

ARC: Board Meeting Minutes

7/12/2017, 6:30p-8:30p, 100 Dexter, Parks Board Room

EXPECTED ATTENDANCE: Board: Jonathan Hartung (President), Frana Milan (Secretary), Mary Anderson, Dennis Cook, Terry Holme, and David Towne. **Staff:** Bill Keller, Christina Arcidy, Sonia Doughty, Rachel Sorrels, Abby Maclean. **Parks & Recreation:** Tiffany Johnson. **Visitors:** None.

EXCUSED ABSENCE: Bernardo Ruiz, Vic Roberson (VP), and Trang Hoang.

Minutes:

WHEN	TOPIC	MINUTES
6:30 pm	Welcome & Introductions (Jonathan) Consent Agenda <ul style="list-style-type: none">Determination of Quorum (5 of 9 members)Approval of AgendaApproval of Minutes Review goals for today: <ul style="list-style-type: none">Learn more about the Preschool ProgramPrepare for a 2018 Equity Task Force financial commitment	<ul style="list-style-type: none">Jonathan called the meeting to order at 6:30 pm.It was determined that a Quorum was present.Abby Maclean introduced herself to the board.Jonathan called for a motion on the Consent Agenda. Terry moved to approve the Consent Agenda, and Dennis second. Consent Agenda approved.Reviewed the goals for today's meeting.
6:32 pm	Public Comment (Jonathan)	<ul style="list-style-type: none">No public comment.
6:32 pm	Preschool Program (Christina and Abby Maclean)	<ul style="list-style-type: none">Currently have 14 preschool sites. Carkeek preschool program moving to Magnuson Park in the fall.Our programs use the Creative Curriculum, which was adopted fully this year.Also utilize the Second Step Curriculum at all 14 sites.Two of our sites started the Seattle Preschools for All Pathways program this year: Bitter Lake and Meadowbrook.ARC will be adding Queen Anne and Ballard sites to the Pathways program starting fall 2017.Dennis: Is the Pathways program only in North Seattle? Abby: It's in all of Seattle.Dennis: What is our goal for expanding to other parts of the city? Christina: The program started in the south end, but we were told that, that area is already saturated. We were told Seattle Parks and Recreation and ARC should apply for north end programs.

		<ul style="list-style-type: none"> • Part of Pathways is to assess the children. The assessments are observations based on specified learning objectives. Uses Teaching Strategies Gold. • Frana: Is there an effort to standardize throughout all of our preschool programs? Abby: We are implementing what we are learning in the Pathways program into all the other program sites, including many of the same trainings. • David: What are the funding sources? Abby: We receive funding from the Seattle Preschool Programs for these sites. • Mary: How do the demographics compare for these programs to the other preschool programs? Christina: We don't currently track that information. The new registration software will hopefully help us overcome that deficit. • The City is rolling out the Family Connections program, which will help us know what languages our participants speak at home. • Department of Education and Early Learning administers the Seattle Preschools for All program. • Jonathan: How many total sites in the city are in the Pathways program? Abby: About 20 total sites this year. • Terry: What is the teacher to student ratio? Abby: 1 to 8. • Terry: It would be nice to see what the cost of childcare provided by ARC is. A spreadsheet with rates, and a section with our scholarships. • Bill: We've always worked to be a low cost option while being a sustainable model. Continues to be a challenge.
<p>7:07 pm</p>	<p>Director Report (Bill)</p>	<ul style="list-style-type: none"> • The BSC's pilot program, reported on at the June board meeting, to defer revenue to first day of use rather than date registration was made didn't work. On June 16th we notified SPR that cash flow to ARC was incorrect. On June 20th the system was turned off. • The net effect of unavailable funds during this time was \$465,420. As of today, we are still working to recover \$322,000. Will still be able to make payroll. • Financial reports for June, and probably July, won't be as accurate as they should be. • Able to determine about June: reported unaudited net revenue for month end June up 7.8% over last year. School Age Care up 14.5% YTD. • Total licensed summer day camp registrations are 8,911 with a value of \$1,407,411. • Activities camps have a total of 8,789 registrations to date with a value of \$1,330,549. • Hired 141 people in the month of June. • 1,343 preschool camps registrations and 622 teen camps registrations. • Total YTD unaudited net revenue is \$9.6M as of the end of June. Compared to last year at this time of \$8.9M. • Currently 24 position openings. • Terry: Why did we try the pilot with the deferred revenue? Bill: The company that provides the Class software will no longer be supporting it. SPR is moving to ActiveNet, which is being modified for our partnership. This pilot was to test that modification.

7:25 pm	<p>Equity Task Force Financial Commitment (Bill)</p>	<ul style="list-style-type: none"> • Financial Snapshot, top left block: Payroll for May 2017 and comparative months of June 2016 & 2017. Impact of minimum wage increase. • Corresponding block is a comparison of the impact on revenue. Shows a significant decrease. • Comparison of payroll to revenue percentage is the second section. • Investment income is doing well. • Master Service agreement requires that we maintain a fund balance of 1/3 of one year's expenses. • Final block are suggested budget commitments for the Equity Task Force for 2018. • Can commit in two ways, either a dollar amount or a percentage. • Recommend the board determine a commitment amount each year. • Terry: What would be the best bench mark to use? Bill: October financials would be the best time to have a clear picture of our financials for the year. • We need to have the Equity Task Force be able to take proposals now, so they can be approved and included in the budget process this fall. • David: What kind of a fund should they work with? Bill: Because this is about equity I would recommend the \$200,000 or \$250,000. Christina: I would recommend \$150,000. • Dennis: Do you think we will be able to go up from \$250,000 next year? Bill: It is hard to tell right now. • Mary: Because this is our first time, starting with \$175,000 would be a good place to start, and gives us room to move up. • At this point all the factors that would influence this amount we have shared with you. This is a revisit of the positive work of the legacy work. • David moved to approve a \$175,000 financial commitment for the Equity Task Force for the 2018 budget. Terry second. Motion passed. • Terry: It's important that the Task Force knows this is a one year commitment, and the amount may be different in following years.
8:04 pm	<p>Review Assignments & Adjourn (Jonathan)</p>	<ul style="list-style-type: none"> • Mary asked that a consideration be made to change the board meeting time. • Staff will send out a poll for different time options to the board. • Jonathan called for a motion to adjourn the meeting at 8:06. Terry moved. Dennis second. Motion passed. <p>Jonathan adjourned the meeting at 8:06 pm.</p>

Financial Snapshot

Payroll Expense YTD \$4,181,927 – 5/2017

Payroll Expense YTD \$4,113,152 - 2016/6

Payroll Expense YTD \$5,342,268 – 2017/6

YTD Revenue \$8,536,893(+14%) Diff = \$4,354,966 (48.9%)

YTD Revenue \$8,824,242(+12%) Diff = \$4,712,090 (54.4%)

YTD Revenue \$9,896,044(+7%) Diff = \$4,553,776 (46.0%)

Month to Month Payroll/Revenue % (17)

May = 49%

June = 54.1%

Month to Month Payroll/Revenue % (16)

May = 46.8%

June = 47.5%

July = 52.7%

Investment Income YTD \$171,807 (6/17) = 9.46% +

Investment Income YTD \$155,276 (6/16) = 21.4%+

Fund Balance (6/17) = \$5,744,308

MSA Fund Balance = \$5,432,945

Approximate available = \$ 311,363**

(with Summer Day Camp + SAC 17-18 school year revenue)

Equity Task Force Financial Commitment \$100,000 = 1.7%

\$150,000 = 2.6%

\$200,000 = 3.5%

[% of Fund Balance (5/17)]

\$250,000 = 4.4%