

ROTARY CLUB OF SANTA ROSA FOUNDATION
BOARD OF TRUSTEES MEETING
July 27, 2020
MINUTES

CALL TO ORDER: MCMILLAN

Trustees present: Anderson, Hardcastle, Hatcher, Humes, Miyano, Olson, McMillan, Chase, Hamilton, Rousseau, Lescure, Wear, Lucas, Giampaoli, Glenn (prior trustee)

Trustees absent: None

Guests: Steve Reuter

MINUTES: GLENN

1. Approval of minutes – MSA Olson/Chase

PRESIDENT'S REPORT: MCMILLAN

1. McMillan reminded board that all members must complete a Conflict of Interest statement. It will be sent to them shortly.

INVESTMENT REVIEW: STEVE REUTER, financial advisor

1. Reuter noted that we currently have \$250,000+ in our account. He discussed what to do with it. Interest on cash accounts is .06% currently, with no improvement expected any time soon. He considers the best choice in fixed income investments currently is preferred stock. However, these investments are rated DD-, below investment grade. The Foundation's investment policy does not permit the purchase of below investment grade assets.
2. He recommended that we change our investment policy to include DD- rating as investment grade and that we invest our excess cash divided equally among 3-4 financial institution preferreds paying a 4-5% return. MSA Hatcher/Giampaoli to change our investment policy to include DD- rating in investment grade. MSA Hatcher/Anderson to invest \$200,000 divided equally among 3-4 preferreds to be recommended by Reuter.

STANDING COMMITTEES:

1. DISTRIBUTION AND FINANCE: HARDCASTLE
 - a. Hardcastle reviewed financial statements for 6/30/20 (distributed in advance). Total assets were \$1,929,154. Net income for the year to date was \$170,930.
 - b. Hardcastle presented a draft distribution schedule for 2020-21. MSA Olson/Rousseau to approve it as presented.
2. INVESTMENT: HATCHER
 - a. Merrill Lynch report distributed in advance; no discussion
3. SCHOLARSHIPS & AWARDS: OLSON
 - a. Report distributed in advance; no discussion
4. PR & MARKETING: CHASE
 - a. Chase demonstrated The Brain, our online database, as an introduction for new board members and a refresher for other board members.
 - b. Chase gave a website update. It is almost ready to go live, and he invited board members to review it before it goes live.
 - c. Total costs are not in yet, but they will be approximately the amount budgeted
5. NOMINATING: MIYANO

- a. MSA Miyano/Olson to invite Ryan Thomas to join the Board, taking the place of Glenn, who is leaving the board.
6. DONOR DEVELOPMENT AND RECOGNITIONS: HATCHER
 - a. Hatcher will recognize donors who have reached new giving levels at the next club meeting. He will send recognition pins to them.
7. CHARITABLE PROJECTS: No report
8. CLUB REPORT: No report

OLD BUSINESS: None

NEW BUSINESS: None

Adjournment

Next meeting: Monday August 24, 3:00