

ARC Board Public Meeting

4/12/2019, 12:30-2:00 pm, Best Western Executive Inn, 200 Taylor Ave N, Seattle, 98109

ATTENDANCE: Board: Jonathan Hartung (President), Frana Milan (Secretary), Mary Anderson, Bernardo Ruiz, Vinita Gupta, Kyle Vixie, and Michael Cuadra
Staff: Bill Keller, Sonya Claxton, Sonia Doughty, and Emily Noel **Parks & Recreation:** Justin Cutler

Minutes:

WHEN	TOPIC	MINUTES
12:43 p 12:50 p	<p>Welcome & Introductions</p> <p>Determination of Quorum</p> <p>Consent Agenda</p> <ul style="list-style-type: none"> • Approval of Consent Agenda including: <ul style="list-style-type: none"> ○ April Meeting Agenda ○ March Minutes ○ Director’s Report <p>Review goals for today:</p> <ul style="list-style-type: none"> • Public Comment • ARC Executive Director updates • Race and Social Justice Initiative • ARC Board Governance 	<ul style="list-style-type: none"> • Jonathan Hartung called the meeting to order at 12:43 pm • It was determined that a Quorum was present. • Jonathan called for motion to approve the Consent Agenda. Frana Milan motioned to approve. Bernardo Ruiz seconded. Vote all in favor. None opposed. Consent Agenda approved. • Welcome back to Bill • Bill announced return of Jesús Aguirre as superintendent, Christopher to deputy superintendent role, worked w/ pairing successfully before, please welcome him back, he knows partnership & how it works • Member of public present: David Toledo’s contact information: email: VibrantArt206@gmail.com • office #: 206-371-1139 cell #: 206-641-0859 website: www.VibrantArt.org • Sonya took a moment to personally thank Board for flowers she received Friday
12:50 p 12:55 p	Public Comment	<ul style="list-style-type: none"> • Jonathan asked if any public was present? present: David Toledo, given 3 minutes for presentation • David shared over past 20 years worked w/ Unified Outreach, previously held Garfield AC membership, works w/ youth arts enrichment, interested in serving on Board, can bring some good ideas, outside of the box thinking, could bring a lot of new ideas to table, current Editor in Chief of Vibrant Entertainment & Arts Magazine, left business cards & provided copies of magazine, grateful for time & opportunity
12:55 p 1:00 p	<p>ARC Board Key Issue Updates</p> <ul style="list-style-type: none"> • MSA (Master Service Agreement) • ASA (Annual Service Agreement) • Race and Social Justice Initiative • Line of Credit 	<ul style="list-style-type: none"> • Bill stated great to be here, Justin working quite a bit together in a short bit of time, amassed many hours together already, MSA completed, things to know about that, we really worked long & hard some of it is boiler plate, some is part of 2008 agreement that moved forward, not many material changes of how we work together, worked to maintain intent, key things that is changed, 2004 started 2008, requirement for our fund balance was established as that point as 33% of operational year expenses, that is 4 full months, we currently spend about 1.2 million & change every month in operations, that was keeping quite a bit of resources on the sideline, we requested, we met w/ Christopher, talking about reducing to 25% which is 3 months, as mandatory reserve, we did craft that language to be not less than, we can still carry a larger reserve, after good work by Third Sector echoed by Berke report, about how lean the org has been, we are going to do some capacity building of the release of fund balance, part of succession plan also, actively looking for 2nd deputy director,

**ARC Board Key Issue Updates
Continued**

through work w/ Sonia & Jonathan, Sonya having internal facing w/ operations, new deputy would have external responsibility, development, finance etc., the MSA is in books, Jerry Johnson, our attorney at Pacifica law firm, we were able to craft a 10 year agreement, next renewal 2028, other things we did, was unbundle detail, we need to be more nimble w/ our partnership, will fall more into annual service agreement, very complex, mostly financial, how either side of partnership equation & how they support each other, things like downtown parks concierge program we support, ARC employees, coordinate that w/ Parks department, there is about 3 million dollars in exchange that occurs in that agreement, haven't forged it for 2019, working from positive intent of 2018 agreement, not many new aspects, but will bring when it done, 1 thing did want to share, remember we moved from cash basis to deferred basis, City of Seattle holding 3,894,000 program registrations that previous years we would have had in our account, lost opportunity cost there, we invest all of our dollars, we average about 5% return, can imagine the net loss of deferral, nothing we can do about this, will be released 1st day of program when it starts, majority of that money is for fall preschool, SDC, & some not so miscellaneous, Summer & Spring rec programs, will see it come to us in bits & pieces, that is why on this list today there is something about line of credit, talked w/ Jonathan about this, always were timely & paid our own expenses, never been in danger of that, we secured a line of credit for only 500,000, what we are doing w/ that is, doubt will every use, but we might need to use 100,000 to remain on positive side of things & payroll, rate on that is 4.5%, we use our portfolio of investments as collateral, 5.3 million currently invested, choices were line of credit or divest investments, feels like this is more valuable experience, turn any line of credit payable in 30 days w/out problem, in terms of RSJI remind Board, we're continuing commitment to that, w/ staff training, AC opportunities, & using RSJI tool kit in programming

- Jonathan inquired about annual fee on line of credit Bill replied only transactional fee, no annual fee
- Vinita Gupta asked when expected to pay that? Bill responded only use line of credit if we need it
- Bill continued to share as of this morning, we have million & change in checking, have payroll this week, 1 thing we have done to better manage our money better, aging some payables, haven't historically done, annual service agreements items, scholarship fee, par fee estimated 2019 700,000 annually, to be paid quarterly, geo tier 580,000 pay quarterly, childcare scholarship is indemnification from 1.4 million that City uses, used to have delay in processing due to ocean of paperwork, did almost 15 years ago, if an overspend because of processing admin issues, we indemnify that up to 50,000 not to exceed, pay in bits & pieces, goodwill step that scholarship dollars move fluidly & are served
- Jonathan highlighted make 5% on investments, line of credit earns 4.5%, asked how we can work w/ City to challenge timing of money, would like to see some acknowledgement of that
- Bill stated money changes relationships as you all know, right now are managing this effectively, this is some lost investment opportunity, other than that we are ok
- Mike Cuadra asked if through Wells Fargo. Bill replied yes, not friendliest of relationships,
- Bill added have impeccable fraud protection, i.e. we get fraudulently checks several times a year, only thing that catches it is it's duplicate number, had issue other day, had someone contact payroll as Bill to have direct deposit information changed, Paycom & Sharon caught it, even more vigilant, it's the world we live in, we try to be very careful w/ this money, it's public funds, generated in partnership

**Race and Social Justice Initiative
Continued**

- constantly humbled by what I learn & experience when try to create the relationships, when you try, have to be willing to learn
- Kyle Vixie added as someone that is newer to the group, don't have history, more of a sponge, picking up component of absorption, before you assert yourself
 - Mike answered success for me is, when I'm communicating, better communication from someone that is different than me
 - Bernardo said every time do presentation, explain purpose, honor, value, & dignify people, create understanding need to close level, funds of knowledge, listening & honoring partner
 - Kyle mentioned start conversation, biggest piece, looking at history, history they have learned, many different ways to learn history, may never be able to sense what is out there, history of where we are
 - Frana expressed important what we are thinking of it as a system of racism, not single situation
 - Mary declared racism is lived, born that way, can't change it, someone's experience that is not white will be different than someone that is
 - Bernardo stated people do not know what people of color go through, race is not biological is a social construct, we can move forward in powerful way, because is social construct, can be deconstructed, when he came to US, thought of racism as individual acts of prejudice, lens was for racism, there is systemic & structural racism, see it as individual bigotries, we can't change it, but it's something that can be changed, we are the governance body, were only 2nd district that put in RSJI, structural equity when City works w/ King County, to build equity, that is how we structurally address it, many orgs are working to oppress people, inquired about knowledge of implicit bias & microaggressions
 - Jonathan shared perception by himself & other shareholders, thought was treating people fairly, shared 1 woman not getting recognized, hadn't occurred to him, caused him to go back & see how are treating employees, men of company working with woman to try to raise them up
 - Frana cited recognize we all have been raised in society, by what we see every day, created w/in us implicit biases, journey as you get older to recognize those, what lens you wear on a regular basis, take home statement we are all bias
 - Bernardo agreed said, "I am bias too", i.e. destroyed knee, Dr. had crazy hat, dark skin Mexican man, I hope he is not my doctor, thought wait why am I thinking of this, but I have not seen anyone like him, found out was on top of class, we are only conscious of 40 bytes of info, we have to be so aware so we don't act upon it, very well intentioned people, you are so well spoken, what made you think that I wasn't, was leader in Seattle public schools, said something did not get acknowledged, person next to him said same thing, flex equity muscles every day or they atrophy, we all breathe the same smog, we have a lot of things we live, asked what does it mean to you to lead for Racial Equity within the ARC Board?
 - Kyle mentioned start w/ awareness, no matter what state of overall system is, here is the part we are responsible for, we make sure we look at things in our component, not utilizing state of system in general to leave it as it is
 - Bill stated we at this level have to be intentional & practical, the challenge that comes w/ this, when we make a decision, when we allocate resources, we need to put a face on it, the RSJI tool kit, it helpful for that, can become over reliant on it by not fully exploring aspects of decision looking to make, over last couple of decades done better job, but still have more to do, how our resources are

	<p>Race and Social Justice Initiative Continued</p>	<p>used, we have to be more intentional, it will make some people uncomfortable, we have 36 AC, some here sit on those councils, the resources that are generated & often held on to, when we look at the net combined resources as org, what we could do w/ that, we need to make more organizational decisions, not site based, years ago, tried to create opportunity fund before consolidate as org, went to AC after AC to contribute to fund to help w/ equity, some of things people said to him wasn't very gracious or generous, at all willing to participant, their \$ & they're going to hang on to it, translate bank balance into success, more bank balance, more successful, not what they were doing or the people they were helping, when you talk about bias, economics & the restriction of resource, could call a greed sort of, also a form of segregation, not accepting others into your community, feel like as make more decisions about how resources are used the RSJI tool kit will help us</p> <ul style="list-style-type: none"> • Bernardo advised use of tool should stay w/ councils, to not negatively affect people of color, 1 school would raise 500k, in South side only 3k, trying to raise for sister schools, not going to share, need to decide where we stand as board, if we pick a side, need to decide, red lining in city of Seattle, wouldn't be able to live where he lives, how crazy it is, blue is best neighborhoods to live, red hazardous neighbors, created by government, when he was looking for a house, had to get 3 different real estate agents to get driven to where he wanted to live • Justin mentioned Wing Luke Museum, more about topic, exhibit on now • Bernardo stated The Color of Law Book, Oakland & San Francisco have similar maps, map fabricated by US government, w/ GI bill after WW2, property taxes don't serve people/are well, Gerald Sue, how change happens, awareness, move to knowledge, talking about books & articles, want to developed independent learners, skills, practice makes perfect, most important thing is to take action, action & advocacy, we wasted time, we must lead by taking lead, passed policy in Seattle Public schools, most impactful thing is when it becomes active in class rooms, not able to exercise, can do it next time, come from world trust, when we talk about same things in same language, any questions, ended w/ quote from Dr. Angela Davis
<p>2:05 p 2:15 p</p>	<p>ARC Board Governance</p>	<ul style="list-style-type: none"> • Jonathan stated Bernardo's presentation to be followed up on at next meeting, brought up next topic, Jonathan's outline, handout provided, Mary only woman on her side, Jan & he worked to put people, Frana offered to shift over to join Mary, thank you for that, conversation today, general acknowledgment of it, 2 areas we work on as groups, to develop outline what we could do in those areas moving forward, look into areas of governance missing, begin to identify who might contribute in those items, i.e. policy manual, on advocacy fundraising side, supporting Sonia, develop Board, what is advocacy agenda, w/ 2nd DD, what does Board want to see, was concept of brief discussion, if happy w/ outline/make adjustments • Frana asked if idea is each committee would have staff point person? To bring knowledge of what is happening on the ground • Jonathan responded evolving into committees, have executive committee, doesn't have committee structure, outline what that is going to be • Bill stated 2 & a half years in current MPD, built out of initiatives came right out of community voice, committee & ability to work along w/ staff & train, energize & activate AC in next 2 & a half years • Jonathan cited a lot of work those 2 areas, will create, some ideas of how this might happen, if this can form an outline of actions that can be taken in say 3 months • Frana inquired about advocacy, is this an opportunity to open this up to non-board members or do we wait until we have act together more

		<ul style="list-style-type: none"> • Kyle suggested, over say 3 months that it's looked at as task force, once the elements are covered, it can be formalized as committee, a lot of bringing people up to speed, might be too much • Bill shared important to define, not necessarily chart, believe having a mission w/ some goals, will help shape/define action steps, can't stress how important 2 & a half years, will have 6 years of what's decided • Mary mentioned because we only have 2 & a half years, each of us will have to participate in some fashion, both little & big steps so the MPD communities can have conversations about it, can voice what they want to see in it, to hold council accountable • Bill said council already has schedule of events/how events are to run, more people we can recruit • Justin Cutler highlighted event at Green Lake June 1st & June 9th at Yesler, forward details when firm • Mary stated at each CC, predefined, what classes people attend, important what continues, if you want this, you have to participant in this way, so it continues • Jonathan cited part of group effort would be what do you need from staff, begin to shape being governing board, providing set of actions, how to best support, everything we do is looked through RSJI & equity lens, other is we are here for Parks, to support Parks & their mission, we are arm of entity, we are there in support that agency, in so doing, parks & rec benefit & ARC benefits we all benefit, internal tense, from our point of view, we are here & what we do is for that purpose • Frana inquired what marching orders are • Jonathan replied get meeting outside, to get things moving, it's possible that this Board may be meeting every other month, the other month could be those committee's meeting • Bill suggested use of May meeting to be more definitive • Mary made suggestion, since we need to be conscious to look through RSJI & Equity, at big Board meeting, part of every meeting, let Bernardo do piece of presentation, do make us active learners • Jonathan shared notion of learning minute, moving forward, defining agenda & calendar, thank you
<p>2:15 p 2:17 p</p>	<p>Review Assignments & Adjourn</p>	<ul style="list-style-type: none"> • Jonathan called for a motion to adjourn meeting. Mike motioned to adjourn. Mary seconded. Vote all in favor. None opposed. Meeting adjourned at 2:17 pm