

# ARC: Board Meeting Minutes

9/07/2016, 6:30p-8:30p, 100 Dexter, Parks Board Room

**Board Members:** Vic Roberson (VP), Frana Milan (Secretary), Dennis Cook, Chris Copacino, Terry Holme, and Bernardo Ruiz. **Staff:** Christina Arcidy, Rachel Sorrels, Abby MacLean. **Parks & Recreation:** Jesús Aguirre, Kelly Guy, Lakema Bell. **Visitors:** None.

**EXCUSED ABSENCE:** Jonathan Hartung (President), Trang Hoang and David Towne.

## Minutes:

WHEN	TOPIC	LEAD	Notes
6:35p	<p><b>Welcome &amp; Introductions</b></p> <ul style="list-style-type: none"> <li>Dennis Cook, SPR Board Representative</li> </ul> <p><b>Consent Agenda</b></p> <ul style="list-style-type: none"> <li>Approval of Agenda</li> <li>Approval of June Minutes</li> <li>Approval of July Minutes</li> </ul> <p><b>Review goals for today:</b></p> <ul style="list-style-type: none"> <li>Learn about Parks and Recreation and ARC programming.</li> <li>Vote on a plan for fund balance consolidation.</li> <li>Vote on the creation of an Equity Task Force.</li> </ul>	Vic	<ul style="list-style-type: none"> <li>The ARC Board meeting was called to order by Vic Roberson (VP). He welcomed guests and new board member Dennis Cook.</li> <li>Call for approval of agenda and June and July minutes.</li> <li>Frana Milan moved to approve agenda and minutes. Approved.</li> </ul>
6:41p	<b>Get Moving Presentation</b>	Lakema Bell	<ul style="list-style-type: none"> <li>Community engagement investment-culturally relevant, sensitive and innovative</li> <li>Increase physical activity and decrease obesity-get 1,000 people moving in a year</li> <li>Grant fund, citywide events, develop performance measurements</li> <li>In neighborhoods with high health disparities-where people are experiencing non-activity and obesity at a higher rate than the city average-communities of color</li> <li>Community engagement ambassadors</li> <li>Q Frana: application process, what works to eliminate barriers? A: We took the application from 7 pages down to 2 with focus groups. Thin line because of government and policies requirements. For next year we asked first year's applicants for feedback.</li> </ul>
7:05p	<b>Preschool Presentation</b>	Abby MacLean	<ul style="list-style-type: none"> <li>14 preschool programs</li> <li>2 programs accepted into the Seattle Preschool for all programmatic track towards the Early Achievers, Seattle Preschool Program (Pathways)</li> </ul>

			<ul style="list-style-type: none"> <li>• Branch out and do more parent engagement-creating parent engagement and kindergarten transition plans this year</li> <li>• Directors have professional development opportunities</li> <li>• Adding social emotional curriculum to the creative curriculum that we currently use</li> <li>• Preschool Director plans according to the children’s emerging interests</li> <li>• Q Terry: how will the uniqueness of the pathway requirements affect the other programs? A: Working to phase in the licensed programs because space is a problem. Have to look at what community centers have space to be licensed. Our responsibility is to make clear the difference to parents who come to our programs-licensed vs. recreation preschool programs.</li> <li>• Q Dennis: Do you have expectations on parent turnout for parent meetings? A: food, childcare. If we build the right community and environment hopefully they will come.</li> <li>• Bernardo recommends looking at the Duel Capacity Building Framework from Harvard University</li> </ul>
7:30p	<b>Director’s Report</b>	Christina	<ul style="list-style-type: none"> <li>• 990 vote to approve so we could file it</li> <li>• Chris Copacino motioned to file, Terry Holme second. No discussion. Motion carries.</li> <li>• Had a great summer. We’ve been investing in training our staff before summer starts.</li> <li>• Summer numbers per week: served about 150 preschools (8 camps/8 weeks), 1084 kids in SAC, 75 teens, 3 environmental camps with 120 kids. Ballard had 800 new registrations this summer-another 80 kids per week.</li> <li>• Preschool had 300 registrations this morning. Only going to be one RFI process and it will be in November. SPR spaces will be listed on the application. “We will have to check the box for requesting SPR space. Getting two Pathway locations licensed with the state-90-day process. Moving toward full day preschool. New half-day program this year at Carkeek.</li> <li>• SAC-lower enrollment so far because kindergarten doesn’t start until next week. Bell times may cause our morning programs to shrink. So far we have 243 kids in Before School and 944 in After School. There is a childcare desert in West Seattle-this year we are renting space in the old Schmitz Park Elementary School, as well as Genesee and Lafayette Elementary Schools. As of yesterday we still had a waiting list. Still hiring for child care staff in WS. Walked 57 kids to programs.</li> <li>• Yuko McLinn retired from our accounting department this summer.</li> <li>• Year to Date: Revenue is up 8.8%, expenses are down 4.4%, but scholarships have not been deducted yet. 9% increase over last year.</li> </ul>
7:54p	<b>Fund Balance Consolidation Planning</b>	Vic and Christina	<ul style="list-style-type: none"> <li>• ARC moving toward consolidation over the last decade.</li> <li>• Using an Equity lens, we found that we are still lacking, including how we allocate our funds.</li> <li>• Terry suggested changing the wording of the first motion to: Consolidate the individual fund balances of Community Center Advisory Councils, Environmental Learning Center Advisory Councils, Lifelong Recreation Advisory Council, Specialized Programs Advisory Council and</li> </ul>

Sports Advisory Council under one organizational fund balance; budget by program (preschool, school-age care, enrichment, recreation) with the ability to report by cost center (program location).

- Terry suggested separating the three bullet of motion 1 into individual motions.
- Q: for motion #3, would there be 4 separate agreements for each group or one agreement? Kelly: probably 4 separate agreements-their fund balances will not be consolidated in with the other advisory councils.
- Frana suggested a wording change for motion #3: Provide fiscal sponsorship to the Green Lake Rowing, Seattle Canoe and Kayak, Mt. Baker Boating, and Amy Yee Tennis Advisory Councils under a new agreement among SPR, ARC and what is now constructed as those advisory councils.
- Motion #4- Equity Task Force would be an ad hoc ARC Board committee.
- Christina-we have done some ground work for recruiting in case we move forward on this.
- Vic-what ratio of Board Members to non-Board Members would we want on the Task Force? Christina: Encourage us to make a transformational change by encouraging new outside voices.
- Changed the wording of motion #4: The ARC Board shall establish an ad hoc Equity Task Force of seven (7) members who reflect the population served by and who can be drawn from the organization and those underrepresented in programs to make recommendations to the ARC board for how to activate program revenues within the SPR/ARC partnership for the purpose of providing equitable recreation and lifelong learning programs, classes and activities.
- Jesús: SPR will commit to supporting this work. There are a lot of people we are not serving. How do we reach those people? Can we include that in the language?
- Motion #1: Terry Holme moved to pass the motion and Bernardo Ruiz second, motioned carried.
- Motion #2: Terry Holme moved to pass the motion and Bernardo Ruiz second, motion carried.
- Motion #3: Terry Holme moved to pass and Bernardo Ruiz second, motioned carried.
- Motion #4 Terry Holme moved to pass the motion and Vic Roberson second, motion carried.
- Vic: communication expectation going forward? Christina: how to brief SPR staff. So they can also be stewards and leaders of this message as well. Between now and presidents meeting board will receive communication info to review before the meeting. Will be prepped with talking points for the meeting and being a table captain.
- Will need to change accounting implementation for next year's budget.
- Terry requested that a briefing paper be sent out to ACs before the meeting

8:45p	<b>Review Assignments &amp; Adjourn</b>	Vic	<ul style="list-style-type: none"><li>• Presidents meeting is September 28th</li><li>• Vic Roberson called for a motion to adjourn and Terry Holme moved. Motion was approved. Meeting adjourned.</li></ul>
-------	---	-----	---

## **Dennis Cook Biography**

Dennis A. Cook, a Seattle native, worked for Seattle Parks and Recreation Department for 37 years. During that time, Dennis became known for ‘finding common ground’ by building successful collaborations and partnerships that create strong, positive, engaged communities. Working with non-profits, private and public elementary/secondary schools, universities, local/national youth and adult athletic organizations, and professional athletic teams, Dennis has facilitated joint ventures to improve access and opportunity for both traditional and emerging sports.

Dennis was involved in many local and national youth programs such as, the Hershey Youth Track and Field Games, Boys and Girls Clubs of America, Catholic Youth Association and the YMCA. During his years of service with Seattle Parks, Dennis managed the Joint Use Agreement between Seattle Parks and Seattle School District, along with managing the Athletic Field Scheduling Office and youth and adult athletics programs. Dennis works as a coach, mentor and creative problem-solver on behalf of equity for all in our community through his own company Dennis Cook Consulting. He currently serves on the Austin Foundation Board of Directors and the Seattle Parks Board.

## Exhibit A

programs; and (iv) such other program measures that may contribute to maximizing utilization of DPR space.

(4) In cooperation with DPR, make a good faith effort within reasonably available resources to ensure that no member of the public is unreasonably denied access to recreational opportunities solely as a result of the inability to pay program fees. In consultation with DPR, ARC shall establish realistic and sustainable goals for scholarship funding for both Youth & Adult Programs and Child Care Programs on a biennial basis, beginning with the 2009-2010 biennium. Biennial goals shall be subject to the review and approval of the Superintendent. Specific amounts of scholarship funding for both Youth & Adult Programs and Child Care Programs shall be reflected in ARC annual budgets and Annual Services Agreements beginning in 2009. For the year 2008, ARC shall allocate scholarship funds for the Programs in an amount not less than ARC scholarship funding available during 2007. Beginning in 2008, ARC shall allocate and include in its annual budget scholarship funds for system-wide non-child care programs and, beginning in 2009, ARC shall allocate and include in scholarship funds for child care programs, in sustainable amounts reasonably acceptable to the Superintendent. Participants will be approved for these scholarships in accordance with the process established and the income guidelines utilized by DPR's Youth Scholarship Office.

Beginning in 2009, all ARC scholarship funds will be awarded to program participants consistent with eligibility guidelines established by the DPR's Youth Scholarship Office. With reasonable promptness following the effective date of this Agreement, the Joint Steering Committee will develop for the Superintendent's review and approval no later than November 2008 policies for the allocation of available scholarship funds among Youth & Adult Programs as well as for the utilization and award of scholarship funds. Among other matters, the

## Exhibit A

policies shall prioritize allocation of funding and award of scholarships to programs and program participants when ARC funds can leverage or supplement other funding. The policies shall also ensure that all ARC programs award scholarship funds to financially eligible participants in a uniformly equitable and transparent manner.

(5) ARC shall consolidate unrestricted fund balances as of the date of this Agreement, including fund balances identified with specific Advisory Councils, into a single Consolidated Fund Balance. Unrestricted fund balances include all fund balances held by ARC derived from funds generated by or for the support of ARC or AC programs and from other funds not formally or legally restricted by sponsors, donors and others for specific purposes. ARC shall retain a reasonably prudent Consolidated Fund Balance sufficient to sustain the ongoing operations of ARC and AC's chartered under this Agreement. During 2008 and each fiscal year thereafter, the ARC Consolidated Fund Balance shall not exceed 33 percent of ARC's audited operating expenses for its immediately preceding fiscal year. ARC shall use funds surplus to such standard for the enrichment of the Programs, including but not limited to program and participation enhancements benefiting underserved communities and groups. Beginning in 2009 and thereafter as surplus funds are available, use of any such funds shall be reflected in the ARC annual budget and Annual Services Agreement, as appropriate. AC efforts to raise funds from sources other than fees generated by the Programs shall be subject to the Superintendent's prior approval, as provided in Section 1(f) of this Agreement.

(6) Provide input to DPR regarding the City's capital improvement plan with respect to DPR's recreation facilities.

# Fund Balance Consolidation Briefing Paper

Draft August 3, 2016 v3

## Background

In 1975, the Associated Recreation Council (ARC) was recognized by City Ordinance “for the purpose of assisting in planning and implementing recreational activities for the public.” At this time, each Advisory Council was set up as a separately incorporated non-profit organization under the parent organization the Associated Recreation Council. For this reason, each council’s finances were separated and each retained its own fund balance. ARC was given the responsibility of managing the activity of the advisory councils.

In 2008, ARC signed a new Master Services Agreement with the City of Seattle/Seattle Parks and Recreation (SPR). The advisory councils were reorganized and consolidated as one in a series of bylaws and operating agreement revisions under ARC, retaining the historical tax identification of the parent organization. The Master Services Agreement called for ARC to consolidate unrestricted fund balances of each advisory council as of the date of the agreement.

The ARC Board of Directors did not recommend immediate consolidation of advisory council fund balances. Several board members were members of advisory councils and instructed ARC staff to hold off on this aspect of implementing the agreement. The issue of consolidating the fund balances has been brought to the attention of the ARC board since this time and until recently was not acted upon.

The attendees of the March 2016 ARC Board of Directors Retreat instructed the ARC staff to assist with the creation of a plan to consolidate the advisory council fund balances. The ARC Board directed ARC staff at a July 2016 board meeting to consolidate the budgeting of preschool in September 2016 as a first step to consolidation. This briefing serves as a next step in the planning for consolidation of fund balances.

## Policy Issues and Recommendations

Several policy issues/questions require board direction before action can occur. These are identified and outlined below with a staff recommendation for approval/amendment by the board:

<b>Policy Issue/Question</b>	<b>Pro</b>	<b>Con</b>	<b>Recommendation</b>
1) Consolidating Community Center, Lifelong Recreation, and Sports Advisory Council Fund Balances under ARC	Provides an opportunity to use funds to offer equitable programming across the city regardless of community’s ability to pay; creates opportunities for innovative programming to meet SPR and ARC mission’s via activation of system	No longer incentivizes advisory councils or SPR staff via program revenues; requires more budget monitoring by ARC and SPR staff.	Consolidate all community center advisory councils, lifelong recreation councils, and sports advisory council under one organizational fund balance; budget by program (preschool, school-age care, enrichment, recreation) with the ability to report by cost



	proceeds; aligns with SPR directive to increase interdepartmental collaboration between community centers and citywide programs.		center (program location).
2) Consolidating Canoe, Rowing and Sailing, and Mt. Baker Boating Center Advisory Council Fund Balances under ARC	Creates one system for all existing advisory councils; supports the recent recommendation responding to the Statement of Legislative Intent (SLI) regarding operation of the rowing and sailing centers that they should stay under the auspices of ARC.	The programs, classes, and activities within these three advisory councils serve a specific type of recreation programming with specialized equipment; the programs already recruit from around the city and do fundraising both for their equipment purchases and for youth scholarships in an effort to lower the barriers to participation; ARC already has a "Friends of" system of fiscal sponsorship.	Provide fiscal sponsorship to the three existing advisory councils under a new agreement between SPR, ARC and what is now constructed as the AC's.
3) Consolidating Environmental Learning Center Advisory Council Fund Balances under ARC	Provides an opportunity to use funds to offer equitable programming across the city regardless of ability to program the environmental learning center or its patron's ability to pay; aligns with SPR directive to increase environmental programming citywide outside of the three environmental learning centers.	Many of the advisory council members have joined due to the amenities of the location itself rather than a citywide focus, which means a loss of membership could occur.	Consolidate the three environmental learning center advisory councils under one advisory council with the ability to report by cost center (program location).
4) Consolidating Amy Yee Tennis Center Advisory Council Fund Balances under ARC	Creates one system for all existing advisory councils.	The advisory council has the smallest fund balance in the system and only generates revenue from racket	Provide fiscal sponsorship to existing advisory council under a new agreement between SPR, ARC and

		stringing, therefore there are no ARC staff or program expenses at this advisory council; the advisory council would benefit from the fiscal sponsorship so they can continue the fundraising for the capital improvements of the tennis center; ARC already has a "Friends of" system of fiscal sponsorship.	what is now constructed as the AC.
5) How does the board recommendations for the initial uses of system-wide resources?	ARC and SPR used a Legacy Planning committee with success to drive how resources would be activated to enhance the system.	Community engagement/meetings in addition to advisory council meetings could be difficult for already stretched volunteers.	Create an Equity <b>Task Force</b> of seven (7) from advisory council members, board members and at-large community members to make recommendations to the ARC board for how to activate program revenues within the SPR/ARC partnership.

### Timeline

The following is a proposed timeline to implement the fund balances consolidation recommendations with ARC Board of Director participation in bold lettering:

Date	Task	Notes
<b>July 18, 2016</b>	<b>ARC Board of Directors votes to consolidate the budgeting of the 13 preschool programs.</b>	<b>Staff draft a communication plan for advisory council presidents in advance of September's Presidents' meeting.</b>
July 19 – August 15, 2016	Seattle Parks and Recreation's (SPR) business service center completes entry of the new preschool accounting codes.	New coding allows for the consolidated budgeting and reporting for the 13 preschools.
<b>August 3, 2016</b>	<b>ARC Board of Director working meeting to plan for fund balance consolidation.</b>	<b>Prepare motions for the September Public Board meeting</b>
August – September 2016	Recruit and select Equity <b>Task Force</b> members.	Group to advise the ARC Board on how to activate program revenues.
<b>September 7, 2016</b>	<b>ARC Board of Directors votes to consolidate the fund balances.</b>	<b>Staff draft a communication plan for advisory council presidents in</b>

		<b>advance of September's Presidents' meeting.</b>
September 2016	Consolidate budgeting for 13 preschool programs.	
September 2016	Prep for 2017 budgeting process and Presidents' Meeting.	
<b>September 2016</b>	<b>President's Meeting: Kick off the 2017 ARC budget process.</b>	<b>Reinforce consolidated preschool budgeting and communicate to a larger group of staff (ARC and SPR) and advisory council members the plan for system-wide fund balance consolidation in 2017.</b>
October 2016	Equity <b>Task Force</b> meets.	
October 2016	ARC accounting completes the advisory council budget review, prepares it for SPR's review.	
November 2016	Equity <b>Task Force</b> meets.	
November 1, 2016	Submit prepared ARC budget to SPR.	
December 1, 2016	SPR returns approved ARC budget to ARC.	
<b>December 5, 2016</b>	<b>ARC Board working meeting to review budget.</b>	<b>Prepare for public meeting on December 7, 2016.</b>
<b>December 7, 2016</b>	<b>ARC Board approves ARC 2017 budget.</b>	
January 1, 2017	ARC fiscal year begins.	
<b>January 2017</b>	<b>ARC Board officer elections.</b>	
January 2017	Equity <b>Task Force</b> meets.	Prepares for ARC Annual General Meeting presentation; meets quarterly thereafter.
<b>February 2017</b>	<b>ARC Annual General Meeting.</b>	<b>Recap steps taken in the budgeting process and speak to next steps in consolidation including activation of program revenues.</b>
<b>September 2017</b>	<b>President's Meeting: Kick off the 2018 budget process.</b>	