



FOR YOUTH DEVELOPMENT  
FOR HEALTHY LIVING  
FOR SOCIAL RESPONSIBILITY

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# **Board of Directors**

## **Meeting Minutes**

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September 27, 2018

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**MINUTES**  
**BOARD OF DIRECTORS**  
**September 27, 2018**  
**7:30 A.M.**

Rosanna Coveyou, presiding

**PRESENT DIRECTORS:**

Lisa Alonso	Rosanna Coveyou	Michael Hahn	Jeff McBride
Juliette Meunier (p)	Jess Meyers	Katie O'Connor	John Rochford

**PRESENT STAFF:**

Dolores Daly	Jennifer Heinen	Crystal Immerman	Joyce Kirchhofer
Tricia Quinn	Anna Romiti	Christine Salas	

Call to Order, Rosanna Coveyou  
7:37am

A quorum was NOT present

Invocation, Michael Hahn

Minutes – May 24, 2018, Michael Hahn

- Michael Hahn asked if there were any questions regarding the May 24<sup>th</sup> 2018 BOD meeting minutes?
  - Jess Meyers moved that the BOD approve the May 24, 2018 minutes. John Rochford seconded the motion.
  - All present members approved (8 ayes, 0 nays, 0 abstentions)
    - Since no quorum was met we will present these minutes again at the October BOD Meeting

President's Report, Jeff McBride

- Jeff introduced Lisa Alonso, a fairly new BOD member and asked Lisa to give a brief background.
- Jeff introduced Matt Svajda who provided information regarding the CARES team event in August of 2018.
  - The CARES team helped a terminally ill individual
  - The following video was also played
    - <https://www.youtube.com/watch?v=IRpNcmav2QE>
- Jeff addressed the acquisition w/ YMCA of Orange.
  - They will sign a grant deed that basically says after 6 months it comes to YMCA of Orange County
  - Jess asked "If the grant deed is signed, what happens if we get further into it and we want to stay clear?"
    - Jeff replied "they are locked into the deal, we are not. The contracts and agreements are very much favorable to "our side" and limits our risks"
  - Michael addressed the potential of environmental risk and asked if they had a Phase 1 report as they were built on a landfill?
  - Michael asked if any of their board members will be joining our board. Jeff stated "No".
  - Jeff mentioned that the Executive Director position is still up in the air.

- John Rochford offers that he knows that area well and can help get background info on the area and anything else we need. John thinks we definitely need to “grab this” at any cost as it is a potential gold mine and that area is very much underserved. The YMCA of OC will do great things for that community.
- Joyce added that we are NOT taking on the liability.
- Rosanna asked “Do we have the blessing of the YSA”?
  - Jeff replied “Yes, 100%! There is a national push of larger Y’s to take over the smaller Y’s to better service the areas. The YSA was in the live meeting with us.”
- Jeff addressed the BOD and discussed the changes we are implementing for the upcoming BOD meetings. We would like to have our staff more involved. Staff will present updates and highlights to the BOD in areas that make an impact to our organization.
  - Segway into Operations Updates

#### Operations Updates, Dolores Daly

- Following on Jeff’s address to the BOD about changing our meeting and involving our staff.
  - Dolores gave a brief introduction on Tricia Quinn, Director of Childcare and Jennifer (Jenn) Heinen, Director of Operations, Branches
- Jennifer Heinen gave her background and years at YMCA
  - Update on “where we are”
    - We have 2 openings in the Coastal area
    - Kelly Kneubuhl was promoted to Executive Director for Laguna Niguel
    - Jennifer Todd was hired as the Asst. Executive Director for Huntington Beach
    - Mission Viejo and Newport Mesa do NOT have an Executive Director
      - We have recently hired an Asst. Executive Director for MV.
      - We are working on staff restructuring and will work on filling the
    - Rancho Mission Viejo is a brand new opportunity for the YMCA
      - We just finished our 4<sup>th</sup> month and are working on building out programs there now.
    - Adventure Guides is back in Session!
      - 3-4 services areas have already exceeded their enrollment.
- Tricia Quinn gave her background and history
  - Tricia showed the winning video from the summer childcare programs
  - We now have 75 childcare sites and are serving over 5,000 children (5,432)!
  - We are the largest licensed child care provider in our service area
  - We were just awarded a contract through the OC department of education for CLASS (classroom assessment scoring system)
    - The YMCA will conduct a specific assessment for early childhood programs in OC
    - Close to 250 preschools
    - Tricia mentioned that the YMCA opened our first preschool in Pomona.
      - John Rochford asked about the preschool. Tricia explained that we would like to partner with the districts to implement YMCA “all day” preschool programs to help support the districts.
      - John would like to see if there is a way concentrate on one area so that PDF fund could scholarship something like this?

#### President’s Report Wrap Up, Jeff McBride

- Jeff reinforced the amazing things that are happening at the YMCA and is thankful to have such an amazing team that surrounds him to make these things happen.

- John Rochford added that he loves to hear what is going on and loves all the positive reinforcement that he is continuing to hear. States he is very proud of what the YMCA of OC is doing and he truly feels that childcare and preschool is where the game is at.

#### Chairman's Report, Rosanna Coveyou

- YMCA strategic plan
  - We are looking to focus on Early Childhood Education & childhood obesity
    - This is a real time plan
    - We will present these "strategy screens" at each BOD meeting
    - We will share more at the December 7<sup>th</sup> retreat
  - Christmas party – December 12<sup>th</sup>
- Intersection Meetings
  - All but 2 (Compensation & Investment) committees have met with Finance for Intersection.
  - We will be working on the COW for all other "intersection" points for 2019
  - a. Discussed the intersection meetings
  - b. Golf tournament – Rosanna has really appreciated the BOD stepping up and coming to more events. It's very important to outsiders to see the volunteers at these events on their own accord because they care about the YMCA.

#### Committee Reports, ALL

- NO committee reports were presented
- All agreed the minutes could be read and understood
- If questions arise the BOD can reach out to the committee chairs

#### Consent Calendar, Rosanna Coveyou

- Quorum was NOT present
- Phone call will be scheduled to approve tax returns
  - Or we will present at the October meeting.

Adjourn

9:12am

Michael Hahn, Secretary

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TIPPER LLC  
CONSENT CALENDAR

Rosanna Coveyou

Quorum was not present to call the meeting to order. Tipper LLC returns will be presented at the next meeting in October 2018

**BOARD OF DIRECTORS AGENDA**  
**September 27, 2018**  
**7:30 A.M.**

Rosanna Coveyou, presiding

Call to Order

Rosanna Coveyou

Invocation

Michael Hahn

1. Minutes – May 24, 2018

Michael Hahn

2. President's Report

Jeff McBride

a. CARES Mission Moment

b. Operations Updates

Dolores Daly

i. Jen Heinen, Director Operations, Branches

ii. Tricia Quinn, Director of Operations, Child Care

3. Chairman's Report

Rosanna Coveyou

**COMMITTEE REPORTS**

4. Program Development Fund

John Rochford

5. Finance Committee

Joyce Kirchhofer/Juliette Meunier

6. Board Advancement Committee

Dolores Daly

**CONSENT CALENDAR**

Rosanna Coveyou

7. Recommended by Finance Committee

⇒ Approval of 2017 Form 990 tax return

Other Business/Q & A

Adjourn

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TIPPER LLC  
CONSENT CALENDAR

Rosanna Coveyou

Recommended by Sole Member & President

⇒ Approval of 2017 tax return for Tipper, LLC

Other Business/Q & A

Adjourn



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## ***BOARD OF DIRECTORS***

### ***Remaining 2018 Meetings***

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**25 October**

BOD Meeting

7:30 am – 9:00 am

YMCA Office/Tustin

**7 December**

BOD Retreat

8:00am – 4:30pm

The Waterfront Beach Resort/Huntington Beach

**12 December**

Holiday Party

Hornblower Cruises/Newport Beach

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## ***BOARD OF DIRECTORS 2019 Meetings***

Board Meetings are held at 7:30am on the LAST Thursday of the following months

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31 January

February – DARK

28 March

*26 April -Annual Meeting*

30 May

June – DARK

25 July

August – DARK

26 September

31 October

5 December\*\* - replaces November meeting date

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*Meeting Location: 13821 Newport Avenue, Suite 200, Tustin, CA 92780*



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# **Board of Directors Meeting Minutes**

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May 24, 2018



**YMCA OF ORANGE COUNTY  
BOARD OF DIRECTORS  
MINUTES  
MAY 24, 2018**

**PRESENT:** Jeff McBride, Rosanna Coveyou, Greg Custer, Minh Hoang,  
David Lamb, Juliette Meunier, Jess Meyers, Katie O'Connor,  
Mike Proud, John Rochford, Don Saulic, Jay Scott, Lisa Alonso

**BOARD MEMBERS ABSENT:** Michael Hahn, Sean Peasley, Weikko Wirta

**STAFF PRESENT:** Dolores Daly, Joyce Kirchhofer, Christine Salas, Anna Romiti,  
JoAnn DeLaHousaye

**STAFF ABSENT:** None

**GUESTS:** Sarah Steffen

The meeting was called to order at 7:36 am with a quorum present.

Jess Meyers gave the invocation.

**The April BOD Meeting Minutes were reviewed and approved. Dave – Motioned/  
Juliette Seconded /All were in favor.**

**Chairman's Report – Rosanna Coveyou**

Rosanna thanked everyone for agreeing to serve on a committee. Please reach out to her if you have any questions or feedback.

The EthicsPoint Taskforce met. We had a good discussion of how to improve our policies to make the Y stronger. Jeff McBride interjected that we need a process in place in order to avoid a reoccurrence of what recently happened. This was a very good meeting, with everyone wanting to go in the same direction of making the Y better. Thank you especially to Juliette for all she's done.

Board Retreat - We'll be rescheduling the Board retreat, but in the same timeframe on a Friday. We're really excited about this upcoming retreat!

Fun Events - May 8th was the Distinguished Service Award event. Dolores Daly stated that this was a great event. We'll continue to do this event where it just focuses on the volunteers. The Ride for Healing was another amazing event. Jeff said that this was a very moving event. This was for people who have been traumatized by serious events in their lives. The support from the staff for this was expedientially high. Joyce Kirchhofer stated how amazing this event was. She said that it was very meaningful and touched so many people, including her niece. Rosanna said that it's great that the employees are being encouraged to do things outside of the box. Please try to come to as many of these events as possible.

Rosanna then thanked Greg Custer for planning his Duffy boat events for the Board!

### **President's Report – Jeff McBride**

PDF and CARES are now available to the staff for them to make requests for funds for projects. The staff are feeling more empowered, so more requests are starting to come in.

We are continuing to address the cultural changes with staff.

Dale Dykema, a former Board member, recently passed and generously left us one million dollars. We have received two check from his estate so far.

### **Annual Campaign Presentation – Sarah Steffen**

Were at 85% of our goal for general fund raising. We're at 52% of Board goal. The Ride for Healing event was very successful, and made \$10,500. Most of our AO funds go to childcare. Board campaign funds go to childcare, mission based PDF/CARES, and then to Y Inclusion. Sarah has put the BOD on fundraising teams again this year. Fundraising packets were passed out to everyone. Our goal is to reach \$160,000 by the end of the year. Sarah will send out a "Teamraiser" link. Be aware though that it does take out service fees.

Sarah then presented Dave Lamb with a special recognition plaque from the AO. Dave has given over \$400,000 to the YMCA of OC over the last 22 years. Jeff said that Dave is very special to us as a person, and because of what he and his family bring to the organization. Thank you Dave!

### **Finance Committee Report – Juliette Meunier**

Juliette, Joyce Kirchhofer and the Finance Committee are working on getting the right level of financial information out to everyone. The committee is going to look at the financials by program next. The Finance Committee has also been meeting with other committees to come up with intersection points and triggering events that would cause the Finance Committee to get involved. We have draft policies around Facilities/Capital, Audit and Legal/HR committees. We're looking to do the same with the CARES and PDF committees.

The financial highlights are in the narrative that was included in your Board packet. Mission Viejo is now profitable and doing well. Joyce said that by the end of this month, we'll have transferred the deed from Pomona Valley, which is about \$4M, which will be shown on the financials. Joyce briefly talked about the cost of the recent legal situation. The cost for this is over \$400,000 as of the end of April, and we're not done yet. Rosanna asked about corporate wellness. What are we going to do about the money we're losing? Dolores Daly said that we're moving to regional wellness rather than corporate wellness. We're also looking at everything regarding membership. We have a membership resource team that is currently being led by Jenn Heinen. However, we're going to be adding a regional membership position which will include regional wellness.

### **Audit Committee Report – Jess Meyers**

The Audit Committee met with the auditors on May 7<sup>th</sup> to review the 2017 Audit. It was a clean opinion. There were no material adjustments made. Internal Control issue was cash handling, which management has already addressed. There were some suggestions and minor changes that were done. The auditors commented that this audit was like night and day compared to last year's. The 990 should be ready within two weeks.

### **CARES Committee Report – Mike Proud**

CARES is partnering with a new program called "Mentor Up". We heard other program presentations at our last meeting, but they didn't quite fit with our mission. Jimmy Lessard is our CARES champion at Huntington Beach and Allison Jacoby is our champion at Newport Beach. They are both very passionate about the CARES mission. We are hoping that these two people can help us find other CARES champions so that we can roll this out throughout the other branches. We recently had two barbeques to introduce CARES and the new branch Chaplains to the community.

### **PDF Committee Report – John Rochford**

Several people made presentations to us at our last meeting. Jeff said that the PDF Committee gave us a road map for the CARES Committee. We are modeling these two programs after each other. Dolores said that one of the programs that PDF will be approving is the Chapman University childcare course. We'll be partnering with Chapman University on this. John said that we should be tracking this new program closely. Jeff feels that this program is going to snowball.

### **Board Advancement Committee – Don Saulic**

We had a couple of goals that came out of the meeting. We're looking at using "Crescendo" for our planned giving. The committee is looking at how to push this out to everyone who would need it. We're looking at how we should we recognize large donors, and at best practices of other organizations. We're looking at having a team to vet these donations.

### **Consent Calendar – Rosanna Coveyou**

1. Recommended by Audit Committee
  - ⇒ Approval of Association's Audited Financial Statements, Exit Letter (SAS 114, SAS 115), and CUSD Agreed Upon Procedures
2. Recommended by Executive Management
  - ⇒ Approval of YUSA required Resolution Re: Child Protection and Aquatic Safety
  - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
  - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona general funds for 22600 Sunset Crossing
  - ⇒ Approval of authorization to open Morgan Stanley account to transfer Pomona campership funds
  - ⇒ Approval of Resolution Re: Opening Morgan Stanley account to transfer Pomona campership funds
  - ⇒ Approval of authorization to open Morgan Stanley account for transfer of Pomona Charitable Remainder Trust
  - ⇒ Approval of Resolution Re: Opening of Morgan Stanley account for Pomona Charitable Remainder Trust transfer

Dave Lamb – Motioned/Katie O'Conner – Seconded/All were in favor – Consent Calendar Approved.

### **Other Business - All**

John Rochford asked if we have any 1099 employees. Christine Salas stated that our IT employees are 1099 employees. She said that we went through an extensive process with our employment attorney and the IT employees to make sure everything was in order, as we are responsible for this per the state of California.

*Meeting adjourned at 8:59 am*



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# **Program Development Committee**

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August 23, 2018

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**Meeting Minutes**  
**Program Development Fund Committee**  
**August 23, 2018**  
**AO Front Conference Room**

**Attendees:** John Rochford, Rosanna Coveyou, Jay Scott, Crystal Immerman, Dolores Daly, Sarah Steffen, Alicia Chacon-Bidwell, Anna Romiti, Jennifer Heinen, Tricia Quinn, Jimmy Lessard, Stacy Costello, Kelly Kneubuhl

**Updates on Currently/Past Funded Projects**

- Childcare Coding Program Tricia Quinn
  - Great program/curriculum which site majority of the funding paid for. This was offered to every site. Only 15 offered the program to the children.
    - Challenges
      - Training offered was only 1 person per site
      - People with no tech skills hands off
      - People with good tech skills excelled
    - We still have it and will continue to work with bit scouts for other options for training.
  - John – of those who did do it and excelled
    - Could they be champions to help the other weaker
      - Tricia – yes, one idea is to find the champion to train all other sites.
  - Rosanna – regarding the limitation of number of tablets. Can we get a grant or other opportunity to have more technology?
    - Tricia- yes this is in process
      - Chromebooks is typically what they use.
      - Wifi depends on the site.
- Childcare Administration Course Tricia Quinn
  - This was a huge success. 32 of our staff (31cc, 1 kz). This is a whole semester class through chapman, everyone past the class! They all have official transcripts. We now have 32 employees who are qualified.
  - We are meeting with chapman again to see if there is another course we can offer.
    - We could also do things to offer these programs to people outside of the y.

- Ride 4 Healing Event Jimmy Lessard
  - Jimmy started with video
  - Successful but there were things that could use some improvement
  - Self-defense should have been or individualized
    - Great partnerships with Ralph Lauren and Crime Stoppers
  - John asks what is next year? Are we doing it again?
    - Jimmy – Jen will probably update on that later. Jimmy definitely thinks it is something that the community needs.
    - Jeff – the releasing of the doves was very amazing and emotional.
    - Rosanna was there also and seconds the success of the event.
  
- Grantmaking System Sarah Steffen
  - Sarah applied for 6k for PD and CARES system.
    - The program now has 'required fields' which cuts a lot of the back and forth and makes things consistent.
    - Reporting is much easier as well and can track when program begins and ends. Helps us administratively. And will not build it into our advancement budget going forward.
  - Rosanna – is there a capability to run a summary report.
    - Sarah: yes there is. To do financial as well as programming. Alicia will now be reporting out to this BOD before each meeting going forward.
      - Rosanna would like a 1 page summary.
  - Jenn H video around water safety update.
    - We've done 2 sessions and we have 2 more this fall.
    - It will be part of our annual campaign and hope to fund on our own in 2019
  - Rosanna – how do we keep kids on a progression
    - Jen: the program isn't about advancing their swim capabilities. It's teaching kids safety and drowning prevention.

## **New Proposals for Funding**

- Resident Camp Taskforce  
Costello

Staci

- Staci handed out a new budget to replace what was already handed out.
- Proposal to bring back more resident programs at camp elk.
  - Sara will email the link to the video about camp oaks to the committee
- Staci went through a power point with camping statistics.
  - Crystal to include PowerPoint in the final pdf packet.

John, how many volunteers? Staci: 29.

Rosanna – is there a capacity consideration? Camp Elk can sleep 80 kids. Camp Oak can hold about 300 plus. Camp Oak is in Big Bear.

Jen, are you (Staci) running the camp?

No, Staci will help but we would love to bring on a staff member or eventually hire someone to oversee camp elk and additional camps.

Anne oversee camp elk only. She wants to get more involved in the next few months.

- Pep4U Marketing Materials

Jen Heinen

- RMV – Kelli is the new ED of the LNYMCA
  - Kelli will carry out the grant process.
- Jen – Program focuses on programs with Parkinson's
  - Fitness can improve their daily function and overall
  - Provides instructors, lots are MDs and RNs.
    - Pep4U funds the costs
    - FREE to the community
- Jen requests money because they are in dire need for help with marketing.
- Pep4 you is 5013c nonprofit
- Requesting \$4000 for marketing support
  - Postcards, banners, fundraising brochure
    - (NOT THEIR website)
  - This does not include the marketing time (in ymca dept) just materials cost.
  - The website is too high cost for us to take on right now. Anna might know someone that could do this pro bono. Etc.

- Rancho Mission Viejo

Jen Heinen

- 2019 Start Up Fund Support
  - Requesting \$18,000
- New community in South OC. Jen started a partnership on some community offerings.
- The pavilion opened in May – basically a basketball gym.
  - Estencia elementary school is within walking distance to the gym.
- We have been given exclusive opportunity to run the gym
  - Own program
  - Allowing resident access and just staffing the gym.
  - We opened in May and ran open play
    - June we started official programs
- Marketing dollars and admin fees for building this new opportunity.
- Gym is joint use with CUSD. Summer is the Y's full access.
- John Mouso's daughter will probably take over. Jen should connect with her.
  - She would be an advocate too.

### **Guests Excused for Deliberation**

- 2018 Funds Available  
Steffen

Sarah

Crystal to get powerpoint from Sara

#### ○ **Voting - Resident Camp Taskforce**

##### ▪ **REQUESTING \$12,000 total**

- Recruiting and development

This is an intent to try to get volunteers to run a camp elk

\*\*John Rochford is for doing it.

He would like to see more of a global mission of what this should be. There is a bigger picture here.

- ✚ Sarah motions for approval
- ✚ John Rochford approves
- ✚ Jay Scott Second and Rosanna Thirds
- ✚ To be presented to the BOD in September.

#### ○ **Voting – Pep4U Marketing Materials**

##### ▪ **REQUESTING \$4,000 total**

- ✚ Rosanna Coveyou motions for approval
- ✚ John Rochford seconds



- ✚ Jay Scott thirds
- ✚ To be presented to the BOD in September.

- **Voting – Rancho Mission Viejo Start Up**
  - **REQUESTING \$18,000 total**

- ✚ Jay Scott motions for approval
- ✚ Rosanna Coveyou seconds
- ✚ Jay Scott thirds
- ✚ To be presented to the BOD in September.

STAFF should do a dry run to a group before they present to this committee.

### **Other Business**

- Minutes
  - Prior Minutes not available due to transition

***Adjournment : 4:16pm***



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# **Finance Committee Meeting Minutes**

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September 19, 2018  
&  
June 25, 2018

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**FINANCE COMMITTEE MEETING MINUTES**  
**September 19, 2018 4:00 p.m.**  
**YMCA – Tustin Office – Front Conference Room**

Joyce – call to order 4:05

**Attendees:** Jeannie DeLaura (guest from Bolton), Alicia Chacon-bidwell, Dolores Daly, Joyce Kirchhofer, Juliette Meunier, Minh Hoang, Ryan Fessler

Joyce introduced Ryan Fessler

Ryan is CFO for Pieology Pizza in RSM. This is his first time on a non- profit committee and was referred by Katie O'Conner.

1. **YMCA Insurance Coverage** (Jeannie Delaura)

- Jeannie has been insurance broker 6 years
- Jeannie Presented a schedule of coverages & premiums with the estimated increases for our 2019 renewal
- Auto rates are going up across the board about 10%
- Commercial package is with Philadelphia which is one of Bolton's largest carriers.
  - Philadelphia is very good with non-profits and response time to Bolton
- Directors and officers liability had one claim so there will be increases on that policy, carrier is Hiscock; 15% increase is expected.
- Jeannie will send Joyce a reference for IT audit.
- Ryan asked if Bolton does site assessments
  - YES! Jeannie said absolutely
  - As new sites have come on Jeannie or a representative will walk the sites, advise on what needs to be done.
- General Insurance
  - Juliette asked if the current level of coverage is enough?
  - We don't have a lot of "bigger" exposure. Jeannie will look at everything else. Jeannie feels like the coverage we have is adequate & for an organization of our size it is hearty.
- Active Shooter Program
  - YMCA of OC had our Quality Staff attend a training
  - Ryan read an article that there is a "blue pull" right next to the fire alarm pull that automatically notifies the police for and active shooter.
- Bolton will present the quotes based on the items we've talked about

2. **Review/Approve** (Juliette Meunier)

- Minutes of June Finance Committee Meeting
- Minutes of CARES-PDF Intersection Points Meeting

✚ Juliette – Motion to accept the minutes as presented

✚ Minh seconds, 2 in favor

✚ Ryan abstains as he is new

3. **August Financials** (Alicia Chacon-Bidwell, Joyce Kirchhofer)

- YMCA
  - Joyce mentions the summary is in the packet. Asks if the committee would prefer to talk the highlights?
  - Committee prefers high level only
- Balance Sheet
  - Property Plant and equip has most notable \$3M difference.
    - Due to renovations and Pomona asset transfer.
  - Murrieta and HB are still struggling.
    - HB has new leadership and is making changes
    - Murrieta is making changes as well
    - We are looking at both Dolores stated the “store front” model is not working for us.
    - We are looking at options including subleasing
      - 2 more years left on HB and 5 more years left on Murrieta
- Minh asked why branch net outcomes are down from last year
  - Last year the AO office was carrying the depreciation of all the branches.
    - Joyce came back to the YMCA and put it all “back” to where it should be, approximately \$800k
- Tipper
  - Financials are in the packet for review

4. **Review fixed asset policy changes** (Joyce Kirchhofer)

- Only substantive change is moving the limit from 2k to 5k.

5. **Review Chart of Work** (Joyce Kirchhofer, Juliette Meunier)
  - 2018 Revised
  - 2019 Proposed
  - Finance Committee Members will review the 2018 and 2019 charts of work and will email Crystal comments or agreement.
    - Juliette is in agreement
    - Joyce is in agreement
6. Crystal to send Ryan a list of committees and brief synopsis of what they do as well as all intersection charts of work.

Meeting Adjourn at 5:08pm

Next Regular Meeting: October 17, 2018

**MINUTES OF FINANCE COMMITTEE MEETING  
JUNE 25, 2018**

**Present:** Juliette Meunier, Jeff McBride, Joyce Kirchhofer, Minh Hoang, Sean Peasley, Dolores Daly, Alicia Chacon-Bidwell

**Absent:** NA

**Guests:** NA

Meeting called to order at 3:55 pm

<b>TASK LIST</b>	<b>WHO</b>		
Combine chart/graph by program so the data is on one page	Alicia		
Intermittently, provide branch graphs	Alicia		
Reach out to Jess Meyers regarding software	Joyce		
Carryover to next month's agenda: 1) Review draft guidelines of intersection points and 2) Discuss Limits of Authority	Alicia		

**DECISION(S):**

The minutes from the May16 regular meeting were approved. Juliette/M/Sean/S/All in favor  
The Tipper, LLC 2018 budget was approved. Juliette/M/Sean/S/All in favor

**DISCUSSION:**

**Financial Update:**

Alicia went over the balance sheet stating \$37M in assets and \$28.5M Net Assets with the increase due to the Pomona Valley Y asset transfer of two properties. Juliette asked about the SIR reserves decrease, Joyce responded some amounts accrued to 2017 were paid in 2018. Alicia stated the year to date net outcome is a surplus of \$5.5M primarily due to \$4M for the property transfers and \$740k from Daly Dykema's gift. Taking this into account that would put us behind budget. Alicia went over the big items causing this: Camp ELK budget error, Huntington Beach & Murrieta not performing, wages are over budget, legal fees are high in addition to \$118k loss on investments and taking a loss for writing off Bi360 software that will not work for our needs. Laguna Niguel and Mission Viejo continue to do well and we are pursuing multiple opportunities to expand programs. Sean mentioned when we narrow down our choices for software, see if they will do a proof of concept prior to signing contract. He also mentioned good software for analytics is Tableau and Click.

Dolores went into more details about what is going on at the various branches. Joyce asked the committee for feedback on the narrative being provided, it was decided the limit for reporting can be raised so only the larger items are covered.

Alicia referenced the Investment Activity Summary and Joyce let the committee know we needed to take \$1m out of investments to maintain sufficient liquid cash to meet our loan covenants. At year end we missed it by \$100k, the bank waived the default. Alicia presented a new revenue chart and a new net outcome graph. This was good information to have, to further enhance the reporting, the committee would like to see the two reported together. Juliette mentioned adding headcounts would be good in the future, Joyce said that is already on our radar.

#### **Organization Revenue Analysis:**

Dolores discussed organizational revenue and presented charts for fitness facilities and for child care that displayed small revenue growth since 2014. Dolores provided a good list of current contracts and opportunities and what we have done and continue to do to win contracts and diversify revenue. A few highlights are:

- Market analysis underway with an independent 3<sup>rd</sup> party consultant to hone in on community opportunities, including school districts.
- Several meetings took place with OC Dept. of Education, Y is in a unique position to offer them services because of the infrastructure we have in place currently.
- Tricia has joined a couple of boards in O.C. area which helps the Y expand opportunities within the community.
- Saddleback school district is our largest revenue opportunity right now.

#### **Tipper Financials & 2018 Budget:**

Joyce presented the Tipper YTD financials. Currently an (\$82k) deficit but the EDITDA is covering the interest expense and as of June the units are fully rented. There was deferred maintenance that has been taken care of so we anticipate this slowing down soon. Joyce presented the Tipper, LLC 2018 budget and stated it is based off of actuals through May then based on the trends and what we know, projected out through December. The Finance Committee decided that Tipper, LLC should follow the same approval process as the Y so the 2018 Tipper, LLC budget was reviewed and approved.

Adjourned: 5:00 pm

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# Financial Highlights



# **YMCA of Orange County**

## **Financial Highlights – Year to Date**

**August 2018**

Year to date has produced a \$4.7M surplus (14.2% of revenue), this is \$3.9M more than budgeted. The Pomona Valley YMCA asset transfer of Maple Hill and Sunset Crossing properties account for \$4M of the surplus along with the generous \$1.3M bequest received from the Dale Dykema trusts. Other amounts affecting the variance are 1) Tipper, LLC net loss unbudgeted (\$129k), 2) Bi360 software previously purchased was written off for (\$108k), 3) legal and consulting fees beyond the normal course of business accounts for another unfavorable variance of about (\$175k) and 4) a budgeting error for Camp ELK of (\$278k) related to the timing of grant income recognition.

Besides Childcare's surplus at \$2.6M (16% of their revenue), YMCA Community Services (New Horizons), Laguna Niguel and Fullerton generated the largest surpluses at \$230k (28.2% of revenue), \$270k (14.4% of revenue) & \$72k (4.3% of revenue) respectively.

Membership revenue is down (3.5%) from budget and is up 2.1% over prior year. We added a mobile app and on-line membership sales (315 added thru 9/11), but we are struggling to reach the 5.7% growth target budgeted. This week we received the first phase of a 3<sup>rd</sup> party market study and member survey. We will be utilizing the data to take the necessary actions to improve this area; we will be looking at all options. Murrieta and Huntington Beach are the branches with the largest YTD deficits at (\$457k) and (\$379k) respectively. Huntington Beach has a new Associate Executive Director, an internal candidate who has proven herself worthy of the challenge that lies before her. Murrieta has been struggling for several years, it is taking time to change course and the ability to make the facility profitable is still to be determined.

Growth opportunities are a focus of executive leadership and operations leadership. Recent secured opportunities include five new childcare sites in the fall, renewed a two-year contract with OCTA, the new Rancho Mission Viejo Pavilion gymnasium and a new business line with Orange County Department of Education to do classroom assessments in over 200 schools.

Below are selected highlights. Unless noteworthy, only branches with larger variances are listed below.

### **Santa Ana – \$99k Favorable Variance**

- Secured \$75k check from Children's and Families Commission of Orange County representing 3 years worth of available funding from 2011 contract. This funding covers scholarships to kids ages 0-5. \$12.5k of revenue will be deferred to 2019 since that portion covers 1/1/19-6/30/19.
- The aquatics and sports programs are doing well producing a \$94k surplus year to date.
- While the branch does have a (\$94k) deficit, a positive Operating Net of \$150k has been achieved. Keep in mind, \$250k annual revenue from the Orange County Children's and Families Commission will cease after 2020.

### **Huntington Beach – (\$281k) Unfavorable Variance**

- This branch has new leadership via an internal promotion. The new Associate Executive Director is Jennifer Todd, she is up for the challenge for what this branch needs.

- Revenue is under budget by (\$99k) with the largest driver being family memberships (\$53k) but overall membership revenue is down. Membership is impacted by new gyms that have opened up over the last 1 ½ years.
- Wages and benefits are over budget (\$51k), this is being looked at closely.
- (\$37k) has been expensed related to items for Kids Zone that did not qualify for capitalization.
- Rent is (\$64k) over budget primarily due to an incorrect rent amount loaded in the budget, this will continue to increase about (\$10k)/month.

#### **Newport/Mesa– (\$69k) Unfavorable Variance**

- This branch is undergoing a change in leadership. While the Net Outcome is unfavorable and negative, the Operating Net is \$338k.
- Annual Campaign has an unfavorable variance of (\$45k) YTD.

#### **Laguna Niguel– \$156k Favorable Variance**

- This branch is performing well in most departments. Costs are managed well in relation to revenue changes. Revenue has increased 6% over the prior year.
- Annual Campaign did well this year, coming in \$40k better than budget.
- Third party memberships have been negatively affected by the pool closure due to construction.
- The City of Laguna Niguel's massive construction project has started. Due to entry/exit delays and parking issues, it has already started impacting our 3<sup>rd</sup> Party Membership visits such as Silver Sneakers and therefore will lower our revenue. The construction will also create challenges with member retention and getting new members to join. Construction will continue through early 2020. We will work on some creative solutions to help overcome this situation.
- Included in these totals is the use of \$85k of Rita Benson gifted funds that offsets about \$54k in expenses with the difference in expenditures being capitalized.
- Due to the promotion of Jen Heinen to Director of Operations for Branches, Kelly Kneubuhl was promoted to Executive Director for Laguna Niguel, it will be exciting to see what they each do in their new positions.

#### **Childcare– (\$118k) Unfavorable Variance**

- This is 4.3% off of the budgeted net outcome so while the dollars are large, from a percentage perspective it isn't concerning. Fall headcounts are improving, not just with adding new sites but with our existing sites as well. Overall revenue has a favorable variance of \$70k.
- Wages were a challenge in the beginning of the year and again a bit in August. Salary projection work schedules were not consistently implemented in summer, it is being readdressed for Fall.
- New unbudgeted sites open: Pantera, Journey and Esencia with two Oxford Charter Schools to follow.

#### **Camp Elk– (\$431k) Unfavorable Variance**

- (\$278k) budgeting error related to a timing difference in the revenue recognition for a grant.
- The camp has been undergoing a much needed renovation and program enhancement investment over the last year. There is still some AS&F funds that will be used for upcoming projects to improve the camp.
- Revenue is lagging, a water leak that caused loss of a week of camp did not help matters.
- Camp E.L.K. will host user groups in September followed by 2 YMCA Family Camps in October.

#### **San Gabriel Valley– (\$73k) Unfavorable Variance**

- There is an aquatics/swim grant from Supervisor Solis that is being finalized, once we have the specific timeframe and amount we can then record the appropriate revenue. The grant is for the school year 7/2018-6/2019, we are trying to obtain approval to include expenses incurred prior to July.

#### **Murrieta - (\$177k) Unfavorable Variance**

- Overall membership revenue is (\$130k) under budget. The membership budget was too aggressive with an 18% budgeted increase over prior year so that will continue to be off all year. Membership continues to be a challenge, we will be delving deep into the market analysis data to help drive our actions going forward.
- Many changes have and are taking place such as improving the facility that is making current members happier which is increasing retention, focus on communicating changes to past members to try and get them back, a membership drive in September and restructured the staff team. Clare is confident the team is now well rounded, they have stronger programming and state of the art facility; she anticipates the improvement will show leading into the new year.
- Wages and benefits are over budget (\$30k); August wages were finally in line with the budget.
- Annual campaign is under budget (\$22k), some but not all will be made up before year end.

#### **Pomona - (\$69k) Unfavorable Variance**

- (\$47k) of wages, severance, benefits and taxes was paid in prior months but nothing was budgeted. June was the last month with any wages for this person.
- No budget has caused an unfavorable variance of (\$36k) for the Association Service Fee.

#### **Association Offices, includes Board Fundraising – \$4.8M Favorable Variance**

- The remaining two properties from Pomona Valley YMCA were deeded to us resulting in \$4M of non-cash revenue.
- Dale Dykema bequest of \$1.3M received from two trusts with another approximately \$150k coming over three years.
- Market fluctuations resulting in Investment valuation change of (\$109k) and short/long term loss on sales (\$43k). Last year's valuation at this same time was \$731k.
- (\$109k) write-off due to the determination that the Bi360 software will not handle our needs.
- Subsidiary loss on Tipper, LLC (\$129k) which was not budgeted for 2018.
- Legal fees are (\$134k) over budget, due to the various matters during the year.
- Consulting Fees are (\$72k) over budget due to the 3rd party investigator and NorthCreek's assistance with HR.

#### **Growth & Renewed Opportunities:**

- The Y is expecting to be awarded a contract with the California Department of Education to provide 200-300 pre-school class room assessments county wide, during this current school year.
- The Y has added 5 new childcare contracts for fall: Journey School-LN (Charter school), Esencia-MV (new school in CUSD), Pantera-MV (taking from competitor), Oxford-Mission Viejo (Charter) and Oxford-Lake Forest (Charter).
- Opening a contracted fitness location, Ranch Mission Viejo.
- A management agreement with another YMCA is currently being negotiated.

# **AUGUST FINANCIALS**

**YMCA of Orange County**  
**Statement of Financial Position-Consolidated**  
**8/31/2018**

	<u>8/31/2018</u>	<u>12/31/2017</u>
<b>ASSETS</b>		
<b>Current Assets</b>		
Cash and cash equivalents	\$2,613,197	\$2,053,392
Investments	11,059,685	11,838,504
Accounts Receivable - Net Allowance	1,024,886	738,632
Annual Pledges Receivable - Net Allowance	48,834	25,392
Deposits and Prepaid Rent	79,430	173,666
Prepaid Insurance	6,511	106,150
Other Prepaid Expenses	457,433	289,156
<b>Total Current Assets</b>	<b>15,289,976</b>	<b>15,224,892</b>
<b>Other Assets</b>		
Property, Plant and Equipment, Net	21,497,142	17,686,296
<b>Total Other Assets</b>	<b>21,497,142</b>	<b>17,686,296</b>
<b>Total Assets</b>	<b>\$36,787,118</b>	<b>\$32,911,188</b>
<b>LIABILITIES AND NET ASSETS</b>		
<b>Current Liabilities</b>		
Accounts Payable	\$441,913	\$624,753
Accrued Payroll and Employee Benefits	1,987,686	1,725,220
Program Fees Received In Advance - Other	1,903,716	1,272,028
Notes Payable - Current Portion		
<b>Total Current Liabilities</b>	<b>4,333,315</b>	<b>3,622,001</b>
<b>Long-term Liabilities</b>		
Self-Insurance Liability and Other Reserves	150,072	410,442
Notes Payable	4,600,396	4,759,121
<b>Total Long-Term Liabilities</b>	<b>4,750,468</b>	<b>5,169,563</b>
<b>Total Liabilities</b>	<b>9,083,783</b>	<b>8,791,564</b>
<b>Net Assets</b>		
Current Operations - YMCA	4,663,051	1,285,381
Current Operations - Tipper, LLC	(129,336)	(1,389)
Current Operations (Restricted, Capital & Endowment)	(950,005)	707,831
Unrestricted/Temporarily/Permanently Restricted	24,119,625	22,127,801
<b>Total Net Assets</b>	<b>27,703,335</b>	<b>24,119,624</b>
<b>Total Liabilities And Net Assets</b>	<b>\$36,787,118</b>	<b>\$32,911,188</b>

# YMCA of Orange County

## Association Summary by Branch

For the Eight Months Ending

August 31, 2018

### Revenue By Branch

	Year-to-Date			
	Actual	Budget	Variance	% Variance
Fullerton Family	\$1,677,896	\$1,728,006	(\$50,110)	-2.9%
Santa Ana Family	635,009	523,073	111,936	21.4%
Huntington Beach Family	1,088,261	1,167,065	(78,804)	-6.8%
Yorba Linda/Placentia Family	228,852	232,213	(3,361)	-1.4%
Newport Mesa Family	1,589,741	1,575,720	14,021	0.9%
YMCA Community Services	815,356	783,603	31,753	4.1%
Laguna Niguel Family	1,866,700	1,741,356	125,344	7.2%
Mission Viejo Family	1,905,398	1,846,794	58,604	3.2%
Capistrano Beach Family	0	0	0	0.0%
Rancho Mission Viejo	13,570	0	13,570	0.0%
Childcare	16,176,423	16,106,320	70,103	0.4%
Camp E.L.K.	494,825	868,246	(373,421)	-43.0%
San Gabriel Valley	2,270	76,513	(74,243)	0.0%
YMCA of Riverside County	0	0	0	0.0%
Murrieta Family	451,402	630,326	(178,924)	-28.4%
Pomona Valley	370,119	154,000	216,119	100.0%
Maple Hill Family	180,325	168,709	11,616	6.9%
Corporate Initiatives	75,300	75,963	(663)	-0.9%
Association Office	5,288,899	295,450	4,993,449	1690.1%
<b>Total Revenue</b>	<b>32,860,346</b>	<b>27,973,357</b>	<b>4,886,989</b>	<b>17.5%</b>

### Expenses By Branch

Fullerton Family	1,605,486	1,699,298	93,812	5.5%
Santa Ana Family	729,372	716,068	(13,304)	-1.9%
Huntington Beach Family	1,467,668	1,265,946	(201,722)	-15.9%
Yorba Linda/Placentia Family	233,595	221,956	(11,639)	-5.2%
Newport Mesa Family	1,659,603	1,576,204	(83,399)	-5.3%
YMCA Community Services	585,159	582,097	(3,062)	-0.5%
Laguna Niguel Family	1,597,169	1,627,659	30,490	1.9%
Mission Viejo Family	1,903,851	1,868,617	(35,234)	-1.9%
Capistrano Beach Family	0	0	0	0.0%
Rancho Mission Viejo	12,967	0	(12,967)	0.0%
Childcare	13,587,870	13,399,935	(187,935)	-1.4%
Camp E.L.K.	627,747	570,238	(57,509)	-10.1%
San Gabriel Valley	75,797	77,003	1,206	1.6%
YMCA of Riverside County	0	2,974	2,974	100.0%
Murrieta Family	908,592	910,750	2,158	0.2%
Pomona Valley	438,535	153,176	(285,359)	-100.0%
Maple Hill Family	246,176	239,579	(6,597)	-2.8%
Corporate Initiatives	62,632	70,050	7,418	10.6%
Association Office	2,455,076	2,249,902	(205,174)	-9.1%
<b>Total Expenses</b>	<b>28,197,295</b>	<b>27,231,452</b>	<b>(965,843)</b>	<b>-3.5%</b>

### YTD Comparison

Prior YTD	Curr YTD vs		% Variance
	Prior YTD	Prior YTD	
\$1,818,244	(\$140,348)		-7.7%
559,453	75,556		13.5%
1,096,351	(8,090)		-0.7%
252,224	(23,372)		-9.3%
1,599,771	(10,030)		-0.6%
816,781	(1,425)		-0.2%
1,764,579	102,121		5.8%
2,217,823	(312,425)		-14.1%
106,715	(106,715)		0.0%
0	13,570		100.0%
14,767,290	1,409,133		9.5%
1,131,103	(636,278)		-56.3%
35,423	(33,153)		-93.6%
17,068	(17,068)		-100.0%
496,393	(44,991)		-9.1%
97,133	272,986		100.0%
191	180,134		100.0%
71,100	4,200		5.9%
1,840,088	3,448,811		187.4%
<b>28,687,730</b>	<b>4,172,616</b>		<b>14.5%</b>

1,608,652	3,166		0.2%
576,492	(152,880)		-26.5%
1,184,695	(282,973)		-23.9%
248,970	15,375		6.2%
1,577,751	(81,852)		-5.2%
524,704	(60,455)		-11.5%
1,581,623	(15,546)		-1.0%
2,284,172	380,321		16.7%
87,074	87,074		100.0%
0	(12,967)		#DIV/0!
12,505,028	(1,082,842)		-8.7%
514,343	(113,404)		-22.0%
86,757	10,960		12.6%
66,543	66,543		100.0%
933,889	25,297		2.7%
199,260	(239,275)		-100.0%
71,164	(175,012)		-100.0%
40,022	(22,610)		-56.5%
2,518,110	63,034		2.5%
<b>26,609,249</b>	<b>(1,587,982)</b>		<b>-6.0%</b>

# YMCA of Orange County

## Association Summary by Branch

For the Eight Months Ending

August 31, 2018

### Net Outcome by Branch

	Year-to-Date				YTD Comparison		
	Actual	Budget	Variance	% Variance	Prior YTD	Curr YTD vs Prior YTD	% Variance
Fullerton Family	72,410	28,708	43,702	152.2%	209,592	(137,182)	-65.5%
Santa Ana Family	(94,363)	(192,995)	98,632	-51.1%	(17,039)	(77,324)	453.8%
Huntington Beach Family	(379,407)	(98,881)	(280,526)	283.7%	(88,344)	(291,063)	329.5%
Yorba Linda/Placentia Family	(4,743)	10,257	(15,000)	-146.2%	3,254	(7,997)	-245.8%
Newport Mesa Family	(69,862)	(484)	(69,378)	14334.3%	22,020	(91,882)	-417.3%
YMCA Community Services	230,197	201,506	28,691	14.2%	292,077	(61,880)	-21.2%
Laguna Niguel Family	269,531	113,697	155,834	137.1%	182,956	86,575	47.3%
Mission Viejo Family	1,547	(21,823)	23,370	-107.1%	(66,349)	67,896	-102.3%
Capistrano Beach Family	0	0	0	0.0%	19,641	(19,641)	0.0%
Rancho Mission Viejo	603	0	603	0.0%	0	603	0.0%
Childcare	2,588,553	2,706,385	(117,832)	-4.4%	2,262,262	326,291	14.4%
Camp E.L.K.	(132,922)	298,008	(430,930)	-144.6%	616,760	(749,682)	-121.6%
San Gabriel Valley	(73,527)	(490)	(73,037)	14905.5%	(51,334)	(22,193)	43.2%
YMCA of Riverside County	0	(2,974)	2,974	-100.0%	(49,475)	49,475	-100.0%
Murrieta Family	(457,190)	(280,424)	(176,766)	63.0%	(437,496)	(19,694)	4.5%
Pomona Valley	(68,416)	824	(69,240)	-100.0%	(102,127)	33,711	-100.0%
Maple Hill Family	(65,851)	(70,870)	5,019	-7.1%	(70,973)	5,122	-100.0%
Corporate Initiatives	12,668	5,913	6,755	114.2%	31,078	(18,410)	-59.2%
Association Office	2,833,823	(1,954,452)	4,788,275	-245.0%	(678,022)	3,511,845	-518.0%
<b>Total Net Outcome</b>	<b>4,663,051</b>	<b>741,905</b>	<b>3,921,146</b>	<b>528.5%</b>	<b>2,078,481</b>	<b>2,584,634</b>	<b>124.4%</b>

**Note:** Investment activity is not budgeted but is in the actual numbers above in the Association Office Revenue & Net Outcome rows.

	Current YTD	Prior YTD
Investment Valuation - Gain / (Loss)	108,928	730,987
Short Term Gain (Loss)	(24,958)	5,327
Long Term Gain (Loss)	(18,599)	39,125
<b>Total</b>	<b>65,371</b>	<b>775,439</b>

**YMCA of Orange County**  
**Investment Activity**  
**For the Eight Months Ending August 31, 2018**

	<u><b>YTD Actual</b></u>
<b>Beginning Balance</b>	<b>\$ 11,838,504</b>
Transfers In / (Out)	(1,000,000)
Interest	31,333
Dividends	162,814
Investment Valuation Change	108,928
Short Term Gain (Loss)	(24,958)
Long Term Gain (Loss)	(18,599)
Less: Investment Fees	(38,337)
<b>Net Investment Income/(Loss)</b>	<b>221,182</b>
<b>Ending Balance</b>	<b><u>\$ 11,059,685</u></b>
 <b>YTD Growth/(Decline) %</b>	 <b>1.87%</b>





# **Board Advancement Committee Meeting Minutes**

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August 15, 2018

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# Board Advancement Committee

## MINUTES

August 15, 2018

2:27pm - 3:17pm

**ATTENDEES:** Jeff McBride, Dolores Daly, Anna Romiti, David Lamb, Don Saulic, Rosanna Coveyou

**ABSENT:** Greg Custer, Sarah Steffen

### TASK LIST

	WHO	DUE	DONE
FAQ list for Wills Guide #1	Anna	next meeting	
Introduce Greg Ring/Giving Crowd to David Lamb	Jeff/Crystal/DD	next meeting	8/17-em sent

### DECISIONS

- 1 May 16th Minutes were motioned for approval by Don, Rosanna seconds - all approved
- 2 Wills guide #1 is the choice for YMCA branding

### PURPOSE OF MEETING:

To review the final pieces of supplemental marketing materials regarding IRAs, Wills planning, vote on which Wills Guide & discuss Greg Ring as the charitable advisor.

### MINUTES - May 16, 2018

Don Saulic motioned for prior minutes to be approved  
-Rosanna Coveyou seconds the motion

**APPROVED**

**May 16th Meeting minutes approved**

### WILLS GUIDES #1 and #2

David Lamb would prefer guide #1 as he feels guide #2 was more of an outline and provided no real information. Don Saulic asks "Who is the intended audience?" Dolores offers that this is intended for our older members as an introduction and/or educational piece. Given that answer Don agrees that Wills Guide #1 is definitely our best option.

**-Committee agrees that Wills Guide #1 is option for YMCA Branding**

-Anna will begin working on a short FAQ list

-Ann will also work on linking this to the "what legacy will you leave" mailer

### PLANNED GIVING CAMPAIGNS UPDATE:

Dolores and Anna handed out the Sept/October and April/May final mailers. "What Legacy Will you Leave" and "Your Savings, Your Legacy". We will identify our list of who to send it to but generally it will be sent to our YMCA members who are 70.5 years of age or older. Don suggest we consider a "younger" target in the 66-68 age range. Dolores notes we will definitely consider it after receiving the statistics back from our first mailing. We also have a company, Tivity Health, who is like a "middle man" between the YMCA and the Insurance companies who want to do a fitness day at all of our locations and they will also send these mailers to all non-members which could possibly encourage more YMCA memberships.

**Board Advancement Committee**

**MINUTES**

**August 15, 2018**

**2:27pm - 3:17pm**

**PLANNED GIVING CAMPAIGNS UPDATE CONT'D:**

Rosanna questioned the sentence "Do you have a matching gift opportunity..." in the "Your savings, Your legacy" mailer. Rosanna is concerned that people may not know or understand what that means. Dolores will call Crescendo for clarification and possible rewriting.

**STEWARDSHIP/RECOGNITION PLAN:**

Dolores handed out the "Donor Stewardship Plan" that shows a mapping of donors by level and clearly breaks out the staff donors.

Ideas for Recognition

- Anna presents the idea of implementing a "video strategy" which will include real YMCA recipients showcasing thanks to all the donors; the specific donors will also be recognized at the end of the video.
- November's recognition event will consist of an "annual showcase". Children from different sites will perform, kids who have gone through our sports programs will show off some of their talent, etc... so the donors can see everything in action
- Rosanna asked if we could implement videos into the campaign. Anna is all for it and also noted that we can start the videos using existing content from YMCA USA.
- We are still contemplating the "history of the YMCA" book which can be given to donors with a personal note signed my Jeff.

**PLANNED GIVING PROFESSIONAL REFERRALS:**

Don Saulic referred Greg Ring who represents the company Giving Crowd to Jeff and Dolores. Greg Ring met with Jeff, Dolores and Sarah on August 8th. Jeff and Dolores recommend we move forward with Greg by introducing him to David Lamb. Dave will work with Greg Ring to "vet the process" before we sign on the dotted line. Although Greg and his company will be on retainer it is still a more cost effective solution to "the missing piece" verses having someone on staff full time. Retainer is about \$2500/month.

- We need to help Greg ring "build a story" for attracting YMCA donors

**DISCUSSION: DALE DYKEMA \$1 MILLION GIFT**

We have received ½ of the gift. Jeff and Crystal have reached out to Sandy via voice message as well as mailing a letter to set up dinner to discuss "how" to use the gift. Sandy has not returned calls. We will try to reach her again and will hopefully have an update by the

**DISCUSSION: GALA**

This was not discussed at our meeting on August 15th. Leaving it on the minutes as a reminder to discuss at our next BAC meeting.

**MEETING ADJOURNED 3:17 PM**



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# Action Item

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Approval YMCA 2017 form 990 Tax Return

**YMCA OF ORANGE COUNTY  
BOARD OF DIRECTORS**

**ACTION ITEM**

**FOR BOARD ACTION ON:**

Thursday, September 27, 2018

**RECOMMENDED BY:**

Audit Committee  
Jess Meyers, Chair  
Jeff McBride, President/CEO

Finance Committee:

**RECOMMENDATION:**

The Board of Directors approves the YMCA of Orange County's 2017 Tax Return (Federal Form 990) for the year ending December 31, 2017.

**REASON FOR ACTION:**

Per the IRS Regulations, the Board of Directors or a committee designated thereof must review and approve the 990 tax return.

**FINANCIAL IMPACT AND FUNDING SOURCE:**

None

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# TIPPER FINANCIALS

**Tipper, LLC**  
**Profit & Loss Statement**  
**For the Eight Months Ending August 31, 2018**

	<b>YTD</b>		
	<b>Actual</b>	<b>Budget</b>	<b>Act vs Bud Variance</b>
<b>Revenue</b>			
1210 Facility Rental	\$271,849.71	\$263,032.00	\$8,817.71
<b>Net Revenue Totals</b>	<b>271,849.71</b>	<b>263,032.00</b>	<b>8,817.71</b>
<b>Expense</b>			
2520 Maintenance/Janitorial Supplies	3,815.42	1,799.00	(2,016.42)
2610 Telephone-Regular Service	3,187.81	2,751.00	(436.81)
2710 Postage	51.00	69.00	18.00
2845 Facility Maintenance	64,734.63	41,796.00	(22,938.63)
Program Services Sub-Total	71,788.86	47,915.00	(23,873.86)
2410 Legal Fees	7,284.00	2,717.00	(4,567.00)
2415 Audit Fees	6,400.00	0.00	(6,400.00)
2450 Consulting Fees	6,199.72	1,086.00	(5,113.72)
2480 DP Service/Maint Contrct	300.00	600.00	300.00
2820 Bldg Licenses & Permits	164.00	0.00	(164.00)
2831 Electricity	27,353.32	32,948.00	5,594.68
2832 Gas	2,471.71	3,389.00	917.29
2833 Water and Sewer	2,929.44	2,546.00	(383.44)
2834 Refuse Collection	1,707.63	1,701.00	(6.63)
2843 Landscape Maint	11,769.44	10,068.00	(1,701.44)
2848 Exterminator Service	330.00	330.00	0.00
2850 Real And Personal Taxes	27,849.64	27,849.00	(0.64)
2860 Property Management	8,779.25	9,122.00	342.75
2880 Property/Liability Insurance	6,433.00	6,433.00	0.00
3620 Bank Fees	45.00	45.00	0.00
3690 Misc Admin Expense	911.10	0.00	(911.10)
Supporting Services Sub-Total	110,927.25	98,834.00	(12,093.25)
<b>Total Operating Expenses</b>	<b>182,716.11</b>	<b>146,749.00</b>	<b>(35,967.11)</b>
<b>EBITDA</b>	<b>\$89,133.60</b>	<b>\$116,283.00</b>	<b>(\$27,149.40)</b>
2890 Depreciation Expense	(134,522.71)	(134,245.00)	(277.71)
5215 Interest Expense-External	(82,346.84)	(82,111.00)	(235.84)
5610 Income Taxes Fed & State	(1,600.00)	(1,600.00)	0.00
<b>Total Non-Operating Expenses</b>	<b>(218,469.55)</b>	<b>(224,356.00)</b>	<b>(5,886.45)</b>
<b>Net Income/(Loss)</b>	<b>(\$129,335.95)</b>	<b>(\$108,073.00)</b>	<b>(\$21,262.95)</b>

# TIPPER LLC

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**Action**

**Item**

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Approval of Tipper, LLC 2017 Tax Return



## **ACTION ITEM/Tipper, LLC**

### **FOR BOARD ACTION ON:**

Thursday, September 27, 2018

### **RECOMMENDED BY:**

Jeff McBride, President/CEO & Joyce Kirchhofer, CFO

### **RECOMMENDATION:**

YMCA or Orange County, the Sole Member of Tipper, LLC, approves the Tipper, LLC 2017 Tax Return for the year ending December 31, 2017.

### **REASON FOR ACTION:**

Tipper, LLC tax return for 2017 was reviewed by the YMCA of Orange County's Audit Committee and recommends approval from the Sole Member for submission.

### **FINANCIAL IMPACT AND FUNDING SOURCE:**

None

Date Accepted \_\_\_\_\_

TAXABLE YEAR

**2017****California e-file Return Authorization for  
Limited Liability Companies**

FORM

**8453-LLC**

Limited liability company name

**TIPPER, LLC**

Identifying number

**82-2864817****Part I Tax Return Information** (whole dollars only)

<b>1</b> Total income (Form 568, Schedule B, Line 12 or Form 568, Line 1 for Single Member LLCs).....	<b>1</b>	<b>49,202.</b>
<b>2</b> Ordinary income (Form 568, Schedule B, line 23 or Form 568, Line 1 for Single Member LLCs).....	<b>2</b>	<b>49,202.</b>
<b>3</b> Tax and fee due (Form 568, line 13).....	<b>3</b>	
<b>4</b> Overpayment (Form 568, line 14).....	<b>4</b>	
<b>5</b> Total amount due (Form 568, line 18).....	<b>5</b>	

**Part II Settle Your Account Electronically for Taxable Year 2017.**

**6** ☐ Electronic funds withdrawal **6a** Amount \_\_\_\_\_ **6b** Withdrawal date (mm/dd/yyyy) \_\_\_\_\_

**Part III Make Annual Tax or Estimated Fee Payment for Taxable Year 2018** This is **NOT** an installment payment for the current amount the LLC owes.

	Annual Tax Payment	Estimated Fee Payment
<b>7</b> Amount		
<b>8</b> Withdrawal date		

**Part IV Banking Information** (Have you verified the LLC's banking information?)

**9** Routing number \_\_\_\_\_  
**10** Account number \_\_\_\_\_ **11** Type of account: ☐ Checking ☐ Savings

**Part V Declaration of Authorized Member or Manager**

I authorize the limited liability company account to be settled as designated in Parts II, III, and IV. If I check Box 6, I authorize an electronic funds withdrawal for the amount listed on line 6a and for the 2018 annual tax or estimated fee payment amount listed on line 7 from the account specified in Part IV.

Under penalties of perjury, I declare that I am an authorized member or manager of the above limited liability company and that the information I provided to my electronic return originator (ERO), transmitter, or intermediate service provider and the amounts in Part I above agree with the amounts on the corresponding lines of the limited liability company's 2017 California income tax return. To the best of my knowledge and belief, the limited liability company's return is true, correct, and complete. If the limited liability company is filing a balance due return, I understand that if the Franchise Tax Board (FTB) does not receive full and timely payment of the limited liability company's tax liability, the limited liability company will remain liable for the tax liability and all applicable interest and penalties. I authorize the limited liability company return and accompanying schedules and statements be transmitted to the FTB by my ERO, transmitter, or intermediate service provider. **If the processing of the limited liability company's return or refund is delayed, I authorize the FTB to disclose to my ERO or intermediate service provider the reason(s) for the delay or the date when the refund was sent.**

**Sign  
Here**

Signature of authorized member or manager

Date

Title

**Part VI Declaration of Electronic Return Originator (ERO) and Paid Preparer. See instructions.**

I declare that I have reviewed the above limited liability company's return and that the entries on form FTB 8453-LLC are complete and correct to the best of my knowledge. (If I am only an intermediate service provider, I understand that I am not responsible for reviewing the limited liability company's return. I declare, however, that form FTB 8453-LLC accurately reflects the data on the return.) I have obtained the signature from the limited liability company authorized member or manager on form FTB 8453-LLC before transmitting this return to the FTB; I have provided the limited liability company authorized member or manager with a copy of all forms and information that I will file with the FTB, and I have followed all other requirements described in FTB Pub. 1345, 2017 e-file Handbook for Authorized e-file Providers. I will keep form FTB 8453-LLC on file for **four** years from the due date of the return or **four** years from the date the limited liability company return is filed, whichever is later, and I will make a copy available to the FTB upon request. If I am also the paid preparer, under penalties of perjury, I declare that I have examined the above limited liability company's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

**ERO  
Must  
Sign**ERO's  
signature

Date

Check if  
also paid  
preparer ☒Check if  
self-  
employed ☐

ERO's PTIN

**P01255081**Firm's name (or yours  
if self-employed) and  
address**WHITE NELSON DIEHL EVANS LLP**

FEIN

**2875 MICHELLE DRIVE, SUITE 300****33-0686301****IRVINE, CA**ZIP code **92606**

Under penalties of perjury, I declare that I have examined the above limited liability company's return and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. I make this declaration based on all information of which I have knowledge.

**Paid  
Preparer  
Must  
Sign**Paid  
preparer's  
signature

Date

Check if  
self-  
employed ☐

Paid preparer's PTIN

Firm's name (or  
yours if self-  
employed) and  
address

FEIN

ZIP code

**2017****Limited Liability Company Return of Income****568**

RP

201726310431 TIPP 82-2864817  
 TYB 01-01-2017 TYE 12-31-2017  
 TIPPER LLC

17 PBA 813000

13821 NEWPORT AVE STE 200  
 TUSTIN CA 92780-7803

ACCTMETHOD 1 09-01-2017 ASSETS 0.  
 INITIAL 1 FINAL 0 AMENDED 0

- J (1)** During this taxable year, did another person or legal entity acquire control or majority ownership (more than a 50% interest) of this LLC or any legal entity in which the LLC holds a controlling or majority interest that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No
- (2)** During this taxable year, did this LLC acquire control or majority ownership (more than a 50% interest) in another legal entity that owned California real property (i.e., land, buildings), leased such property for a term of 35 years or more, or leased such property from a government agency for any term? • ☐ Yes ☒ No
- (3)** During this taxable year, has more than 50% of the LLC's ownership interests cumulatively transferred in one or more transactions after an interest in California real property (i.e., land, buildings) was transferred to it that was excluded from property tax reassessment under Revenue and Taxation Code Section 62(a)(2) and it was not reported on a previous year's tax return? • ☐ Yes ☒ No

**(Yes requires filing of statement, penalties may apply – see instructions.)**

		Whole dollars only	
Enclose, but do not staple, any payment.	Complete Schedule IW, LLC Income Worksheet (on Side 7) first to determine line 1.		
	1 Total income from Schedule IW, Limited Liability Company Income Worksheet. See instructions	1	49,202.
	2 Limited Liability Company fee. See instructions.	2	
	3 2017 annual Limited Liability Company tax. See instructions.	3	800.
	4 Nonconsenting nonresident members' tax liability from Schedule T (Side 4)	4	
	5 <b>Total tax and fee.</b> Add line 2, line 3, and line 4	5	800.
	6 Amount paid with form FTB 3537 and 2017 form FTB 3522 and form FTB 3536	6	800.
	7 Overpayment from prior year allowed as a credit	7	
	8 Withholding (Form 592-B and/or 593)	8	
	9 <b>Total payments.</b> Add line 6, line 7, and line 8	9	800.
	10 <b>Use Tax. This is not a total line.</b> See instructions.	10	
	11 Payments balance. If line 9 is more than line 10, subtract line 10 from line 9	11	800.
	12 <b>Use Tax balance.</b> If line 10 is more than line 9, subtract line 9 from line 10	12	

		Whole dollars only	
<b>13</b>	<b>Tax and fee due.</b> If line 5 is more than line 11, subtract line 11 from line 5 .....	<b>13</b>	
<b>14</b>	<b>Overpayment.</b> If line 11 is more than line 5, subtract line 5 from line 11.....	<b>14</b>	
<b>15</b>	Amount of line 14 to be credited to 2018 tax or fee .....	<b>15</b>	
<b>16</b>	<b>Refund.</b> If the total of line 15 is less than line 14, subtract the total from line 14 .....	<b>16</b>	
<b>17</b>	Penalties and interest. See instructions .....	<b>17</b>	
<b>18</b>	<b>Total amount due.</b> Add line 12, line 13, line 15, and line 17, then subtract line 14 from the result .....	<b>18</b>	

- K** Enter the maximum number of members in the LLC at any time during the year. For multiple member LLCs, attach a California Schedule K-1 (568) for each of these members. .... **1**
- L** Is this LLC an investment partnership? See General Information O..... ☐ Yes ☒ No
- M (1)** Is this LLC apportioning or allocating income to California using Schedule R? ..... ☐ Yes ☒ No
- (2)** If 'No,' was this LLC registered in California without earning any income sourced in this state during the taxable year? ..... ☒ Yes ☒ No
- N** Was there a distribution of property or a transfer (for example, by sale or death) of an LLC interest during the taxable year?..... ☐ Yes ☒ No
- P (1)** Does the LLC have any foreign (non-U.S.) nonresident members?..... ☐ Yes ☒ No
- (2)** Does the LLC have any domestic (non-foreign) nonresident members? ..... ☐ Yes ☒ No
- (3)** Were Form 592, Form 592-A, Form 592-B, and Form 592-F filed for these members?..... ☐ Yes ☒ No
- Q** Are any members in this LLC also LLCs or partnerships?..... ☐ Yes ☒ No
- R** Is this LLC under audit by the IRS or has it been audited in a prior year?..... ☐ Yes ☒ No
- S** Is this LLC a member or partner in another multiple member LLC or partnership?..... ☐ Yes ☒ No  
If 'Yes,' complete Schedule EO, Part I.
- T** Is this LLC a publicly traded partnership as defined in IRC Section 469(k)(2)?..... ☐ Yes ☒ No
- U (1)** Is this LLC a business entity disregarded for tax purposes? ..... ☒ Yes ☐ No
- (2)** If 'Yes,' see instructions and complete Side 1, Side 2, Side 3, Schedule B, Side 5, and Side 7, if applicable. Are there credits or credit carryovers attributable to the disregarded entity?..... ☐ Yes ☒ No
- (3)** If 'Yes' to U(1), does the disregarded entity have total income derived from or attributable to California that is less than the LLC's total income from all sources?..... ☐ Yes ☒ No
- V** Has the LLC included a Reportable Transaction, or Listed Transaction within this return? (See instructions for definitions). If 'Yes,' complete and attach federal Form 8886 for each transaction ..... ☐ Yes ☒ No
- W** Did this LLC file the Federal Schedule M-3 (federal Form 1065)?..... ☐ Yes ☒ No
- X** Is this LLC a direct owner of an entity that filed a federal Schedule M-3? ..... ☐ Yes ☒ No
- Y** Does the LLC have a beneficial interest in a trust or is it a grantor of a Trust? ..... ☐ Yes ☒ No  
If 'Yes,' attach schedule of trusts and federal identification numbers.
- Z** Does this LLC own an interest in a business entity disregarded for tax purposes?..... ☒ Yes ☒ No  
If 'Yes,' complete Schedule EO, Part II.

(continued on Side 3)

(continued from Side 2)

**AA** Is any member of the LLC related (as defined in IRC Section 267(c)(4)) to any other member of the LLC? ..... ☐ Yes ☒ No

**BB** Is any member of the LLC a trust for the benefit of any person related (as defined in IRC Section 267(c)(4)) to any other member? ..... ☐ Yes ☒ No

**CC (1)** Is the LLC deferring any income from the disposition of assets? (see instructions) ..... ☐ Yes ☒ No

**(2)** If 'Yes,' enter the year of asset disposition. ....

**DD** Is the LLC reporting previously deferred Income from:

(see instructions) ..... ☐ Installment Sale ☐ IRC §1031 ☐ IRC §1033 ☐ Other

**EE** 'Doing business as' name. See instructions: ..... ☐

**FF (1)** Has this LLC operated as another entity type such as a Corporation, S Corporation, General Partnership, Limited Partnership, or Sole Proprietorship in the previous five (5) years? ..... ☐ Yes ☒ No

**(2)** If 'Yes', provide prior FEIN(s) if different, business name(s), and entity type(s) for prior returns filed with the FTB and/or IRS (see instructions): .....

**GG (1)** Has this LLC previously operated outside California? ..... ☐ Yes ☒ No

**(2)** Is this the first year of doing business in California? ..... ☒ Yes ☐ No

**Single Member LLC Information and Consent** – Complete only if the LLC is disregarded.

• Federal TIN/SSN

**95-1644055**

Sole Owner's name (as shown on owner's return)

FEIN/CA Corp no./CA SOS File no.

• **YOUNG MEN'S CHRISTIAN ASSOCIATION OF OC**

**201726310431**

Street Address, City, State, and ZIP Code **13821 NEWPORT AVE STE 200 TUSTIN, CA 92780-7803**

• What type of entity is the ultimate owner of this SMLLC? See instructions. Check only one box:

- ☐ (1) Individual ☐ (2) C Corporations ☐ (3) Pass-Through (S corporation, partnership, LLC classified as a partnership)
- ☐ (4) Estate/Trust ☒ (5) Exempt Organizations

Member's Consent Statement: I consent to the jurisdiction of the State of California to tax my LLC income and agree to file returns and pay tax as may be required by the Franchise Tax Board.

Signature ☐ Date **6/14/18** Title

<b>Sign Here</b>	To learn about your privacy rights, how we may use your information, and the consequences for not providing the requested information, go to <a href="http://ftb.ca.gov/forms">ftb.ca.gov/forms</a> and search for <b>1131</b> . To request this notice by mail, call 800.852.5711.		
	Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.		
<b>Paid Preparer's Use Only</b>	Signature of authorized member or manager <input type="checkbox"/>	Date	Telephone
	Authorized member or manager's email address (optional)		•
	Paid preparer's signature <input type="checkbox"/> <b>CHRISTINA M. WENK, CPA</b>	Date	Check if self-employed <input type="checkbox"/>
	Firm's name (or yours, if self-employed) and address <b>WHITE NELSON DIEHL EVANS LLP</b> <b>2875 MICHELLE DRIVE, SUITE 300</b> <b>IRVINE, CA 92606</b>		PTIN <b>P01255081</b> FEIN <b>33-0686301</b> Telephone <b>(714) 978-1300</b>
May the FTB discuss this return with the preparer shown above (see instructions)? ..... <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No			

**Schedule IW Limited Liability Company (LLC) Income Worksheet**

Enter your California income amounts on the worksheet. All amounts entered must be assigned for California law differences. **Use only amounts that are from sources derived from or attributable to California when completing lines 1-17 of this worksheet.** If your business is both within and outside of California, see Schedule IW instructions to assign the correct amounts to California. If the LLC is wholly within California, the total income amount is assigned to California and is entered beginning with line 1a. If the single member LLC (SMLLC) does not meet the 3 million criteria for filing Schedule B (568) and Schedule K (568), the SMLLC is still required to complete Schedule IW. Disregarded entities that do not meet the filing requirements to complete Schedule B or Schedule K should prepare Schedule IW by entering the California amounts attributable to the disregarded entity from the member's federal Schedule B, C, D, E, F (Form 1040), or additional schedules associated with other activities. **Do not enter amounts on this worksheet that have already been reported by another LLC to determine its fee.**

See instructions on page 13 and page 14 of the Form 568 Booklet for more information on how to complete the Schedule IW.

1 a Total California income from Form 568, Schedule B, line 3. See instructions. . . . ☒ 1a 49,202.

b Enter the California cost of goods sold from Form 568, Schedule B, line 2 and from federal Schedule F (Form 1040) (plus California adjustments) associated with the receipts assigned to California on lines 1a and 4. . . . ☒ 1b \_\_\_\_\_

2 a If the answer to Question U(1) on Form 568 Side 2, is 'Yes', include the gross income of this disregarded entity that is not included in lines 1 and 8 through 16. . . . ☒ 2a \_\_\_\_\_

b Enter the cost of goods sold of disregarded entities associated with the receipts assigned to California on line 2a. . . . ☒ 2b \_\_\_\_\_

3 a LLC's distributive share of ordinary income from pass-through entities. . . . ☒ 3a \_\_\_\_\_

b Enter the LLC's distributive share of cost of goods sold from other pass-through entities associated with the receipt assigned to California on line 3a (see Schedule K-1s (565), Table 3, line 1a). . . . ☒ 3b \_\_\_\_\_

c Enter the LLC's distributive share of deductions from other pass-through entities associated with the receipt assigned to California on line 3a (see Schedule K-1s (565), Table 3, line 1b). . . . ☒ 3c \_\_\_\_\_

4 Add gross farm income from federal Schedule F (Form 1040). Use California amounts. . . . ☒ 4 \_\_\_\_\_

5 Enter the total of other income (not loss) from Form 568, Schedule B, line 10. . . . ☒ 5 \_\_\_\_\_

6 Enter the total gains (not losses) from Form 568, Schedule B, line 8. . . . ☒ 6 \_\_\_\_\_

7 Add line 1a through line 6. . . . ☒ 7 49,202.

8 California rental real estate

a Enter the total gross rents from federal Form 8825, line 18a. . . . ☒ 8a \_\_\_\_\_

b Enter the total gross rents from all Schedule K-1s (565), Table 3, line 2. . . . ☒ 8b \_\_\_\_\_

c Add line 8a and line 8b. . . . ☒ 8c 0.

9 Other California rentals.

a Enter the amount from Schedule K (568), line 3a. . . . ☒ 9a \_\_\_\_\_

b Enter the amount from all Schedule K-1s (565), Table 3, line 3. . . . ☒ 9b \_\_\_\_\_

c Add lines 9a and 9b. . . . ☒ 9c 0.

10 California interest. Enter the amount from Form 568, Schedule K, line 5. . . . ☒ 10 \_\_\_\_\_

11 California dividends. Enter the amount from Form 568, Schedule K, line 6. . . . ☒ 11 \_\_\_\_\_

12 California royalties. Enter the amount from Form 568, Schedule K, line 7. . . . ☒ 12 \_\_\_\_\_

13 California capital gains. Enter the capital gains (not losses) included in the amounts from Form 568, Schedule K, lines 8 and 9. . . . ☒ 13 \_\_\_\_\_

14 California 1231 gains. Enter the amount of total gains (not losses) from Form 568, Schedule K, line 10a. . . . ☒ 14 \_\_\_\_\_

15 Other California portfolio income (not loss). Enter the amount from Form 568, Schedule K, line 11a. . . . ☒ 15 \_\_\_\_\_

16 Other California income (not loss) not included in line 5. Enter the amount from Form 568, Schedule K, line 11b. . . . ☒ 16 \_\_\_\_\_

17 Total California income. Add lines 7, 8c, 9c, 10, 11, 12, 13, 14, 15, and 16. Line 17 may not be a negative number. Enter here and on Form 568, Side 1, line 1. If less than zero enter -0-. . . . ☒ 17 49,202.