

ARC BOARD MEETING MINUTES

November 5, 2014

The ARC Board meeting was called to order by President, Charlie Zaragoza a 6:45 pm. Board members present were Charlie Zaragoza, William Lowe, Julie Morse, Antoinette Angulo, David Towne, Tamara Driscoll, Terry Holme, Edith Elion, Doug Dunham, Trang Hoang, & Jonathan Hartung. Vic Robertson was excused. Darrell Drew was not present.

ARC staff present was Bill Keller. Seattle Parks was represented by Pam Banks. Board Development Facilitator was Sara Lawson.

It was determined that a quorum of Board members was present. The approval of the agenda and October minutes was offered by Terry Holme and seconded by Doug Dunham. Minutes were approved as submitted.

Public Comment: There was no public comment at the November meeting.

Pam Banks of Seattle Parks Department gave the ARC Board an update on the roll out of the new Recreation Membership Card. The cards can be purchased and are currently offered for Toddler Play Gym and Fitness Rooms at Community Centers that offer those programs. The Recreation Membership cards have been selling well.

ARC Board Development Committee: Facilitator Sara Lawson and the Development Committee introduced the draft of the Board Member Roles and Responsibilities. We had breakout sessions in the areas of Qualifications, Meeting Expectations, Committees and Task Forces and Leadership, Governance and Oversight. Each group (led by a Development Committee member) discussed their appointed topics, took notes from their group and reported back to the full board. The Development Committee will take the notes and further define the "Board Member Roles and Responsibilities" document for presentation at the December 3rd Board meeting.

Ballot Initiative Update: Bill reported there is a strong indication that Proposition 1-B linked to a 53 million dollar tax levy is passing. The certification date is November 18, 2014. Bill asked if the Board wanted to reconsider the ARC Legacy Plan recommendation as discussed and voted on at the October meeting. The ARC Board did not want to make any changes from the October meeting and the ALP will be postponed until the President's meeting in September 2015.

Committee Reports: There were no committee reports at this meeting.

Executive Director's Report: (See Attachment.)

Next Meeting: There will be a working meeting on December 1, 2014 beginning at 6:30 pm at the Densmore ARC office and the General meeting will be on December 3, 2014 at 100 Dexter. This is the Budget meeting review for the consolidated 2015 ARC budget. Please mark your calendars.

There being no further business David Towne made a motion to adjourn and Edith Elion seconded. The November meeting was adjourned at 8:40 pm.

Respectfully submitted,

Julie Morse

ARC Board Secretary

Attachment:

Executive Director Report Summary:

Revenue:

Gross revenues at the end of September, 2014 are still out performing 2013 by 6.8%. This is due to the SAC, Preschool and Youth Recreation programs.

YTD Certified Childcare revenue is 4,731,509 - up 3.1% over YTD 2013.

Preschool revenue is \$805,343 or 10.7% ahead of last year and Youth Recreation revenue is \$2,531,367 or 20.5 % over 2013! At \$226,959 LLR Class revenue continues to outpace 2013 by \$9,745 or 4.5%, LLR Field Trips has slightly dropped from last reporting period and lags behind 2013 by less than 1%. At \$556,294 Adult Recreation is 9.4% ahead of 2013.

Youth Sports revenue is down (\$20,413), or -6.5%, and Adult Sport continues to underperform from YTD 2013 level by (\$25,027) or -14.6%. Regattas have dropped below 2013 YTD results by <1% or (\$633). Public Support reflects an increase from same period 2013 of 4.9% due to fundraising events. A YTD increase in Small Craft Fundraising revenue of \$43,312 is helping to offset a decline of (\$26,675) in Grant revenue.

Donations are running 3% ahead of 2013. For year to year comparison purposes, grant revenue is burdened by the BTOP grant sun setting at 12/31/13.

Weight Room revenue has picked up with the start of the school year and is 5.6% ahead of 2013.

Tracking our YTD increased revenues; ARC Fees and the SAC Revenue Share are up over same period last year. YTD Investment Income increased \$97,031 or 59.2% over YTD 2013. Overall our revenues are performing well.

Expenses:

Personnel: YTD personnel cost reflects a 12.48% increase over YTD 2013 of \$638,791 and is distributed throughout the ARC/Council system. The 11.8% increase in Wages & ER Taxes is due to increased Recreation program staffing, annual Common Date Review increases of up to 5%, bringing Rainier Beach back on line and new ARC positions. The 18% increase for Insurance - Group Medical is reflective of an additional 11 covered employees per month.

G&A Expense: Increases in Recruitment and Staff Training are reflective of new DEL standards such as fingerprinting, nationwide background checks and higher standards of education for SAC job positions.

Pro Fees: Legal will remain much higher than 2013 due to 2014 expense for HR related changes.

Pro Fees: "Other" is up from 2013 YTD by 92%. This expense is heavily impacted by Youth and Adult Recreation revenue which are both well ahead of 2013 levels.

Supplies: Classes and Food & Appreciation spending are higher from YTD 2013 and tracks with the increased registrations for both Youth Registrations and SAC.

Auto/Bus Lease is up by 50% over YTD 2013 primarily due to the very late invoice submission by the vendor of an August 2013 invoice in March 2014, the South Park RBI trip to Los Angeles, and a timing difference of when the final SDC invoices were submitted and paid. We know that SDC 2013 invoices were submitted very late in Q4 of 2013 so the earlier payment of SDC 2014 trips is skewing the comparison.

Bank Fees are up YTD by \$7,826 due to the managed asset value increase of our Wells Fargo Portfolio.

Miscellaneous expense was increased by \$12k for an assessment by the Department of Labor & Industries due to the Retro Plan Losses for 2013. All in all, the \$12k additional assessment was very good indeed and was greatly offset by a temporary change in the way L&I calculated losses.

All other significant G&A expense increases or decreases are represented throughout the ARC system and are not particular to one incident or finding.

PAR Fee, GEO Tier Support calculation, ARC Fee and Childcare Fee have all increased over YTD 2013 due to the YTD increase in Class Revenue.