



**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 23, 2017**

The BTRC held the annual budget proposal meeting on January 23, 2017, 5:00 PM Eastern. The meeting was called to order by BTRC Chair Barbara O'Neill with the following committee members present: Rebecca Peters-Campbell, Barbara O'Neill, Joyce Katona, Dedra Jones & Shen Smith. A quorum was established. Financial Advisor in attendance was Kelly Brunarski, PhD. Karen Denning, PhD was absent due to illness.

**Minutes of October 27<sup>th</sup>, 2016:** A motion was made by **Dee Jones**, 2<sup>nd</sup> by **Rebecca Peters-Campbell**, to approve the 10/27/2016 minutes as distributed. **MOTION CARRIED** 5-Yes, 0-No.

**BTRC Secretary's Report:** Shen Smith provided a recap report of BTRC business and projects completed in 2016:

2015 Year End Profit/Loss Statement was provided to the BCOA Treasurer for the BCOA 2015 Taxes filing when received from Schwab & Company in March/2016.

2015 Overlook Check-Up: The BTRC asked Jon Steele to review all BTRC investments for his comments regarding the current investment status. The investment protocol at the end of 2015 met with an over-all approval with a suggestion that investments could use a bit more diversity.

2016 BTRC Meetings: There were four (4) BTRC phone conference meetings held in 2016: January 11th, March 9th, August 1st & October 27th using Chorus Call.

2016 Schwab Account Statements: Twelve (12) Schwab statements for the BCOA-BTRC Rescue Account #1 were provided to the members of the BTRC and the BCOA BoD.

2016 BTRC Financial Advisory Committee Created was a BTRC Financial Advisory sub-committee with the appointment of two qualified BCOA member advisors selected to assist the BTRC with any financial decisions and assistance in the creation of a new over-all Investment Policy. Approved were Karen Denning, PhD and Kelly Brunarski, PhD.

2016 Borzoi Rescue Distributions: 2015 year-end balance was \$933,769.16. \$22,769.16 will be distributed. BCOA BoD approved the BTRC Budget to allocate \$15,092.11 (2/3) to National Borzoi Rescue Foundation, and \$7,546.05 to Borzoi Rescue Northern California.

2016 BTRC Standing Rules The BTRC successfully completed and approved two sections of standing rules for the BTRC. BTRC Standing Rules – #2016-1 – "Annual Budget, Annual Distributions & Authorized Members", and BTRC Standing Rules #2016-2 – "Investment Policy"

2016 Distribution Report for BCOA Membership: Rebecca Peters-Campbell requested the BTRC create a list of all distribution amounts (since inception) distributed to Rescue from the Beverly Taylor funds for the benefit of Borzoi Rescue. Report to be provided to the membership with the 2017 Annual Membership Meeting.

Beverly C. Taylor Estate Funds: Received in October was \$163,500 of additional Beverly Taylor Estate funds which initiated the establishment of a 2nd Schwab Account to be known as BCOA-BTRC Rescue Account #2. Account setup was successfully completed before the end of 2016. Dedra Jones was approved to be the non-BCOA BoD BTRC committee member assigned to the newly established account. The 1st Schwab statement on the new account was distributed to the BTRC & BCOA BoD in January 2017.

**2016 Two New Programs Established & Funded** by the BTRC:

1. * <u>Beverly C Taylor Reserved Rescue Fund</u>	\$ 25,000.00
2. ** <u>Beverly C Taylor National Borzoi Disaster Fund</u>	\$100,000.00
3. Currently un-allocated funds in reserve	\$ 38,500.00

\* The BTRC determined the purpose of the BCT Reserved Rescue Fund is to serve as a safety-net to assist the approved Borzoi rescue groups in the event of a large rescue event which might seriously deplete their entire financial stability.

\*\* 2016 Annual Membership Meeting *"On a motion by Toby Brandtman, seconded by Jan Leikam, BCOA, together with BTRC and Ready Borzoi will explore setting aside BTRC funds to establish a Beverly C Taylor National Borzoi Disaster Fund. A proposal for the program will be presented at the next Annual Meeting (2017 in Hunt Valley, MD). The motion carried"*. As of this date the BCT National Borzoi Disaster Fund (as requested by the BCOA membership), has been established and funded, but nothing yet has been established regarding the proposed operation of the program. Preliminary work is scheduled for the January 23, 2017 BTRC meeting.

**Fund Activity Since October 27<sup>th</sup> Meeting**: The following Bonds/CD's have matured or been called:

1) 1/19/17	Cornell University	\$17,214.30 (called)
2) 1/9/17	General Electric	\$15,000.00 (matured)
3) 11/10/16	Bank of China/New York	\$15,000.00 (matured)

The un-invested balance in the BCOA-BTRC Rescue Account #1 is \$86,211.86.

**2017 Annual BTRC Investment Policy**: A motion was made by **Joyce Katona**, 2nd by **Shen Smith**, to advise the Borzoi Club of America that the BTRC has not proposed any changes to the approved BCOA-BTRC Investment Policy for the coming year. All investments initiated in 2017 by the BTRC will be in keeping with the currently approved Investment Policy. **MOTION CARRIED**, 5-Yes, 0-No.

**Reinvestment – Rescue Acct #1**: A motion was made by **Dee Jones**, 2<sup>nd</sup> by **Rebecca Peters-Campbell** to authorize reinvestment of \$86,211.86 of funds within the BCOA-BTRC Rescue Acct #1 in keeping with the protocols of the BCOA-BTRC Investment Policy. **MOTION CARRIED** 5-Yes, 0-No.

**Expenses incurred by BTRC in 2016 were:**

Chorus Call	4 Conference Calls		\$335.97
11/02/2016	State of Pennsylvania	Articles of BCOA Incorporation	\$ 51.00
11/09/2016	USPO	Priority Mail Stamps	\$ 51.60
* 12/19/2016	Federal Express	Overnight to Karen Mays	<del>(\$ 79.00)</del> \$71.92
* 12/20/2016	Federal Express	Overnight from K Mays to Schwab	<del>(\$ 79.00)</del> \$71.92

\* FedX invoice hasn't been received as of the date of this meeting. The overnight delivery figures could be +/- a few dollars. **Note - FedX invoice received 1/26/17 reflecting delivery price of \$71.92 ea. I've amended the expense figures to reimburse BCOA to \$582.41 from Rescue Account #2.**

**BTRC Operational Expense Policy:** A motion was made by **Rebecca Peters-Campbell**, 2<sup>nd</sup> by **Joyce Katona** to establish a policy that all expenses incurred by the BTRC in the operation of ordinary business be paid or reimbursed using funds from within the BCOA-BTRC Rescue Account #2. **MOTION CARRIED** 5-Yes, 0-No.

**Payment of 2016 BTRC Expenses** Since the exact final figures for the two Federal Express deliveries the end of December isn't known at this date other than they could be a few dollars more or less than \$79 ea., a motion was made by **Joyce Katona**, 2<sup>nd</sup> by **Rebecca Peters-Campbell** to authorize reimbursement to the Borzoi Club of America up to \$600.00. **MOTION CARRIED** 5-Yes, 0-No.

**2017 PROPOSED BTRC BUDGET DISTRIBUTIONS:**

**BCOA-BTRC Rescue Account #1:** The reserved core base principal amount on 12/31/16 was \$911K. The ending Dec/16 Schwab statement balance was \$934,136.41. The net/net earnings of the fund as of 12/31/2016 was **\$23,136.41** which reflects a 3% distribution to rescue of the entire funds within the Rescue Acct #1.

After discussion, a motion was made by **Shen Smith**, 2<sup>nd</sup> by **Joyce Katona**, to allocate **\$15,424.82** (2/3) to the National Borzoi Rescue Foundation, Inc., and allocate **\$7,711.59** to Borzoi Rescue – Northern California. **MOTION CARRIED**, 5-Yes, 0-No.

**UNFINISHED BUSINESS:**

**BTRC Standing Rules:** As there was still a major portion of business and it was getting late, tabled to the next meeting was work on the text for the third section of the standing rules – ***Standing Rules #2017-3 "Criteria & Application Process for Borzoi-Only Rescue Organizations holding a 501 (c3) Classification"***.

Discussion regarding restating the rules regarding exactly who is authorized to receive rescue funds, resulted in a motion by **Shen Smith**, 2<sup>nd</sup> by **Dee Jones**, that rescue funds will only be granted to the benefit of the previously approved BTRC-BCOA 501(c3) Borzoi Rescue groups. With the term Borzoi Rescue Group defined as a Borzoi-Only 501(c3) Rescue which has previously applied and received a final approval as a beneficiary rescue of BTRC-BCOA funds by both the BTRC & the BCOA Board of Directors. It has been determined that all-breed, or combined other breed rescue groups are not eligible for approval status as BTRC-BCOA Borzoi rescue groups. Any individual, other party or group may apply directly to one of the approved BTRC-BCOA Borzoi rescue groups for any rescue assistance they might require. **MOTION CARRIED** 5-Yes, 0-No.

Chairman O'Neill said she will locate a copy of the old BTRC rescue group application so it can be reviewed and revised if needed.

## NEW BUSINESS:

### Investment Discussion Regarding the BCT Reserve Rescue Fund, and the BCT National Borzoi Disaster Program:

After payment of the \$600 to reimburse the BCOA, there remains a balance in BCOA-BTRC Rescue Acct #2 of \$162,900.00 which will require investment decisions to start those funds earning for rescue.

Though Karen Denning was ill for this meeting she was able to submit a report with some of her recommendations for investing funds within the account and other concerns. Karen wrote: ***“My thinking is any emergency fund should have a significant amount of very liquid investments. I don’t know what historical catastrophes have cost rescue, but quick liquidity seems reasonable. I would suggest that the BTRC staddle the middle and go medium in terms with investments – so as not to be locked in with exaggerated reinvestment rate risk or with exaggerated price risk. If there is a catastrophe and we make distribution, we ought to give some thought to how to make up that catastrophe rescue money in the portfolio. How often catastrophes happen and what the typical cost has historically been is something which would impact my thinking on that.”***

Chairman O’Neill indicated any final program details for the BCT National Borzoi Disaster Program will likely not be ready for review and approvals by the BTRC, or by the BCOA BoD for at least 12-18 months. She has been in contact with Veni Harlan (Ready Borzoi Chairman) for her thoughts and ideas for this program. Veni had some excellent suggestions, but Barbara felt those suggestions were better suited to the BCOA’s Welfare Program not to this BTRC program. Barbara plans to revisit her discussions with Veni before the BCOA membership meeting.

Barbara indicated the goal is to have a tentative plan ready to review with the BCOA BoD before speaking with the membership at the annual membership meeting in May. She feels comfortable allowing the \$100,000 currently allocated to fund that program be invested at this time.

While discussing the BCT Reserve Rescue Fund, Barbara pointed out that this fund is a safety-net of \$25,000 set aside specifically to aid the approved Borzoi rescue groups in the event of a very large rescue which could deplete the financial stability of that organization. Barbara feels the safety-net funds should be invested more toward the liquidity that Karen Denning pointed out.

Kelly Brunarski agreed that most of these funds can be invested, but cautioned to always make sure that at least \$25,000 remain in short term 1-3 day liquidations. Discussion with instructions resulted in a determination that all funds (except for retaining in cash approx \$10,000) be invested into short term certificates of deposit, bond/mutual funds, mid-term corporate bonds and for a bit more interest earning power up to a third could be invested longer term in this account. A motion was made by **Dee Jones**, 2nd by **Shen Smith** to authorize the account assets be invested per the terms of discussion, along with a specifically allocated \$25,000 to be invested into quickly liquidated holdings earmarked for the BCT Rescue Reserve fund. **MOTION CARRIED** 5-Yes, 0-No

Kelly Brunarski also cautioned, that some of the bond funds are not mortgage backed and those should be avoided. She indicated there are some excellent funds available and she will do some research and get back to the BTRC with what she may recommend in the way of funds. Chairman O’Neill thanked Karen Denning & Kelly Brunaski for providing the BTRC with their comments, suggestions and valuable assistance.

**Preliminary Discussions Regarding Beverly C Taylor National Disaster Program**: Chairman O'Neill opened the floor for discussion of thoughts and ideas for this new program. Dee Jones raised a few questions she feels warrant BTRC discussion:

1. Will this money be available for only BCOA members in need of assistance, or will we assist those who own Borzoi, but are not club members?
2. What type of parameters do we use to define a disaster? Do we limit assistance to 'natural' phenomena (e.g., hurricanes, tornadoes, fires, earthquakes, floods, mudslides, blizzards)?  
What about personal disasters (e.g., personal illness, spouse or other family member)? If we consider family problems, what are the limits of relationship? What guidelines do we establish for using the money?
3. How much are we willing to give at a time? How much to an individual?
4. What items are we willing to pay for? Food, boarding, transportation, vet?
5. What do we expect from the recipient? Proof that money was used for the requested/intended purpose?
6. Do we provide money only for dog expenses or does the general need of a Borzoi family qualify after a disaster?

Chairman O'Neill thanked Dee for submitting her list of questions which will be the basis for the start of this discussion. After a discussion on potential policies for this program, it was determined that the original premise of this program is to "To Secure the Safety and Welfare of the Borzoi Club of America member-owned, and those legally connected co-owned Borzoi (where ever they reside) in the event of a Natural Disaster event.

It is clear that determining the scope of this program will be a lengthy one.

As there was no further business at this time, a motion was made by **Shen Smith** to adjourn, 2<sup>nd</sup> by **Dee Jones**. Meeting was adjourned at 7:30 pm.

Respectfully submitted,

Shen Smith  
BCOA / BTRC Secretary