



BCOA Beverly C. Taylor Trust for Borzoi Rescue (BTRC)
(A Sub-Committee of The Borzoi Club of America)
The Annual BTRC Budget Proposal Meeting - January 22, 2018

The BTRC held the annual budget proposal meeting on January 22, 2018, 6:30pm Eastern. The meeting was called to order by the BTRC Chair Barbara O'Neill with the following committee members present: Rebecca Peters-Campbell, Barbara O'Neill, Joyce Katona, Dee Jones, Shen Smith & Ron Williams. A quorum was established. Financial Advisor Kelly Brunarski, PhD was in attendance, but Karen Denning, PhD was absent due to a schedule conflict.

Minutes of October 16th, 2017: A motion was made by Rebecca Peters-Campbell, 2nd by Joyce Katona, to approve the minutes of October 16, 2017 as distributed. **MOTION CARRIED** 6-Yes 0-No.

BTRC Secretary Report:

Shen Smith indicated the BTRC was extremely productive during 2017; here is a recap of the year:

2017 BTRC Meetings: there were three BTRC telephone conference meetings held in 2017: January 23rd (Budget), April 10th & October 16th (All using Chorus Call). 2017 Schwab Account Statements: Twelve (12) Schwab account statements for BCOA-BTRC Rescue Accounts #1 & #2 were provided to the members of the BTRC and the BCOA BoD.

2017 January - Beverly C Taylor Estate Closed: the Beverly C. Taylor estate was finally permanently closed out. In Oct/2016, BCOA received a check in the amount of \$163,500, and in January/2017 a final check was received in the amount of \$6,583.90. With the total funds now nicely over one million dollars thanks to the generosity and thoughtfulness of Beverly Taylor. Since the inception of the Beverly C Taylor Trust for Borzoi Rescue there has been \$225,000 distributed to the benefit of Borzoi Rescue.

2017 January Distributions: all operational expenses will be paid from ResAcct#2; reserving the ResAcct#1 principal of \$911K for earnings toward rescue distributions. ResAcct#2 made distribution to BCOA for reimbursement of BTRC operational expenses of \$582.41. ResAcct#1 distribution to benefit rescue was based on \$23,136.41 in funds available for consideration. Final distribution was approved at: \$15,424.82 (2/3) to National Borzoi Rescue Foundation, and \$7,712.14 (1/3) to Borzoi Rescue Northern California. Also from ResAcct#1 payable to Schwab was a \$20 express mail fee for delivering emergency funds to Borzoi Rescue Northern California regarding the 28 Borzoi rescue situation. Thank you letters were received from NBRF and BR-NC expressing gratitude and blessings for the speed of getting funds to them.

2017 April the BTRC reviewed and created a new 501(c)3 Rescue Group Application Form which was approved by the BTRC and by the BCOA BoD.

2017 October Modification to ResAcct #2 the "in-cash" amount to be retained in ResAcct #2 was motioned to become \$5,600 - instead of \$25K. The difference was invested and put to work earning interest & dividends.

2017 December all funds (except the retained \$5,600) were invested and earning interest & dividends. All investments were in accordance with the BTRC Investment Policy.

2017 Operational Expenses Incurred by BTRC

\$334.99 Chorus Call (3 Conference Calls 1/23, 4/10 & 10/16)
\$ 71.92 1/26/2017 Federal Express (to Karen Mays) Ck#8614
\$ 13.70 2/24/2017 USPO Priority Mail Stamps (to O'Neill & Schwab) \$6.85 ea
\$ 5.88 2/26/2017 12 Forever Stamps (\$.49 ea)
\$ 40.98 4/02/2017 Federal Express (to Rebecca Peters-Campbell)

\$457.47 Total Out-of-Pocket Expenses to be reimbursed to BCOA.

2018 Borzoi Rescue Distributions ResAcct #1 the reserved core base principal amount on 1/1/2017 was \$911K. The ending 12/31/2017 statement balance was \$932,084.77. As of 12/31/2017, the funds available for consideration are \$21,084.77 which reflects approximately 3% of the funds in Rescue Acct #1.

A motion was made by Joyce Katona, 2nd by Ron Williams to accept the BTRC 2017 EOY Secretary Report.
MOTION CARRIED 6-Yes 0-No

UNFINISHED BUSINESS

BCOA Disaster Program was discussed regarding the committee make-up. Ron Williams indicated he has added Dee Jones to the committee as there is a need for continuity between the BCOA and the BTRC.

Membership Meeting Motion to Withhold Funding to Rescue was discussed with a quick review of a proposed draft created by the BCOA for all rescues which qualify for rescue funds. Reviewing the draft it was pointed out the words "BCOA members in good standing" needs to be added. A question was raised by Dee Jones asking how the original motion pertains to this budget meeting and what will happen with distributions this year for rescue. There was disappointment expressed within the BTRC regarding the length of time the BCOA has taken toward resolving the problem. Chair O'Neill stated the BTRC will proceed as normal in creating the 2018 Budget Proposal for BCOA review as there is nothing the BTRC can do about the problem.

Ron Williams indicated he has spoken with NBRF and these issues will be on his agenda for the upcoming BCOA BoD meeting the first week in February. Chair O'Neill stated hopefully it will be resolved and will not have an impact on the 2018 rescue distribution or the reimbursement to BCOA for their out of pocket expenses.

NEW BUSINESS

Borzoi Rescue of Northern California as of December 31, 2017, the BR-NC has dissolved their 501(c)3 rescue organization. Chair O'Neill thanked the staff at BR-NC for their dedication to helping Borzoi in distress during all of the years and stated that they will be sadly missed.

Annual Review of the BTRC Investment Policy and to notify the Borzoi Club of America that the BTRC has not proposed any changes to the BCOA-BTRC Investment Policy for this year. All investments initiated in the 2018 year will be in keeping with the currently approved investment policy. After further discussion, a motion was made by Joyce Katona, 2nd by Shen Smith to approve the existing Investment Policy for investment decision use in the 2018 year. **MOTION CARRIED** 6-Yes 0-No

2018 Proposed Fund Distributions ResAcct #2 the out of pocket expense incurred by BCOA in 2017 was \$457.47 which covered three conference calls and various mailing expenses. A motion was made by Dee Jones, 2nd by Ron Williams to authorize release of this amount to reimburse BCOA. **MOTION CARRIED** 6-Yes 0-No.
ResAcct #1 the reserved core principal base amount for 2017 was \$911,000. The ending December 31, 2017 Schwab statement indicated an increase of funds by \$21,084.77 available for distribution.

The National inflation rate was discussed noting the rate at the end of December/17 was 2.1% which triggered discussion about retaining funds this year to help offset the inflation rate. Kelly Brunarski indicated anytime you can offset inflation it is a sound practice and should be done since no funds have been retained in the past, and all earnings have been distributed to rescue. Shen Smith felt the fund couldn't cover retaining the full inflation rate as that would leave little for rescue, but if just 1% was retained annually this would be very helpful in maintaining the principal.

After a lengthy discussion, a motion was made by Shen Smith, 2nd by Rebecca Peters-Campbell to retain 1% (\$5,000) from the 2017 earnings. **MOTION CARRIED** 6-Yes 0-No. The current reserved core principal base for earnings is being raised from \$911,000 to \$916,000 for this earning year.

Borzoi Rescue Distribution: discussion regarding 2018 distribution to **National Borzoi Rescue Foundation** resulted in a motion by Dee Jones, 2nd by Joyce Katona to approve distribution of **\$16,084.77** to NBRF for the benefit of Borzoi rescue. **MOTION CARRIED** 6-Yes 0-No.

Upcoming ResAcct #1 Reinvestments: by June 1st there will be an approx \$60,000 maturing for reinvestment. Earlier, both financial advisors were asked their opinions on how these funds should be reinvested (short-term or longer term), and if they might advise toward bonds, bond funds or certificates of deposit during this time when the Feds are scheduling several interest rate hikes during the year. Both advisors indicated mid-range in corporate bonds advisable until it is determined exactly what the Feds decide to do this year. Nothing is to be invested into certificates of deposit, but some funds may be added to the a bond mutual fund to help keep investments more liquid. A motion was made by Shen Smith, 2nd by Dee Jones to follow the advice of the advisors for these maturing funds. **MOTION CARRIED** 6-Yes 0-No.

Upcoming ResAcct#2 Reinvestment and possible restructuring of account investments this account currently contains approximately a bit over \$170,000 all currently invested except \$5,600 which is retained in cash. When this account was first opened it was thought these funds should be maintained more liquid and invested much shorter term than the funds in ResAcct#1. But, as short as the current investments are, the account hasn't been able to earn enough interest to cover even the out of pocket payments to BCOA for BTRC expenses during 2016 & 2017. Discussion was then undertaken to determine a stronger and longer term investment policy for this account.

More discussion was started to determine how much of the account should actually be kept very liquid. Chair O'Neill suggested the BTRC may have overestimated the amount of liquidity needed by using a "**worst case scenario**", and underestimated the length of time before a BCOA plan is in place for the Borzoi Disaster program. She indicated the liquidity should be okay with the account currently holding \$15,000 in a quick turn-around bond fund (and with \$5600 in cash) this gives the BTRC \$20,600 in available aid for assisted coverage of large rescues in about 7-8 days. Kelly Brunarski indicated she didn't see any problem with taking reinvestments out further and purchasing corporate bonds as the current instruments mature. After further discussion, a motion was made by Dee Jones, 2nd by Shen Smith that part of the funds be put into a bond fund, and as more investments mature they are reinvested half in mid-range and half in long range bonds continuing until this account is again reevaluated. **MOTION CARRIED** 6-Yes 0-No.

As there was no further business at this time, a motion was made by Shen Smith, 2nd by Dee Jones to adjourn. Meeting was adjourned at 8:06pm.

Respectfully submitted,
Shen Smith, BCOA-BTRC Secretary