

## Minutes of the BSA Financial Advisory Committee (FAC) Meeting

Date: Sunday, July 26, 2009  
Location: Board Room/Cliff Lodge – Level C  
Snowbird, UT  
Time: 8-9 am

Present: Joe Armstrong (Member), Bill Dahl (Executive Director), Laura Galloway (Treasurer), Kent Holsinger (President Elect), Jack Horner (Member, Chair), Karl Niklas (President), Judy Skog (President Elect-Elect), and Dennis Stevenson (Council Liaison)

Excused: Russell Chapman

1. Meeting began at 8 am; everyone present knew each other so no introductions were needed.
2. Kent Hollinger asked that one agenda item be included: consider name change for Financial Advisory Committee (FAC); it was added to 4.f.ii
3. Amended agenda was approved.
4. Items discussed
  - a. 2008-2009 annual report to Executive Committee/Council: it was noted that the 6/30 Endowment Fund (EF) amount of \$2,724,682 has increased to \$2,891,875 as of 7/24; an increase of \$167,193;
  - b. Spring FAC conference phone call with Smith Barney; it was noted that the manager-based investment strategy was changed to an indexing strategy; Mike Chenchar has left new Morgan Stanley Smith Barney (MSSB) and Mike Boesen is the new MSSB advisor for the E F;
  - c. The BSA Investment Policy Objectives and Guidelines:
    - i. **Recommendation:** Moved by Joe, seconded by Laura to change the ‘an absolute/net rate of return from 9.44% > 8.00%, to reflect the net return (minus annual fee and services) – **Passed**
    - ii. **Recommendation:** Moved by Joe, seconded by Laura to ‘delete’ section headed “Status of Endowment Fund” since it includes a \$\$\$\$ amount that is continually changing – **Passed**
    - iii. **Friendly recommendations were:** to change BSA membership number from 2900 > 3000 (*change made*); and to change the name of the FAC to Investment Committee (IC), after discussion and vote (see 4.f.ii)
    - iv. Add that these guidelines have been **Revised Fall 2009**
  - d. Endowment Fund Guidelines were discussed specifically with regard to ‘the change financial environment of the BSA.’ It was agreed that nothing would be changed in the guidelines until sometime in the future when the EC/Council better defined the financial status of the BSA. Pending discussion and vote related to 4.f.ii, the guidelines will be corrected to reflect any change(s)
  - e. FAC agreed, without a vote, that NO allotment would be made to the EC/Council for 2009-2010
  - f. Kent’s suggestion to consider changing the name of FAC to *Investment Committee* was discussed 1) in that the name change would better reflect the

duties of the committee; 2) the EC is considering creating a 'Financial Advisory Committee' to deal with the overall financial status of the BSA, project its financial future, and what needs to be considered to keep the BSA healthy.

**Recommendation:** Moved by Joe, seconded by Laura to change the name FAC to *Investment Committee (IC)*\* – **Passed**. This change in name will be presented at the Council meeting. If passed by the Council, the new name will replace FAC immediately in all documents.

- g. With all items covered, a motion to Adjourn was made at 8:58 am

Respectfully submitted,

Jack Horner, FAC Chair

\*This note was added after the BSA Advisory Council Meeting that was held from 1-2:55 pm on Sunday afternoon. These changes will go into effect immediately.

1. The Council passed the motion to change the name of the Financial Advisory Committee > **Investment Committee (IC)**;

2. *Other name changes* that will be made in both the revised *BSA Proposed Statement of Investment Policy Objectives and Guidelines* and *Endowment Fund Guidelines of the BSA* are:

- a. BSA Executive Committee > **BSA Board of Directors**
- b. BSA Council > **BSA Advisory Council**