card debt. We briefly discussed the fact that there was only \$350 in Capital Spending on the "Capital Expenditure Report". Larry said that the cash status did not change much and that there were explanatory notes at the bottom of the statement.

Michael moved and Jon seconded to approve the 3-31-11 financial statements; the vote to approve was unanimous.

Larry reported that Lee Anderson is working on the Foundation's 990 report, which is due October 15; they do not anticipate any problems in submitting the report on time. (Update: Per Larry, this statement was in error; the actual deadline is November 15, 2011.)

Syd has been putting in a lot of hours creating the new report formats within QuickBooks; the change will make it much easier for her to print reports that provide the information needed, including comparison with the budget. One reason these changes are so labor intensive is that she must work through every expense classification and line item used in the past, leaving a trail of notations about how the classification has been changed so that a trail of past activity can be found and understood if needed. She will now focus on other routine financial activities, including the June 30<sup>th</sup> and Sept. 30<sup>th</sup> financial statements, which will give us a picture of the majority of activity for the year, as it includes both festivals.

Thomas thanked Syd and Larry for their hard work, creating the new report format.

Minutes: (Theresa Tod, Secretary) The minutes were circulated by email; feedback from Adams was incorporated. Theresa said that the only gap remaining was the name of one guest for which she didn't have a record; someone who arrived later and didn't speak to her knowledge. Larry thought it might have been Steve Smith; Theresa said she would check the document and make that addition if necessary. Jon moved and Larry seconded to accept the minutes as submitted, pending that addition if needed. The motion was approved unanimously.

Jon moved to adjourn; Theresa seconded the motion, and it was approved without opposition. The meeting was adjourned at 6:10 p.m.

*-Minutes submitted by Theresa Tod, Secretary*