

**Channel Islands YMCA  
Association Board Meeting  
April 15, 2010  
Santa Barbara Family YMCA**

**MINUTES**

Present: Brian Gough - Chair, Gail Anikouchine, James Armstrong, George Armstrong, Robert Coles, Jim Dixon, Andrew Grant, Dale Haslem, Tom Heter, George Leis, Jeff Speich, Joe Sullivan, and Daniel Watkins.

Staff: Margo Byrne, Sal Cisneros, Cindy Halstead, Tim Hardy, George Heesen, Trish Johnson, Lynn Karlson, Serena Kelsch, Dan Powell, Joan Price, Susan Sawyer, Pam Swenson, Jody Taylor, and Manuela Williams.

Guests: Dave Morley, Janet Kafkas

Absent: Darren Caesar, Mark Fingerlin, Jon Martin, Woody Rollins, and John Van Donge

Meeting called to order by Brian Gough, Chair. He welcomed Andrew Grant to the board.

Daniel Watkins gave the opening thought.

**Chair's Report:**

Butch Phillips, our treasurer, tendered his resignation from the association board. We will need a candidate to fill his slot.

The board development committee has the task to fill the board and make sure that we replenish the board with active community members. The goal is to increase the board by six new members to be presented at the by June 17 Annual Meeting. Beginning next week, Sal and Brian will personally call each board member asking for recommendations/referrals.

**President's Report:**

Staff is in the process of building the budget for the next budget year. We have not grown, but are relatively flat. We are managing the bottom line. Sal gave an overview of the budget instructions to the Executive Directors for the next fiscal year. We are revenue centric, will budget for no growth/slight declines, develop contingency plans for 5% and 10% reductions from current year, but still plan for new program development and/or program expansion. No merit increases are given again this year. A letter was sent to all staff, explaining. We will look at it again mid-year and decide if we can make adjustments.

**CONSENT AGENDA**

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

**Motion by Robert Coles /seconded by Jim Dixon/carried to approve the consent agenda including all minutes and CCL action item as listed in the board packet.**

**PROGRAM HIGHLIGHT:**

Margo Byrnes introduced Janet Kafkas from YMCA-USA who gave a presentation of Project Impact, a program which assesses the qualitative impact we have in the community. It is also a qualitative assessment as a means to develop leadership and development of staff.

Margot and Joan both expressed how it changed the way they look at *why* the YMCA is different.

## **COMMITTEE REPORTS**

### **Finance Committee:**

#### **March Memberships:**

We had an uptick in January, which has been maintained association wide. Every association had an increase except Montecito and Lompoc.

#### **March Financials:**

All branches consolidated, YTD revenue is of concern. Even though we had a conservative budget, we did not meet it. We are down from last year by \$560,765. Total revenue YTD is at a negative \$404,102

Areas of concern in revenue association wide are childcare, physical memberships, and unrestricted contributions which might be a timing issue.

We are controlling expenses and YTD cut almost \$400,000 in salaries and wages, supplies, occupancy and advertising.

On a branch by branch level; Santa Barbara is down in YTD revenue by \$145,442, but they are controlling expenses. Montecito, YF, Camarillo and SCG revenues are down, but they are controlling expenses. Ventura is ahead of projection. Lompoc is of biggest concern, revenues are down and they don't have much expense to cut because they are very thin already.

We need a realistic budget for next year. We cannot keep the budget by managing expenses. We need to budget for conservative revenue.

#### **Statement of Financial Position – March 2010:**

We have cash in the bank, assets and ratio are up, liability went down, and we keep paying down our line of credit. We monitor reserve balances because they are unfunded.

#### **Endowment Distribution Recommendation:**

Due to economic conditions over the last few years, the investment portfolio has declined in value and is only now starting to show signs of recovery equal to cost. Considering this, it is recommended that there be no Endowment Distribution at this time to keep the principal intact.

### **Motion by Jim Armstrong/seconded by Jeff Speich/carried that no endowment distribution be made at this time.**

#### **Loan RFP Task Force:**

Our line of credit with Santa Barbara Bank & Trust comes up for renewal in December 2010. A Task Force has been established to send out RFPs with the goal to get a new credit line with another financial institution. Gale Anikouchine, Clas Lensander and Dale Haslem are on the task force and are working with Cindy Halstead to come up with a recommendation.

### **Investment Committee:**

The Endowment Portfolio gained \$0.528 M of the past 12 months for an annual return of 44.44%. On March 31, 2010 the portfolio had 79% of its assets in equities with the balance in cash and short term bonds and is fully invested in accordance with the selected asset allocation.

On March 31, 2010 the Emilie Lane portfolio totaled \$0.455 M. The Emilie Lane Portfolio has gained 17.7% since its inception. On March 31, 2010 the portfolio had 69% of its holdings in equities.

**Financial Development Committee:**

Campaign Report: The campaign is completed, and branches are in the mop-up phase. All branches are working on their LYBNT lists. These are people that gave last year and have not been reported this year. We have raised \$543,000 or 83% of our goal, which is less than last year. We are still waiting for some foundations and business gifts.

**Annual Campaign Naming Task Force:**

Last summer the board discussed the fact that we have more than one campaign name across all branches and we did not come to a solution. A naming task force has been established and is commissioned by and responsible to the Channel Islands YMCA board of directors to recommend a unanimously accepted name for the association and its branches annual fund raising campaign. The task force consists of Hugh Davis as facilitator and Serena Kelsch and Susan Sawyer as staff. The task force has created a Chart of Work and is planning to propose a name to the Executive Committee in May for review and presentation to the association board in June. Each branch is invited to be member of the task force and to attend with one key volunteer and one staff member.

**Risk Management & Planning Committee:**

Facility Use Agreements: This policy ensures that agencies which desire to use our facilities to indemnify and insure the Channel Islands YMCA on their policies for claims that result from their presence. It also establishes procedures that require the annual review of agreements and associated insurance documents.

**Motion by Robert Coles/seconded by Jim Armstrong/carried to approve the Facility Use Agreement Policy 7.502.**

**Independent Contractor Agreements:**

We contract with a variety of agencies and vendors for necessary services. The actions and presence of these contractors on our premises create risk which the Channel Islands YMCA should not bear.

The Independent Contractor Agreement Policy requires vendors and contractors operating in our facilities to indemnify and insure the Channel Islands YMCA on their policies for claims that result from their actions. Additionally the Independent Contractors Agreement establishes procedures that require the annual review of agreements and the associated insurance documents.

**Motion by George Leis/seconded by George Armstrong/carried to approve the Independent Contractor Agreement Policy 7.501.**

**Governance Committee:**

Review Mission Statement: Our best practices require us to review our Mission Statement annually. Our Mission Statement was developed 4 years ago. The Governance Committee doesn't recommend any changes.

**Board Meeting Evaluation:**

We ask board members to do a short board meeting evaluation twice a year. Please fill out the attached survey and hand to Manuela.

### Y-USA Constitutional Amendment:

The Y-USA is recommending 8 amendments to the national constitution for consideration and vote by member associations by May 27, 2010. The amount of votes Channel Islands YMCA has is based on the size of our organization. The Governance Committee agreed to bring the following two amendments with significant changes to the board for discussion and feedback. Sal and Brian will vote based on the recommendation of the board.

*#5) Proposal to add new membership qualification Article II, Section 2(j) authorizing the National Board to act when a member association has acted in a manner which adversely impacts the reputation of other member associations, the YMCA brand, or the national movement.*

This amendment adds the ability of the National Board of Standards to discipline or remove any rogue YMCAs if their conduct has negatively impacted other organizations. Brian pointed out that the language was not very helpful and too vague, but that it is a step in the right direction.

### **The consensus was to vote for amendment #5.**

*#6) Proposal to amend the governance process – expand Association Assemblies, eliminate the National Assembly and National Board Nominating Committee, and modify constitutional language as required to be consistent with these amendments.*

Jeff Speich explained that the National Assembly was created in 2002 and meets every 4 years. CEOs, CVOs and key staff attend. Now the Y-USA is proposing to cancel the National Assembly and instead have 4 regional assemblies. Only one person will be selected to go to National and participate in board elections. The current meeting design has tremendous power to bring issues up, i.e. the brand revitalization was a direct result of discussions at the National Assembly. Lynn Karlson shared that the governance process is interesting and for volunteers and staff being able to make decisions is very valuable. This is the only time membership associations have any input.

### **The consensus was to vote against amendment #6.**

### **Communications and Marketing Committee:**

Andy Grant attended the brand revitalization seminar in Los Angeles. He was very impressed with the process and gave a presentation of the brand revitalization, which will be rolled out in July 2010.

### **Branch Updates:**

Camarillo: Budget, the unknown economy, salary freeze and fundraising are challenges. They will have their 4<sup>th</sup> anniversary on April 22. On June 13 they will have a summer social/friend raiser at the Aloha Steak House.

Montecito: Challenge is pre-school but summer and fall enrollment are up. They hope to hit the 100% mark soon with the annual campaign. Capital campaign is working on the 20 steps.

YFS: Noah's Anchorage is busier than expected. In February and March they had to turn kids away. Street Outreach is stabilized with staff and established long-term relationships with kids. IVTC is doing well. Challenge this year is the reaching for Stars event due to fewer sponsors. It is a great event with 17 chefs, please consider attending. They are managing their expenses. Artisan Court, the new Transitional Age Housing Program with the Santa Barbara Housing Authority is exciting, but also needs additional resources. They had a site visit with potential donors.

Ventura:

They are finishing up their campaign, donations are down. Another year of salary freeze is tough for staff. We need to keep them motivated. Enrollment is up 9-10% compared with last year, and the branch wants to expand services. Healthy Kids Day will be held on Saturday. They have new board members.

SCG: They have raised \$2.9 M of their capital campaign goal. They still need to raise \$700,000. They also raised \$30,000 during the annual campaign.

Lompoc: Memberships and budget are challenges. Good news in child care are that they added a 6<sup>th</sup> school site and have been asked by the school district for a 7<sup>th</sup>. They have great community support. Their new Membership Director has begun work and is a great person.

There being no further business the meeting was adjourned.