

**Channel Islands YMCA  
Association Board Meeting  
April 16, 2009  
Santa Barbara Family YMCA**

**MINUTES**

Present: Darren Caesar - Chair, James Ciontea, Jim Dixon, Mark Fingerlin, Brian Gough, Tony Harbour, Merrill Hoffman, George Leis, Jeff Speich, Joe Sullivan, and Daniel Watkins.

Staff: Margo Byrne, Sal Cisneros, Tim Hardy, Lynn Karlson, Serena Kelsch, Dan Powell, Joan Price, Susan Sawyer, Pam Swenson, Jody Taylor, Megan Voshell, and Manuela Williams.

Absent: George Armstrong, James Armstrong, Robert Coles, Butch Phillips, Woody Rollins, and Michael White.

Meeting called to order by Darren Caesar, Chair. Darren welcomed our new board member Daniel Watkins. Introductions were made.

The opening thought was given by Tony Harbour.

**Chair's Report:**

Darren mentioned that he participated in several capital campaigns throughout the organization and stated that he is proud of how we plan and involve so many stakeholders in the process.

**President's Report:**

Sal shared that we are doing quite well. We reacted quickly toward the economic situation. We embarked on our communications plan some time ago and developed communications materials. Our visibility is up. Sal introduced our new Annual Report and Program guide. This will help brand us in the community.

**Program Highlight:**

Megan Voshell gave a Childcare Programs Presentation.

**CONSENT AGENDA**

All Minutes and information included in the consent agenda were sent by email to the Board.

**Motion by Jeff Speich/seconded by Brian Gough/carried to approve the consent agenda including all minutes as listed in the board packet.**

**Strategic Question:**

Sal explained that at the February meeting, the board discussed proposed budget guidelines that also included changes in compensation and benefits for employees. Changes are salary freeze, reduction in retirement fund contribution from 12% to 8% and benefit plan contribution cap of \$368.00 per month. While salary freeze and benefit contribution cap are temporary, the retirement fund contribution will be permanent.

**Motion by George Leis/seconded by Jim Ciontea/carried to approve to decrease the Retirement Fund contribution level from 12% to 8% effective July 1, 2009.**

Jim Ciontea wanted to know why in the letter to the employees it breaks down the 8% into a 5% YMCA contribution and a 3% employee contribution. It was explained that the Retirement Fund tracks it that way because the employee contribution portion can be withdrawn upon termination of employment. The YMCA will still pay the 3% employee contribution, which is a benefit. Jim explained that this benefit should be better articulated to the employees.

## **COMMITTEE REPORTS**

### **Financial Development Committee:**

Serena shared that we have raised \$620,023 or 85% of our goal to date. Branches are in the "mop-up" phase. Compared with last year we increased our campaigners by one hundred. Stuart C. Gildred, Ventura and the Association office are goal busters. The Association Board Campaign raised 91% of their goal.

The Kids to Camp Campaign will start May 1, 2009. We are increasing marketing this year and now have the ability to accept gifts on our website.

Channel Islands YMCA recently submitted a grant to Y-USA called the Latino/Hispanic Collaborative. The purpose of the grant is to determine how the YMCA can better target this demographic. We have also recently submitted a grant to the Santa Barbara Foundation for the Orfalea Teen-After-School-Programs. We are requesting funds to support the YMCA Youth and Government Program for Financial Assistance and funds to support the Isla Vista Teen Center.

We have three new Heritage Club members and working on getting an additional two.

Jeff Speich stated that it is pretty remarkable how well we did during the campaign, given the economic situation.

### **Finance Committee:**

**March Memberships:** Jim explained that association wide we are down 500 members, compared with last year. Ventura is up 200 members compared with last year. Losing 500 members will have an impact on revenue and the budget needs to be adjusted to reflect that. It seems like memberships have flattened out at this point.

### **March Financials:**

Revenues are down by \$635,857 mostly in memberships and childcare. Compared with last year we have a positive net line. Cash flow is down and we are not able to cover all desired reserves. If we do we are down \$179,166. Reserves are being adjusted at year end. Our biggest costs are employee benefits, insurance and salaries and wages.

**Forecast:** We are at a \$241,000 before reserves. George Leis wanted to know how long a branch can be at a negative and if there are guidelines. Jim stated that this will be decided on a case by case basis. Adjustments and reasonable steps to control the budget are made. The expectation is that all branches come back with a balanced budget for the coming year.

### **Statement of Financial Position:**

Santa Barbara Bank & Trust amortized loan went from \$1,093,930 to \$880,680. We are continuing to pay down debt. AR is increasing a little but we are keeping an eye on it. We paid \$647,000 out of our reserves into the facilities for improvements/upgrades.

### **Governance Committee:**

Jeff explained that the Association Key Leaders meeting will be held on May 28, 2009 at the Santa Barbara branch. The focus of the meeting will be on the budget and finances before we present the actual budget to the board in June.

The Annual Meeting will be held on June 18 at the Santa Barbara Museum of Natural History, which will be a more casual event and less expensive than last year at Fess Parkers. There will be a BBQ outside the annual meeting; awards presentations and program highlight will be in the Fleishman Auditorium – audience style on stage. There is enough space so more staff will be able to attend. This is also a year where we are transitioning to a new board chair and honoring committee members.

### **Risk Management & Planning Committee:**

Cindy explained that for our 2008-2009 reporting year the IRS has made substantial changes to the Form 990. In order to meet the requirements, nonprofits must have a whistleblower policy for handling employee complaints and to establish procedures for employees to report, in confidence, any suspected financial impropriety or misuse of the non-profit's resources.

### **Motion by Mark Fingerlin/seconded by George Leis /carried to approve the whistleblower policy as submitted.**

George mentioned the lawsuit of a family against a local athletic club. Their son drowned in the pool and they claim negligence caused the death. It makes us aware of the importance of diligence and to be on top of all our procedures and trainings, screenings and orientation. Our policies require us to have annual aquatic and transportation audits. Every third year we have an aquatic audit by an expert in YMCA aquatic practice. He is auditing us to YMCA USA standards. The audit will be done in June and George will report back to the board.

He also just completed our annual transportation audit. The audit findings went back to the coordinators for follow-up and it will take approximately another month to get back. Our standards are created by our new Transportation Procedures Manual and our insurance broker reviews our procedures.

### **Audit Committee:**

Mark Fingerlin explained that it is important to change auditors periodically to get a "new set of eyes". We have used our current auditors for the last six years and after the last audit was completed the audit committee decided to send out an RFP to local firms with nonprofit audit experience. The submitted proposals were reviewed and a new auditor was selected.

### **Motion by Jim Ciontea/seconded by Merrill Hoffman/carried to approve the engagement of McGowan Gunterman as the organization's new auditor.**

### **Youth & Family Services:**

The attached memorandum is the quarterly required report to CCL relating to the operation of Noah's Anchorage. It states that financial reports were reviewed and that no licensing reports, program audits, special incident reports, or administrative reports were reported. Lynn stated that the branch board of managers has seen the financial reports.

**Motion by Brian Gough/seconded by Jim Ciontea/carried to approve the Memorandum relating to operation of Noah's Anchorage Youth Crisis Shelter pursuant to Health and Safety code Section 1520.1(f), California DSS Manual Community Care Licensing. Jim Armstrong abstained.**

**Branch Updates:**

Lompoc: Jim Dixon said that a new health club opened in Lompoc. They lost members due to that and the economy and had to eliminate a FT position. Memberships have flattened out and it seems that some members are returning.

Stuart C. Gildred:

Dan is pleased with his board and its vision for the future. The board development committee did their annual assessment. Kathy Vreeland and Monica Trouve-Sapp joined their board. The capital campaign is at 39% or \$1.5 M of their goal. They are a couple of months behind their original plan. They will not go public until they have reached 50%. They evaluate as they go and are very cautious. Membership dropped during the summer but the facility is busy as ever. They had 16,000 visits in January and February. So far, this year they had 60 requests for financial assistance compared with 30 last year at this time.

Santa Barbara: The branch held its Spring Family Fun Day. The Good Friday Breakfast was well attended with 350 people. They will be holding a pancake breakfast as a small fundraiser on May 16.

Ventura: Ric Ruffinelli reported that they are excited to have met their campaign goal. This was the first time they've reached it at Victory Night. They upgrade their facility little by little. They waived their join fee last year and it worked out great for them. They are well recognized in their community. Childcare is difficult but they are working to build collaborations with employers in the community, to increase enrollment.

YFS: The shelter has undergone its kitchen remodel. Staff is very happy. They received outstanding community response in providing g meals during the remodel. Lynn gave special thanks to the campaigners. They are \$1,500 short of their \$30,000 goal. Kudos to Merrill Hoffman who brought in six new campaigners. Lynn invited him to the Reaching for Stars Event on May 13 as a small token of appreciation.

There is a growth opportunity for YFS. Many transitional youth who age out of the Foster System at age 18 have no support network. Numerous of them end up homeless. The Santa Barbara Housing Authority is building a 56 unit efficiency apartment unit called Artisan Court. 50% of it would be for low income people, and 50 for homeless people The Housing Authority wants to make 8-15 units available for transitional youth. Lynn, Sal and some board members met and they will be entering into an MOU next month. The units will be available October of 2010.

Montecito: Even though they saw a decrease in memberships they are very busy. They offered free memberships for six months to 85 families who lost their home in the Tea Fire. The six month expire in June and they hope they can convert some of these families into members. Last week they served 100 kids in swim lessons. They have created their own branch Heritage Club committee. The capital development committee met with different architects today and voted unanimously on one to do the conceptual design.

Camarillo: The branch eliminated their join fee as well and see an increase in memberships already. They have begun the sign-up for summer camp.

There being no further business the meeting was adjourned.