

**Master Gardener Foundation of San Juan County
Board of Directors Meeting
January 15, 2018**

Present: Dianne Macondray, Sandy May, Julia Turney, Barbara Orcutt, Nancy Forker, Diana Brooks, Pat Kuentzel, Lenore Bayuk, Susan Kunk, and Glenda Pugerude (by phone)

Visitors: Caitie Blethen, Jane Wentworth, Alice Deane, Mo Sloane, and Janet Ames.

Minutes: Review and approval of minutes of the October 16, 2017 BOD meeting. Motion to approve, seconded, passed.

2017 Financial Review

Treasurer Nancy Forker distributed the Balance Sheet as of Dec 31, 2017, the Profit and Loss by Class Statement for Jan-Dec 2017, the Statement of End of Year Procedures to be undertaken by the Treasurer dealing primarily with a few inter-fund transfers yet to be accomplished to complete the accounting for 2017, and a proposed MG Foundation Budget by Project for 2018 .

The Balance Sheet showed total current assets as of Dec 31, 2017 were \$43,379.54 and Nancy explained this was the amount of money we (SJCMGF) had in our bank account. The Balance Sheet showed the break-down of these total assets as General Fund \$10,108.24, San Juan Island Fund \$22,471.91, Orcas Island Fund \$1,746.94, Lopez Island Fund \$1,428.88, and total net income (profit) for 2017 \$7,415.75. Nancy explained that these individual island fund numbers in the balance sheet showed the amount of money in each of these funds as of Jan 1, 2017, and that after the inter-fund transfers shown on the Statement of End of Year Procedures (mentioned above) were made, those individual fund numbers would change to General Fund \$15,967.77, SJI Fund \$20,502.11, Orcas Fund \$1,804.35, and Lopez Fund \$5,104.93.

The Profit and Loss by Class Statement for Jan-Dec 2017 was broken down by 5 classes (General Fund, SJI Demo Garden, Lopez, Orcas and San Juan Islands). The portion of the Profit and Loss Statement that dealt with activities (detailed in the Statement) whose income and expenses have been accounted for in the General Fund showed that total income to the General Fund from these activities for 2017 was \$17,149.14, while total expenses related to those activities during the same period were \$10,767.54. Thus 2017 net income for the General Fund: \$6,381.60. That portion of the Profit and Loss Statement that detailed income and expenses from those activities handled as their own classes (the 3 individual islands and the SJI demo garden) showed collectively total income of \$4,432.36 (primarily from Lopez Island's Heritage Apple Tree project) and total expenses of \$3,398.32 (primarily equally distributed between Lopez Island's Heritage Apple Tree project and the SJI Demo Garden. Thus 2017 net income related to the other 4 classes combined: \$1,034.04. And thus total net income related to all projects combined for 2017 was \$7,415.75. Nancy explained that the 2018 proposed budget she was submitting at this meeting was based on the figures contained in this Profit and Loss Statement.

Discussion Re Moving Certain SJCMGF Projects from Individual Island Budget Centers to the General Fund Budget Center – Need for Transparent Accounting

During review of the 2017 Financials, a lively discussion ensued among the Board members about how we should account going forward for the income and expenses related to each of our projects – specifically, which projects should continue to be “accounted for” in a class budget other than General Fund and which should become line-items in the general fund budget instead. Board members from San Juan pointed out that they were the only island which did not have its own island treasurer. Diana Brooks said that San Juan Island would like to appoint Judy Cummings as their SJI treasurer. There was some discussion about how Judy had had some

questions about the SJCMGF accounting, but had not been available to attend the meeting today. Nancy said she would forward the financials and budget documents she was presenting today at the meeting to Judy and hopefully this would help answer Judy's questions.

Julia proffered some history at this point: how historically each island had raised its own funds and at the end of each year the General Fund had distributed any "surplus funds" (profits) from our projects to the various islands based on the number of MGs on each island. Julia noted that going forward, however, we had begun to conceive of our projects as county-wide projects which MGs from any of the individual islands could initiate and apply to the General Fund for monies for. Julia pointed out that the Spring Plant Sale's income and expenses were now already being accounted for as a line-item in the General Fund budget center, and also that Lopez had this past year applied to and been awarded funds from the General Fund for its Heritage Apple Tree project. Julia pointed out that "surplus funds" (profits) from projects which were line-items in the General Fund budget were no longer being distributed to the various islands at the end of the year, but were being retained in the General Fund, while monies that had already been assigned to the various island funds in years past were not being collected back into the General Fund but rather were considered "grandfathered" to the individual funds.

There was discussion about whether the Lopez Heritage Apple Project, currently being accounted for in the class "Lopez" should be made a line-item in the General Fund budget center instead. It was noted in this regard that Lopez has been doing a lot of fund-raising, but that these funds were all being dedicated to that one project. Julia suggested that the SJI MGs should look at their expenses and decide how much of the approx. \$22,000 in its "grandfathered" fund should be moved to the Demo Garden budget center, and that the rest should go into the General Fund (or the grandfathered fund?). Julia also suggested that the Native Plant Garden at the Orcas Public School should also become a line-item in the General Fund Budget.

Julia offered to attend the next SJI MG monthly meeting to explain this history, the change in focus for more recent and future projects discussed above, as well as the importance of having records to account for income and expenses by island, and the need for transparency and consistency in accounting for both general fund and individual island projects, and to answer any questions that SJI MGs may have.

There was short discussion among Board members about how the expectation was that the grandfathered funds each island had would be gradually spent down and not replenished, but that this raised the question of how much money should remain in each island's individual fund account. There was discussion around the notion that the amount in these individual island funds should probably be "pin money" meant to cover only expenses such as books and resource materials. But no decisions in this regard were made.

2018 Budget Proposals -- Discussion and Vote

Award Pins: The proposed 2018 budget distributed by Nancy at this meeting contained \$220 for the purchase of certain award pins acknowledging 100, 500 and 1000 hours of cumulative service since a SJC MG's training. Julia submitted the research she had done on these pins currently in use by Snohomish County MGs to be obtained from Marysville Awards, and noted that the purpose of these pins would be to encourage people to log their hours of service, and that the pins would replace the current certificates. Julia estimated that the cost of these pins would be \$460 predicated on her estimate that approx. 50% of the 90 MGs currently in the SJC MG directory have contributed 100 hours and 10 each would have achieved 500 and 1000 hours, respectively. Julia noted she would check with Caitie before purchasing these pins to get "hard figures" as to how many SJC MG's had actually achieved these relevant numbers of hours. Julia also suggested these pins could be distributed at the Annual Meeting in April 2018.

Educational Presentations, Equipment: There was discussion among Board members about whether and how much money should be budgeted for educational presentations and for equipment in 2018. Figures of \$400 for educational presentations and \$1,500 for equipment purchases were agreed upon.

San Juan County Fair: Nancy Forker reported that the SJC Fair Committee she was part of had met and decided that for 2018 we were not going to have our own separate SJC MG's booth at the fair but would instead just have a table in the Ag Booth. We would use MG's to do presentations in the Ag tent, perhaps one a day. Possible topics would include composting, herb growing, a carrot pull. Additional topics for presentations were welcome.

SJI Demo Garden: Alice Deane explained that we were still waiting for the Mullis Center (on whose property the Demo Garden is located) to tell us when and where we needed to move the Demo Garden on the Mullis Center property. Alice explained it was apparently still not yet fully determined what the footprint of the anticipated addition to the Mullis Center building would be, thus it was not yet clear exactly where, or if, the Demo Garden would need to be relocated on the Mullis Center property. Alice also noted that it was 3 years now that the Demo Garden was without a lease agreement with the Mullis Center. She further noted that the relationship with Mullis Center was essentially good, and that Brooke Brouwer and Caitie were now both involved in trying to resolve this situation. It was noted that \$14,000 of San Juan Island's grand-fathered Fund had been set aside (ear-marked) for the eventual move. Julia suggested that SJI MG's should decide on a specific amount to be moved from the San Juan Island Fund into the SJI Demo Garden budget.

Diagnostic Clinics: It was noted that Nancy Larsen and Kim Blair would be in charge of running the 2018 Diagnostic Clinics on San Juan Island, and that they were looking for a third person to assist them in running it; and that Tony Suruda and Leslie Hutchinson would be in charge of running the Diagnostic Clinics on Orcas in 2018. Also, that Kate Yturri and Julia Turney would serve as back-up assistance for the clinics in both locations. Pat Kuentzel reported that, although Lopez had been exploring options for running their own Diagnostic Clinic on Lopez, these efforts had not panned out for 2018.

Website Upgrade: The proposed 2018 budget provides for a slight increase in website expenses over 2017 (\$87/yr -> \$137.41/yr). Julia explained that this increase would allow us to have a members-only access portion of our website where we could post detailed budgets, workshop hand-outs, and other materials that would not be publicly available.

Julia also noted that IRS regulations provided that, if a non-profit was making online sales from its website, this was viewed as operating a store-front and sales taxes were supposed to be collected. Consequently, we were not going to be making online sales from our website.

Project Review – Heritage Apple Orchard: Project Co-Chair Pat Kuentzel reported that the Lopez Heritage Apple Orchard project had now succeeded in obtaining enough funding (\$8,000) to cover its budget -- \$2,000 from the SCMGE; \$600 from the Lopez Island Garden Club; \$390 from **Adopt a Tree**; \$750 from the SJI MG's; and \$3,500 from the LTAC grant (for fencing and signage).

Pat reported that the project had recently run into one hitch, however. She explained that San Juan County had not yet (as of the time of this 1/15/18 Board meeting) signed off on the MOU (Memorandum of Understanding between the County, WSU, and the SJCMGF which had to be signed by all 3 parties and in place before the actual planting of the grafted trees in their ultimate

locations could take place). Pat stated that there were some as yet unresolved issues still under discussion with the the County, but that she was optimistic that these would be resolved soon now so that planting could occur no later than March – February being the ideal time to transplant these grafted plants to their ultimate location.

Pat suggested there might be good prospects for doing a similar heritage apple orchard project on Orcas and seeking LTAC funds as financing. She noted that Moran State Park is interested in identifying some heritage apple trees that are on its property near the southern end of Cascade Lake, and that Councilman Rick Hughes (from Orcas) is on the LTAC committee.

Project Review – Native Plant Sale: Project Chair Jane Wentworth announced new dates for the 2018 Native Plant Sale. The dates would be March 23 & 24 instead of March 16 and 17 – so as not to compete with the Ag Summit on Lopez March 16 & 17.

Jane said they would be using “bio bags” instead of the plastic bags we had been using previously – that the cost of bagging the plants would thus go up, but that these bags were desirable because bio-degradable.

Project Review – Spring Plant Sale: Visitors Mo Sloane and Janet Ames explained that they were working on a system whereby MGs could place pre-orders online for the vegetables only (not perennials) being offered at the 2018 Spring Plant Sale, and pick up their pre-orders the day before the sale itself. They explained that this system would be intended to replace the prior practice of allowing MGs to shop the day of the sale before the sale was actually open to the public. They explained it was still open, as far as they were concerned, whether a way could be devised to use this system for perennials.

2018 Budget Proposal Amended, Voted On, and Passed: Treasurer Nancy Forker proposed that the header on the 2018 MG Foundation Budget by Project proposal she had prepared and distributed at this meeting be amended to clarify that this budget document applied to the General Fund only; that she add to that document numbers for the Educational Presentations and Equipment line-items of \$400 and \$1,500, respectively; and that the numbers for the Lopez Heritage Apple Orchard project be moved from the Lopez budget center into the General Fund budget; and that this amended budget be submitted for a vote of the Board. A motion to approve such amended budget was made, seconded and passed.

It was noted that we need a public record, by individual island, in our 2018 budget, and that this was not in place yet – but will be followed up on.

2018 Annual Meeting

April 17 was decided upon as the date for our 2018 Annual meeting. It was decided we would seek a speaker who could present on diseases and current problems with conifers, as this topic seemed to be generating much concern recently. The meeting would be organized around a catered lunch paid for from the General Fund. Election of new officers and Board members would be conducted as part of this meeting. As would graduation festivities for our 2017 MG interns.

Board Candidates Selection Committee and Nominations

Nancy Forker, who is heading up the recruiting committee for new officers and Board members, spoke to the fact she is looking for ideas from others who they think should be on the board. Julia stated she wants someone else to take on the responsibility of President. It was noted that Diana

Brooks, whose term as a Board member is expiring, has agreed to re-up for another term. It was also noted that Orcas needs to find a replacement for Kate Yturri, who is leaving the Board.

General Fund Project Funding Guidelines

We ran out of time at this meeting to discuss the draft amended project funding selection guidelines that Julia had circulated prior to the meeting for comment, discussion, and perhaps decision at this meeting. It was agreed that comments by Board members would be forwarded by email and voting on this would be by email.

Respectfully submitted [March 8](#), 2018.

Susan Kunk