

## Meeting Minutes 2022

### Sumner Community Foundation.

January 3rd, 2022 @ 12:45 Pm. Microsoft Team Meeting  
Brad Genereaux, Jason Yockey, Jim Pannier, Mark Zimmer, Dave Mansfield

- Call to Order **12:50 JimP**
- Brad moderated a discussion concerning accumulation and distribution strategies for the Foundation going forward. Among the topics discussed were:
  - ...the need to be sure what the Foundation is classified, in the eyes of the IRS. Is it a public charity, a public or private foundation?
  - ...that public charities are exempt from being required to spend 5% of their annual account balance.
  - ...that public and private foundations must have a "PLAN" in place to distribute (spend) at least 5% of their ending annual balance. The expenditure may not be made on an annual basis, but there needs to be a plan for awarding the equivalent of 5% over the time period (years). In other words, there needs to be a long term distribution plan which may involve several years before an award is made. This policy insures that foundations do not continue to grow unbridled.
  - ...the definition of a \$2M balance should be defined based upon a six month average balance, rather than a specific point in time.
  - ...the importance of having a Long Term Spending Goal and Distribution Plan was emphasized. A 5 to 6% distribution plan was suggested. (5% of \$2M = \$100,000)
  - ...the establishment of multiple portfolios, rather than just one should be considered by the Board. (Now we have one portfolio divided 60% equities, 24% fixed income and 13% alternatives). Jason suggest we consider at least 70% equities and 30% or less fixed income, in long term and short term portfolios. (He is assuming a 5 to 7 year market cycle.
  - Jason will confirm with our accountant the correct IRS designation for our Foundation. Regardless the IRS designation we will continue to be the Sumner Community Foundation.
  - Jason will provide our Board with a critique of our IPS, as well as, a sample IPS which may prove helpful in rewriting ours.
  - Next meeting set for Thursday January 13<sup>th</sup> at 5:00 Pm
  - We adjourned, with no motions moved, seconded or passed. **2:00 PM JimP**