

Board of Directors Meeting Minutes

Details

Date: June 27, 2019 @ 7:30am
Location: YMCA OC – BOD Room

Presiding

Rosanna Coveyou, Board Chair

BOD Attendees: Lisa Alonso, Rosanna Coveyou, Greg Custer, David Lamb, Jeff McBride, Jess Meyers, Mike Proud, John Rochford, Don Saulic, Jay Scott, Juliette Meunier

BOD Absent: Brian Constable, Ryan Fessler, Michael Hahn, Minh Hoang, Sean Peasley

Staff Attendees: Dolores Daly, Joyce Kirchhofer, Ana Romiti, Christine Salas, Sarah Steffen Garcia
Staff Absent: Crystal Immerman

Call to order –Rosanna Coveyou, Board Chair

- Call to order 7:36am

Invocation – Juliette Meunier

Approval of Minutes – John Rochford, Secretary

- May 30, 2019 – Annual Meeting
 - John asked if everyone has had the opportunity to read the minutes from April 25th and if anyone has any questions or comments.
 - Rosanna has one change; strike the last 6 bullet points from the YOC Board Vision and Goals.
 - Crystal to update May 30th minutes and upload to BOD PORTAL
 - Completed and Uploaded as of July 16, 2019
 - Minutes can be approved as presented given the requested changes are not material.
 - David Lamb motioned for the approval of the minutes
 - Don Saulic seconded the motion
 - All approved, not nays or abstentions

Confidentiality Agreement – Jay Scott

- Legal Committee presented the confidentiality agreement to the BOD.
 - Recommended by Legal Committee to have all (new) BOD members and/or Committee members sign when joining.
 - Next Steps: All BOD members sign and return to Jay Scott with a copy to Crystal Immerman
 - DUE DATE: August 2, 2019
 - Jess Meyers motioned to approve for all BOD/Committee members sign
 - Mike Proud seconded the motion
 - All approved, not nays or abstentions

Onboarding Task Force – Juliette Meunier

- Governance Committee assigned a new Task Force to develop an onboarding and orientation process for all (new) BOD members; to get new BOD members engaged as early as possible and get everyone familiar with the BOD's Mission, Vision and Values.
 - Task Force Members: Ryan Fessler, Lisa Alonso, Jay Scott, Dolores Daly and Anna Romiti.

Board Governance – Juliette Meunier, Vice Chair

- Board Expectations Document -
 - Characteristics & Competences: An email went out last week to all BOD members to vote on the top three characteristics.
 - #1 Inquisitive
 - #2 Compassionate
 - #3 Emotionally Mature
 - An all BOD discussion resulted in the realization that these words have different meanings to different individuals.
 - Juliette: These words need to be defined so that we are all thinking of them in the exact same way. The Governance Committee need to digest this discussion and define what it means to have these 'words'. We will come back to the BOD after our next governance meeting (meeting is August 12, 2019)
 - Juliette: Competencies: Competencies are different between different individuals. Once person will not have all of the competences but as a whole BOD we should have all of them represented. The Governance Committee will get back to the BOD with definitions.

Mission Vision Values – Mike Proud

- Our Mission is our 'why'
- Who does our BOD serve
- Questions to ask
 - Who is the focus of our work
 - Who do we exist to serve
 - Who is most directly affected by our work

- Serving _____ will best help the organization accomplish its Mission
- The first question is “who do we serve”, once that is determined then we need to look at the bylaws to ensure we compliant and following those rules.
 - Dolores gave a brief overview of Article 5 from the bylaws
 - Please reach out to Crystal Immerman if you would like a copy
- Discussion will continue at the Mission Vision Values retreat on July 12th

Committee Meeting Minutes

- Finance, Investment & Board Governance
 - Rosanna asked if everyone had the opportunity to review these minutes and asked if anyone had questions or comments.
 - No discussion needed by BOD

Adjourn

9:04am



Our Mission

To put Christian principles into practice through programs that build healthy spirit, mind, and body for all.

Our Vision

To improve lives and strengthen character through Youth Development, Healthy Living and Social Responsibility driven by passionate staff and volunteers.

Our Values

Caring, Honesty Respect, and Responsibility – Our values are celebrated by staff and members and provide a positive foundation for all Y programs and a healthy connection with others.

Board of Directors Meeting Agenda

Details

Date: June 27th @ 7:30am

Location: YMCA OC – BOD Room

Presiding

Rosanna Coveyou, Board Chair

Call to order – Rosanna Coveyou, Board Chair

Invocation – Juliette Meunier, 5 minutes

Approval of Minutes – John Rochford, Secretary, 5 minutes

- May 30, 2019

Confidentiality Agreement – Jay Scott, 5 minutes

- Recommended by HR/Legal Committee

Board Governance – Juliette Meunier, Vice Chair, 30 minutes

- Continuance of prior meeting

Mission Vision Values – Mike Proud, 40 minutes

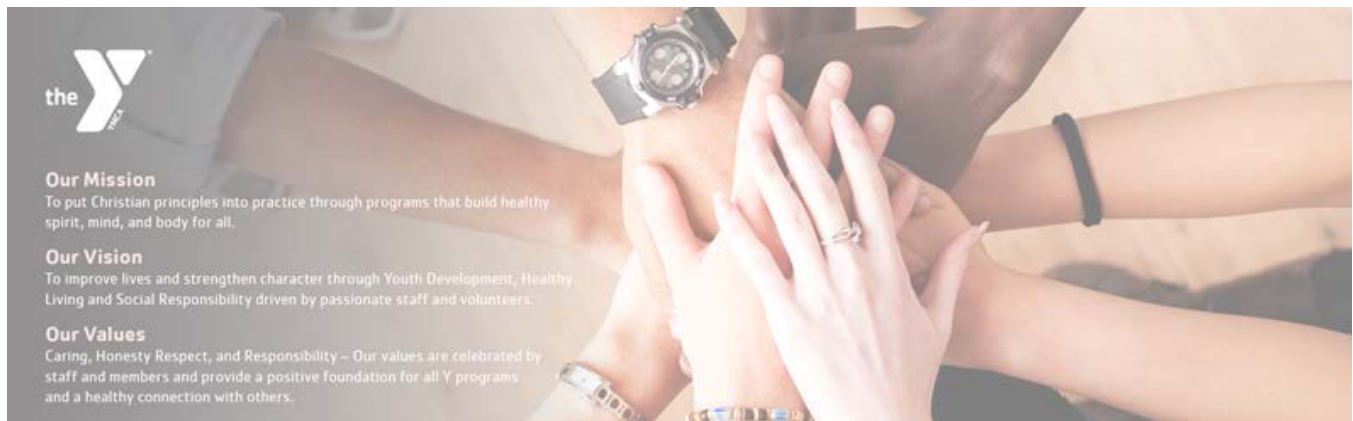
- Continuance of prior meeting

Committee Meeting Minutes - Attached for your information

- Finance Committee
- Investment Committee
- Board Governance Committee

Other Business/QA

Adjourn



Board of Directors Meeting Minutes

Details

Date: May 30th @ 7:30am

Location: YMCA OC – BOD Room

Presiding

Rosanna Coveyou, Board Chair

BOD Attendees: Lisa Alonso, Rosanna Coveyou, Brian Constable, Greg Custer, Ryan Fessler, Michael Hahn, Minh Hoang, Jeff McBride, Jess Meyers, Sean Peasley, Mike Proud, John Rochford, Don Saulic, Jay Scott, Juliette Meunier (via conference call)

BOD Absent: David Lamb

Staff Attendees: Dolores Daly, Crystal Immerman, Joyce Kirchhofer, Ana Romiti, Christine Salas

Staff Absent: Sara (Steffen) Garcia

Call to order –Rosanna Coveyou, Board Chair

- Call to order 7:36am
- Rosanna started the meeting and introduced our two new BOD members, Ryan Fessler and Brian Constable who gave a brief bio and “why they’re Y”.

Invocation – Jess Meyers, 5 minutes

Presidents Report – Jeff McBride, CEO, 5 minutes

- Jeff McBride addressed the BOD regarding the YMCA of OC’s Assets.
 - The Y is currently in the process of working with an outside company to do an analysis of the value of our current (6) assets. This company will provide recommendations on the best options for utilizing these assets for sustainability and high performance at all of our locations. We have assigned a special task force to help with this endeavor, to hear the recommendations and to bring this information back to the full board. These analyses will be done every 5 years.

Approval of Minutes – John Rochford, Secretary, 5 minutes

- April 25th, 2019 – Annual Meeting
 - John asked if everyone has had the opportunity to read the minutes from April 25th and if anyone has any questions or comments.

- Sean Peasley – The Finance Committee minutes were not a part of the packet.
 - Crystal will upload to the packet and will email the BOD
 - Minutes from April 25 BOD meeting can be approved without the addition of Finance Packet/minutes as the May Finance Committee minutes were not part of the April 25th BOD minutes being motioned for approval
- Michael Hahn motioned for the approval of the minutes
- Greg Custer seconded the motion
- All approved, not nays or abstentions

Consent Calendar – Rosanna Coveyou, Board Chair, 5 minutes

- Approval of 2018 Audited Financial Statements, Exit Letter and CUSD AUP
 - Recommended by Audit Committee
 - Rosanna asked if everyone had the opportunity to review and if there were any questions or concerns.
 - Sean Peasley motioned for the approval of the minutes
 - Lisa Alonso seconded the motion
 - All approved, not nays or abstentions

Board Governance – Juliette Meunier, Vice Chair, 20 minutes

- Overview of Committee, Michael Hahn, 3rd Vice Chair
 - Michael Hahn gave an overview of the newly formed Board Governance Committee noting that the governance committee is the “DNA” of the whole board and the goal is to ensure the future BOD(s) are equipped with the processes to move forward.
 - This will be a long and living process and many changes will be made as we move forward. The expectation is that it will take 2-3 years to build solid processes.
- Board Expectations Document
 - This document was created years ago and the governance committee would like the BOD’s input on the specific characteristics that we should look for in a new/potential and even existing BOD member.
 - Board Characteristics Live Poll – www.menti.com
 - The initial poll resulted in various conversations regarding where these initial characteristics came from and how this information would be used.
 - The top 3 in the first poll results could possibly be defined as “nonnegotiable” traits
 - Strategic thinker (9 votes)
 - Integrity/Respect (7 votes)
 - Emotional Maturity/Open Minded/Positive Presence (6 votes)
 - The “nonnegotiable” traits were removed from the poll for a second round of voting which resulted in the following (in order of highest votes)
 - Leadership/Decision Making (9 votes)
 - Engaged/Inquisitive (9 votes)
 - Commit Time (7 votes)

- Good Listener/Inclusion (7 votes)
- Influence/Facilitate/Articulate Opinions Clearly (4 votes)
- Functional Expertise (2 votes)
- Other (2 Votes)
 - Add Humility/Service Above Self
 - Selflessness
- Community Connections (1 vote)
- Financial Generosity/Philanthropic (1 vote)
- Michael Hahn commented that this is a good starting point. The governance committee will meet again, go over results and will come back to the board with an updated poll for the next meeting. Please email your “other” words directly to Juliette.
- Jeff McBride added that we should go through the process and let the process define these options. We have to accept that there will be unanswered questions. The process will guide us to those answers.

Mission Vision Values – Mike Proud, 20 minutes

- Mike Proud gave a quick overview of the presentation (the presentation is in the packet on the BOD portal and can be referenced at any time)
- July 12 and August 2 have been set aside as retreat days for our BOD to define our Mission Vision Values.
- This is the Board of Directors Mission Vision Values which is separate from the YMCA Mission; however the BOD’s mission must tie into and reflect the overall YMCA Mission.
- Collaboration from all BOD members is key. Please take the time to look over the presentation and bring all your ideas to the next BOD meeting to discuss.
- Jeff McBride and Rosanna have agreed to utilize our BOD meeting time to prepare for our retreat. The hope is to get as much of the leg work done prior so we can come together and finalize at the retreat.

Committee Meeting Minutes

- Audit, Board Governance, CARES & PDF
 - All attached for reference

Other Business/QA

YOC BOD Vision & Goals

- Rosanna – gave overview of the YOC BOD Vision & Goals Roadmap 2019-2024 (can be viewed in the BOD packet on the BOD portal)
 - The BOD’s priorities are to:
 - Define our Mission
 - How many values should we have?
 - Build a competent BOD
 - What is the specific authority of our BOD
 - Strategic Direction

Adjourn
9:07am



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

**Confidentiality Agreement
for
BOD and Committee Members**

Jay Scott, HR/Legal Committee Chair

YMCA OF ORANGE COUNTY CONFIDENTIALITY AGREEMENT

This Confidentiality Agreement (this “**Agreement**”) is effective as of the last date signed by the parties hereto (the “**Effective Date**”) and is entered into by and between The Young Men’s Christian Association of Orange County, a California nonprofit public benefit corporation (the “**YMCA**”), and the person named on the signature page hereto (the “**Recipient**”). Each of the YMCA and the Recipient is a “**Party**” and, together, the “**Parties**.”

WHEREAS, the Recipient is or has agreed to serve as a member of the Board of Directors of the YMCA (the “**Board**”) and/or one or more committees established by the Board (each, a “**Committee**”) and, as a result of such service, certain Confidential Information (as defined below) of the YMCA and/or its affiliates has been and/or is expected to be disclosed to the Recipient; and

WHEREAS, the YMCA and the Recipient agree that it is in the best interests of the YMCA and, in the case of a Recipient that is a member of the Board, in accordance with the Recipient’s fiduciary duties (including confidentiality obligations) to the YMCA, to preserve and protect the Confidential Information against unauthorized use or disclosure;

NOW, THEREFORE, in consideration of the mutual agreements not to disclose Confidential Information being executed by other members of the Board and/or Committee, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

1. Confidential Information.

1.1 “**Confidential Information**” means any information not generally known to the public or recognized as standard industry practice, including, without limiting the generality of the foregoing, any program materials, data, reports, interpretations, forecasts, know-how, technology, compositions, devices, plans, strategies, studies, employee information, intellectual property, the substance of agreements with partners, funders, clients, suppliers and others, marketing arrangements, strategic partnerships, donor lists, customer lists, supplier lists, trade secrets, product development plans, research, inventions, ideas, concepts, designs, formulas, methods or processes, whether or not patented or patentable, channels of distribution, pricing policies and records, financial records and inventory records of the YMCA and/or its affiliates, correspondence, discussions, and deliberations held by members of the Board and/or Committee regarding the YMCA, correspondence and discussions with the YMCA’s legal counsel regarding the YMCA, information regarding Board and/or Committee dynamics generally, and such other information normally understood to be confidential or otherwise designated as such in writing by the YMCA, as well as information discerned from, based on or relating to any of the foregoing which may be prepared by the Recipient, all of which the Recipient expressly acknowledges and agrees shall be confidential and proprietary information belonging to the YMCA. Confidential Information shall also include any other document or information (whether of the YMCA or of any affiliate, donor, partner, supplier or customer of the YMCA or other person or entity with whom or which the YMCA has an agreement concerning the confidentiality of information) which comes into the Recipient’s possession as a result of the Recipient’s service as a member of

the Board and/or Committee. Confidential Information does not include any information that: (i) is or becomes generally available to the public other than as a result of the Recipient's breach of this Agreement; (ii) is obtained by the Recipient on a non-confidential basis from a third party that was not legally or contractually restricted from disclosing such information; (iii) the Recipient establishes by documentary evidence, was in the Recipient's possession prior to the commencement of the Recipient's service on the Board and/or Committee; or (iv) the Recipient establishes by documentary evidence, was or is independently developed by the Recipient without relying on any Confidential Information.

1.2 The Parties hereby acknowledge that the communication of the YMCA's Confidential Information to third parties could irreparably injure the business of the YMCA. Accordingly, the Recipient agrees that during the term of this Agreement (the "**Holding Period**"), the Recipient shall treat and safeguard, and shall cause the Recipient's permitted agents and consultants (including attorneys, financial advisors and accountants) (collectively, the "**Recipient Representatives**") to treat and safeguard, as confidential and secret, all Confidential Information received by the Recipient at any time, and that the Recipient shall not and shall not permit the Recipient Representatives to, without the prior written consent of the YMCA, disclose, transfer, sell or reveal in any form, redacted, summarized, or otherwise any Confidential Information to any third party whatsoever or use the Confidential Information in any manner whatsoever except in connection with the Recipient's service as a member of the Board and/or Committee. The Recipient may disclose the Confidential Information only to those Recipient Representatives who are required to have the information in connection with advising the Recipient with respect to the Recipient's service as a member of the Board and/or Committee, provided that the Recipient binds those Recipient Representatives, with respect to the Confidential Information, to terms at least as restrictive as those stated herein.

1.3 Should a third party demand, pursuant to discovery demand, subpoena, summons, search warrant, court order, governmental order, or public records request, that the Recipient or any Recipient Representatives disclose any Confidential Information, the Recipient shall, except as prohibited by law, notify the YMCA promptly upon receipt of the demand and prior to disclosure of any Confidential Information to give the YMCA an opportunity and a reasonable period of time to oppose such disclosure or otherwise respond to such demand. The YMCA shall pay for all reasonable expenses incurred in connection with resisting the release of Confidential Information.

1.4 Upon termination of the Holding Period, the Recipient and the Recipient Representatives shall, as provided for in this paragraph, return to the YMCA all copies, whether in written, electronic or other form or media, of the YMCA's Confidential Information, or destroy all such copies. The Confidential Information shall be returned or destroyed, at the YMCA's option, within five (5) business days of the occurrence of the event prompting such action in the foregoing sentence. In addition, at the YMCA's option, the Recipient shall deliver to the YMCA an executed certificate confirming both compliance with the return or destruction obligation and that the Recipient has retained no copies of the Confidential Information in any form whatsoever.

1.5 The Recipient shall: (i) immediately notify the YMCA of any breach of this Agreement; (ii) fully cooperate with the YMCA to mitigate the effect of such breach; and (iii) be

responsible for any breach of this Agreement caused by any of the Recipient Representatives or others to whom the Recipient has provided or given access to the Confidential Information.

1.6 The Recipient, and any third parties to whom the Recipient provides the Confidential Information, will comply with all applicable laws with respect to the use and maintenance of the Confidential Information, including without limitation any applicable data protection laws. In protecting the Confidential Information, the Recipient shall exercise at least the same degree of care used to protect the Recipient's own most highly confidential information, but in no event less than reasonable care. Without limiting any of the foregoing provisions of this paragraph, the Recipient agrees to protect and maintain the security of any Confidential Information that is kept electronically based on the latest industry security standards and best practices for confidential and proprietary information of a similar nature. These security measures include, but are not limited to, maintaining secure servers and networks, systems and software that are up to date, electronic environments free of malware, and appropriate password protection and password management practices. The Recipient agrees that all Confidential Information shall be stored, processed and maintained solely on secure servers and that all portable computing devices or electronic media on which the Confidential Information is stored shall be protected against unauthorized access or modification. In addition, the Recipient shall maintain reasonable and appropriate processes and mechanisms to (i) maintain accountability and tracking of the receipt, removal and transfer of electronic media used to store or process the Confidential Information, and (ii) ensure that all transmission of Confidential Information via the Internet or other unsecured, public networks is appropriately encrypted.

2. Term and Termination.

The term of this Agreement shall commence on the Effective Date and expire on the date the Recipient ceases to be a member of the Board and/or Committee. Notwithstanding anything to the contrary in this Agreement, each Party's rights and obligations pursuant to this Agreement (including, without limitation and for the avoidance of doubt, the Recipient's obligation to maintain the Confidential Information in strict confidence) shall survive the expiration or termination of this Agreement even after the return of the YMCA's Confidential Information by the Recipient.

3. Additional Provisions.

3.1 The terms of this Agreement do not in any way diminish, limit or detract from those fiduciary duties the Recipient owes to the YMCA as a director of the YMCA or otherwise.

3.2 Neither the YMCA nor any of its representatives or other agents makes any representation or warranty, express or implied, as to the accuracy or completeness of the Confidential Information nor shall any of them be liable to the Recipient or any of the Recipient Representatives relating to the Recipient's use of the Confidential Information or any errors therein or omissions therefrom.

3.3 The YMCA hereby retains its entire right, title and interest, including all intellectual property rights, in and to all of the Confidential Information, and nothing herein shall

be construed as an assignment or other transfer of any of the YMCA's rights in the Confidential Information to any other party. The Recipient shall not decompile, modify, reverse engineer, or create derivative works out of any Confidential Information. The Recipient may copy or reproduce the Confidential Information but only in limited quantities and only to the extent necessary to fulfill the Recipient's duties as a member of the Board and/or Committee.

3.4 The Recipient acknowledges and agrees that monetary damages might not be a sufficient remedy for any breach or threatened breach of this Agreement by the Recipient or the Recipient Representatives or other agents of the Recipient. As a result, in addition to all other remedies available at law (which the YMCA does not waive by the exercise of any rights hereunder), the YMCA shall be entitled to seek specific performance and injunctive and other equitable relief as a remedy for any such breach or threatened breach, and the Recipient hereby waives any requirement for the securing or posting of any bond or the showing of actual monetary damages in connection with such claim. In the event that either Party institutes any legal suit, action or proceeding against the other Party arising out of or relating to this Agreement, the prevailing Party in the suit, action or proceeding shall be entitled to receive, in addition to all other damages to which it may be entitled, the costs incurred by such Party in conducting the suit, action or proceeding, including reasonable attorneys' fees and expenses and court costs.

3.5 Any notice required or permitted by this Agreement shall be in writing and shall be delivered as follows with notice deemed given as indicated: (i) by personal delivery when delivered personally; (ii) by overnight courier upon written verification of receipt; or (iii) by certified or registered mail, return receipt requested, upon verification of receipt. Notice shall be sent to the respective addresses set forth on the signature page hereto or such other address as either Party may specify in writing in accordance with this provision, with a courtesy copy sent via electronic mail if reasonably possible.

3.6 This Agreement will be governed by and construed in accordance with the laws of the State of California, without regard to its conflict of laws rules. This Agreement is the entire agreement between the Parties concerning its subject matter, supersedes all prior agreements and understandings, whether or not written, and is not intended to confer upon any person other than the Parties hereto any rights or remedies hereunder. If any part of this Agreement is declared unenforceable or invalid, the remainder will continue to be valid and enforceable. A Party's failure or neglect to enforce any of its rights under this Agreement will not be deemed to be a waiver of that Party's rights. This Agreement may not be amended or assigned without the prior written consent of each Party. This Agreement may be executed in counterparts, each of which shall be deemed an original, but all of which together shall be deemed to be one and the same agreement. A signed copy of this Agreement delivered by facsimile, email or other means of electronic transmission shall be deemed to have the same legal effect as delivery of an original signed copy of this Agreement.

[signature page follows]

IN WITNESS WHEREOF, the Parties have executed this Confidentiality Agreement effective as of the Effective Date.

**Young Men's Christian Association of
Orange County**

Date: January 8, 2019

By _____

Name: Jeff McBride

Title: President & CEO

YMCA of Orange County
c/o President/CEO
13821 Newport Avenue, Suite 200
Tustin, California 92780

Recipient

Date: _____

Name: _____

Address: _____



FOR YOUTH DEVELOPMENT
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Finance Committee MINUTES

May 22, 2019

****This packet was uploaded to the May 30th BOD packet on the BOD portal.****

FINANCE COMMITTEE

Minutes May 22, 2019

Attendees: Sean Peasley, Ryan Fessler, Juliette Meunier (via phone), Alicia Chacon-bidwell, Dolores Daly, Jeff McBride, Joyce Kirchhofer, Crystal Immerman

Absent: Minh Hoang, Brian Constable

Sean called meeting to order at 11:37am

1. Review/Approve Meeting Minutes - Sean Peasley
 - April 17, 2019
 - Sean asked if everyone has had the opportunity to review the minutes and asked if there were any questions
 - Ryan suggested going forward to include those members who are absent in addition to present attendees
 - Juliette Meunier motioned to approve the minutes as presented
 - Ryan Fessler seconds the motion
 - All in favor; no nays or abstentions
2. 2018 Originally Reported Net Outcome vs. Audited Net Outcome -Joyce Kirchhofer
 - Audit reports on both 1) With donor restrictions and 2) Without donor restrictions
 - Reports to Committee and Board is Without donor restrictions
 - The large items posted subsequent to the initial December financials were covered and explained why they came later.
3. Deep Dive Financial - Joyce Kirchhofer and Dolores Daly
 - Joyce and Dolores presented a Deep Dive Financial PowerPoint presentation (Presentation is available upon request)
 - Presentation covered Key Target Areas and narrative/explanations were given for relevant variances in regards to:
 - Revenue to Budget
 - Revenue to Prior Year
 - Operating Margin to Budget
 - Sean, why is the Actual Operating Margin for Fullerton and Laguna Niguel similar at 35% but one is on target and the other is off target?
 - Dolores explained that the margin changes based on programs that are offered, facilities, etc. See the last

page of the presentation "metrics by branch square footage"

- Dolores stated that we are currently working with GRO which is a company that will be looking at all of our assets across the board and will provide recommendations on the best options for utilizing those assets for sustainability and high performance at all or YMCA OC locations. Management is finalizing the plan with GRO this week and it will take approximately 4 months to get the information analyzed and returned with recommendations

- Operating Margin to prior year
- Branch Contributions
- Program Operating Margins to prior year
- Program Contributions

4. Expenses – Joyce Kirchhofer

- Joyce referred to the handout in the packet of the top expenses for twelve months ending 12/31/2018 and pointed out a few top items that the YMCA of OC's purchasing manager has been working on:
 - Amazon Business Prime Account savings of \$23,000
 - Cell Phone Costs; we reduced the monthly allotment
 - Utilities; lighting upgrades (LED)
 - While looking at reference check costs, Miguel asked about drug screening. We may save an additional \$37,000 if we can make this change, it is being run by our labor attorney.

5. Huntington Beach Branch Update - Joyce Kirchhofer

- Management is meeting with landlord (today). We will leave this item on the agenda for follow up at our next meeting

6. Other Business

- Finance Committee Meetings will be the 3rd Friday of each month beginning in June (next meeting is June 21st @ noon)

Meeting Adjourned – at 12:52pm



FOR YOUTH DEVELOPMENT
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Financial Reports Ending April 30, 2019

YMCA of Orange County
Financial Highlights – Year to Date
April 2019

Assets	\$ 37.8M
Liabilities	\$ 9.5M
Net Assets	\$ 28.3M

	<u>Actual</u>	<u>Budget</u>	<u>Variance</u>
Operating Revenue	\$ 14,707,027	\$ 14,903,814	\$ (196,787)
Operating Expenses	12,506,651	12,869,200	362,549
Operating Net	2,200,376	2,034,614	165,762
Scholarships Awarded	(306,959)	(326,235)	19,276
Investment Income - Net of Fees	998,304	56,541	941,763
Depreciation	(475,319)	(483,005)	7,686
Investment in Subsidiary-Tipper	(68,543)	(92,811)	24,268
Interest Expense	(18,900)	(27,126)	8,226
Gain/(Loss) Sale of Assets	1,922	-	1,922
CARES/PDF - YTD (Unspent) Budget	-	(57,000)	57,000
Net Outcome	<u>\$ 2,330,881</u>	<u>\$ 1,104,978</u>	<u>\$ 1,225,903</u>

Balance Sheet Summary - Statement of Financial Position report

Assets increased \$4.86M (+15%) over prior year, primarily from the \$1.25M cash asset transfer from the Orange YMCA. We have used \$61k in the service area leaving \$1.18M restricted. The unused portion of the restricted funds appears in the liability section of the Balance Sheet. In January additional large cash outlays were incurred due to the final payment on the Murrieta lease termination settlement payment of \$332k, delayed monthly credit card payment of \$340k and other miscellaneous payables from December paid in January. These items also affected the Prepaid Rent and Accounts Payable.

Profit & Loss Summary

Year to date has produced an Operating Net of \$2.2M (15% vs 14% budgeted) and a Net Outcome Surplus of \$2.3M (16% vs. 7% budgeted). \$1M of the \$1.2M favorable variance is due to the investments, primarily the unbudgeted investment.

Challenges in Operations: 1) The city's construction continues to impact Laguna Niguel's membership but staff continue to work their plan to acquire and retain membership during the disruption. 2) Personal training and sports program results are down across the association. The respective Resource Teams and leadership are looking deeper into the issue to address. 3) Multiple branches have not reached Annual Campaign goals year to date. Extending Campaign past April is not desirable because staff should be shifting focus to summer programming.

Successes in Operations: 1) Fullerton, Santa Ana, Orange, Huntington Beach, New Horizons, Mission Viejo, Pomona Valley and New Horizons, all exceeded their budgeted and Prior Year Operating Net outcome. 2) A switch at the beginning of the year from Silver Sneakers to Renew Active and AARP for 3rd party memberships for seniors is resulting in \$56k higher YTD revenue than budgeted. 3) Across the Association, salary and wages our largest expenses is being managed well.

YMCA of Orange County
Statement of Financial Position-Consolidated
4/30/2019

	<u>4/30/2019</u>	<u>12/31/2018</u>
ASSETS		
<i>Current Assets</i>		
Cash and cash equivalents	4,148,690	3,346,003
Investments	11,474,888	10,483,166
Accounts Receivable - Net Allowance	1,098,069	787,924
Annual Pledges Receivable - Net Allowance	83,774	26,642
Deposits and Prepaid Rent	102,415	37,930
Prepaid Insurance	134,199	9,865
Other Prepaid Expenses	256,853	439,829
Total Current Assets	<u>17,298,888</u>	<u>15,131,359</u>
<i>Other Assets</i>		
Property, Plant and Equipment, Net	20,477,800	20,831,332
Total Other Assets	<u>20,477,800</u>	<u>20,831,332</u>
Total Assets	<u><u>37,776,688</u></u>	<u><u>35,962,691</u></u>
LIABILITIES AND NET ASSETS		
<i>Current Liabilities</i>		
Accounts Payable	433,399	1,602,210
Liability Under Trust Agmt	4,805	5,255
Accrued Payroll and Employee Benefits	2,011,094	2,139,582
Program Fees Received In Advance - Other	2,534,114	1,228,300
Total Current Liabilities	<u>4,983,412</u>	<u>4,975,347</u>
<i>Long-term Liabilities</i>		
Self-Insurance Liability and Other Reserves	60,643	175,000
Notes Payable	4,454,184	4,536,801
Total Long-Term Liabilities	<u>4,514,827</u>	<u>4,711,801</u>
Total Liabilities	<u>9,498,239</u>	<u>9,687,148</u>
<i>Net Assets</i>		
Current Operations - YMCA	2,330,880	2,786,556
Current Operations - Tipper, LLC	(68,543)	(167,294)
Current Operations (Restricted,Capital & Endowment)	(327,973)	(622,027)
Unrestricted/Temporarily/Permanently Restricted	26,344,085	24,278,308
Total Net Assets	<u>28,278,449</u>	<u>26,275,543</u>
Total Liabilities And Net Assets	<u><u>37,776,688</u></u>	<u><u>35,962,691</u></u>

YMCA of Orange County

Statement of Activities By Branch Operating Net
For the Four Months Ending
4/30/2019

	Current Year YTD				Prior Year YTD Comparison		
	Actual	Budget	Variance	% Variance	Prior YTD	Curr YTD vs Prior YTD	% Variance
Operating Revenue By Branch							
Fullerton Family	944,762	948,961	(4,199)	-0.4%	860,892	83,870	9.7%
Santa Ana Family	237,812	212,031	25,781	12.2%	215,161	22,651	10.5%
Orange Family	33,169	30,114	3,055	10.1%	0	33,169	#DIV/0!
Huntington Beach Family	516,317	513,834	2,483	0.5%	580,614	(64,297)	-11.1%
Yorba Linda/Placentia Family	116,855	148,372	(31,517)	-21.2%	204,640	(87,785)	-42.9%
Newport Mesa Family	910,660	1,025,891	(115,231)	-11.2%	818,484	92,176	11.3%
YCS New Horizons	352,549	342,984	9,565	2.8%	343,689	8,860	2.6%
Laguna Niguel Family	1,006,854	1,060,444	(53,590)	-5.1%	1,111,374	(104,520)	-9.4%
Mission Viejo Family	1,085,064	1,035,833	49,231	4.8%	1,142,354	(57,290)	-5.0%
Rancho Mission Viejo	7,256	23,560	(16,304)	-69.2%	0	7,256	#DIV/0!
Childcare	8,998,392	9,133,042	(134,650)	-1.5%	8,137,783	860,609	10.6%
Camp E.L.K.	104,900	139,644	(34,744)	-24.9%	253,831	(148,931)	-58.7%
San Gabriel Valley	8,107	10,158	(2,051)	-20.2%	0	8,107	#DIV/0!
Murrieta Family	(227)	0	(227)	#DIV/0!	242,511	(242,738)	-100.1%
Pomona Valley	171,626	140,120	31,506	22.5%	192,607	(20,981)	-10.9%
Maple Hill Family	56,070	63,519	(7,449)	-11.7%	45,004	11,066	24.6%
Corporate Initiatives	1,075	0	1,075	#DIV/0!	44,450	(43,375)	-97.6%
Association Office	28,203	3,200	25,003	781.3%	2,703	25,500	943.4%
Board Fundraising	127,583	72,107	55,476	76.9%	91,150	36,433	40.0%
Total Operating Revenue	14,707,027	14,903,814	(196,787)	-1.3%	14,287,247	419,780	2.9%
Operating Net by Branch							
Fullerton Family	331,761	325,052	6,709	2.1%	273,547	58,214	21.3%
Santa Ana Family	50,694	37,205	13,489	36.3%	37,717	12,977	34.4%
Orange Family	10,416	4,711	5,705	121.1%	0	10,416	#DIV/0!
Huntington Beach Family	(24,426)	(54,701)	30,275	55.3%	(64,710)	40,284	62.3%
Yorba Linda/Placentia Family	42,335	56,512	(14,177)	-25.1%	75,770	(33,435)	-44.1%
Newport Mesa Family	203,590	205,555	(1,965)	-1.0%	214,912	(11,322)	-5.3%
YCS New Horizons	142,678	127,731	14,947	11.7%	134,091	8,587	6.4%
Laguna Niguel Family	347,490	370,045	(22,555)	-6.1%	438,595	(91,105)	-20.8%
Mission Viejo Family	332,394	262,950	69,444	26.4%	325,105	7,289	2.2%
Rancho Mission Viejo	(7,046)	(2,383)	(4,663)	-195.7%	0	(7,046)	#DIV/0!
Childcare	3,081,394	3,183,546	(102,152)	-3.2%	2,940,485	140,909	4.8%
Camp E.L.K.	(28,637)	(11,372)	(17,265)	-151.8%	89,179	(117,816)	-132.1%
San Gabriel Valley	1,228	33	1,195	3621.2%	(8,284)	9,512	114.8%
Murrieta Family	(33,498)	0	(33,498)	#DIV/0!	(109,451)	75,953	69.4%
Pomona Valley	(456)	(41,860)	41,404	98.9%	(7,868)	7,412	94.2%
Maple Hill Family	(46,838)	(35,151)	(11,687)	-33.2%	(43,517)	(3,321)	-7.6%
Corporate Initiatives	(76,998)	(61,925)	(15,073)	-24.3%	14,789	(91,787)	-620.6%
Association Office	(2,228,087)	(2,364,791)	136,704	5.8%	(2,483,618)	255,531	10.3%
Board Fundraising	102,382	33,457	68,925	206.0%	88,281	14,101	16.0%
Total Operating Net	2,200,376	2,034,614	165,762	8.1%	1,915,023	285,353	14.9%

YMCA of Orange County

Statement of Activities By Branch Operating Net
For the Four Months Ending
4/30/2019

	Current Year YTD				Prior Year YTD Comparison		
	Actual	Budget	Variance	% Variance	Prior YTD	Curr YTD vs Prior YTD	% Variance
Scholarships Awarded	(306,959)	(326,235)	19,276	5.9%	(330,997)	24,038	7.3%
Cares/PDS Funding - Source	(36,712)	(66,336)	29,624	44.7%	(30,141)	(6,571)	-21.8%
Cares/PDS Funding - Allocated/Used	36,712	9,336	27,376	293.2%	30,141	6,571	21.8%
Gain/(Loss) Sale of Assets	1,922	0	1,922	#DIV/0!	1,054	868	82.4%
Interest Expense	(18,900)	(27,126)	8,226	30.3%	(28,801)	9,901	34.4%
Depreciation Expense	(475,319)	(483,005)	7,686	1.6%	(527,957)	52,638	10.0%
Gain/(Loss) In Subsidiary	(68,543)	(92,811)	24,268	26.1%	(65,209)	(3,334)	-5.1%
Investment Income/(Loss) - Net of Fees	(8,660)	56,541	(65,201)	-115.3%	23,403	(32,063)	-137.0%
Investment Valuation	1,006,964	0	1,006,964	#DIV/0!	(72,113)	1,079,077	1496.4%
Association Services	0	0	0	#DIV/0!	3,200	(3,200)	-100.0%
Total Net Outcome	2,330,881	1,104,978	1,225,903	110.9%	917,603	1,413,278	154.0%

Orange YMCA asset transfer - Restricted Balance

(Unused portion not reflected in the amounts above) 1,189,298

Note: The following investment activity is not budgeted but is in the actual numbers above.

	Current YTD	Prior Year YTD
Investment Valuation - Gain / (Loss)	1,006,964	(72,113)
Short Term Gain (Loss)	(49,147)	(12,247)
Long Term Gain (Loss)	(61,015)	(24,669)
Total	896,802	(109,029)



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

Investment Committee Meeting

May 24, 2019

INVESTMENT COMMITTEE

MINUTES May 24, 2019

Attendees: Greg Custer, Jess Meyers, Don Saulic, Jeff McBride, Joyce Kirchhofer, Crystal Immerman
Via Phone: David Bahnsen (8:00am-8:36am)
Absent: David Lamb

1. Meeting Minutes Approval (December 10, 2018)

- Greg Custer asked the committee if everyone had the opportunity to review the minutes from the December 10th 2018 Investment Committee Meeting and asked if there were any questions or comments. (None)
 - Jess Meyers motioned to approve the minutes as presented
 - Don Saulic seconded the motion
 - All in favor, no nays or abstentions. Motion Approved

2. Portfolio Review (David Bahnsen)

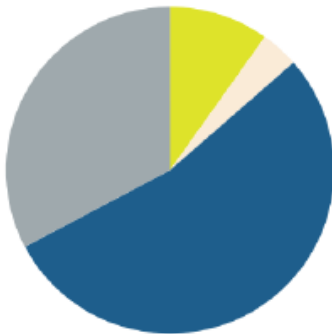
- David Bahnsen gave an overview of the Investment Portfolio. Portfolio is available for all BOD members to review upon request; please email Crystal Immerman if you would like a copy.



YMCA Investments

Portfolio Summary

Asset Allocation



Current Allocation

Asset Class	Current Value	Current Percent
Alternatives	\$1,102,131	9.81%
Cash & Equivalents	\$420,113	3.74%
Equities	\$6,030,336	53.70%
Fixed Income	\$3,677,052	32.74%
Total	\$11,229,632	100.00%

Account Ledger

Account Name (Number)	Current Value	Year to Date Net Return
YMCA/BONDS (xxxxx3014)	\$3,546,666	3.75%
YMCA/STOCKS & ALTS (xxxxx3694)	\$7,682,966	9.62%
Total	\$11,229,632	7.69%

Returns are cumulative

Projected & Realized 2019 Income

Description	Q1 2019	Q2 2019	Q3 2019	Q4 2019	Total
Alternatives	\$8,527	\$5,772			\$14,299
Cash & Equivalents	\$1,922	\$1,937	\$1,850	\$1,850	\$7,559
Equities	\$44,611	\$46,176	\$48,898	\$51,932	\$191,618
Fixed Income	\$33,663	\$33,305	\$31,859	\$32,217	\$131,043
Total	\$88,723	\$87,191	\$82,607	\$85,998	\$344,519

NEXT MEETING: AUGUST 9, 2019 @ 8:00AM

CHAIR: GREG CUSTER

3. Chart of Work

- Draft Chart of Work (C.O.W.) was presented and it was determined that minor changes need to be done before the final C.O.W. can be approved.
 - C.O.W. should state that this committee receives the portfolio quarterly
 - David Bahnsen should meet with this committee twice/year
 - Joyce & Crystal to draft changes then send to this committee for approval

4. Investment Policy Statement

- Investment Policy Statement was presented and left without resolution as some adjustments need to be made.
 - Remove Conflict of Interest from IPS
 - Remove Spending Policy, Additions and Distributions
 - UPMIFA (Uniform Prudent Management of Institutional Funds Act)
 - This is a standard of care under endowments; limitation of 7%
 - Need to clarify and update if the YMCA OC follows this standard
 - Joyce & Crystal will work on verbiage and email the committee

5. Funding Needs for PDF/CARES

- What is the Investment Committee's objective from the Finance Committee and the BOD?
 - Jeff stated 4% of investments each year is allotted to CARES/PDF but we have been funding from operations
 - Joyce will work on cash requirements and triggering mechanisms for putting more money in investments

Meeting Adjourned at 9:06am



FOR YOUTH DEVELOPMENT
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FOR SOCIAL RESPONSIBILITY

Board Governance MINUTES

June 19, 2019

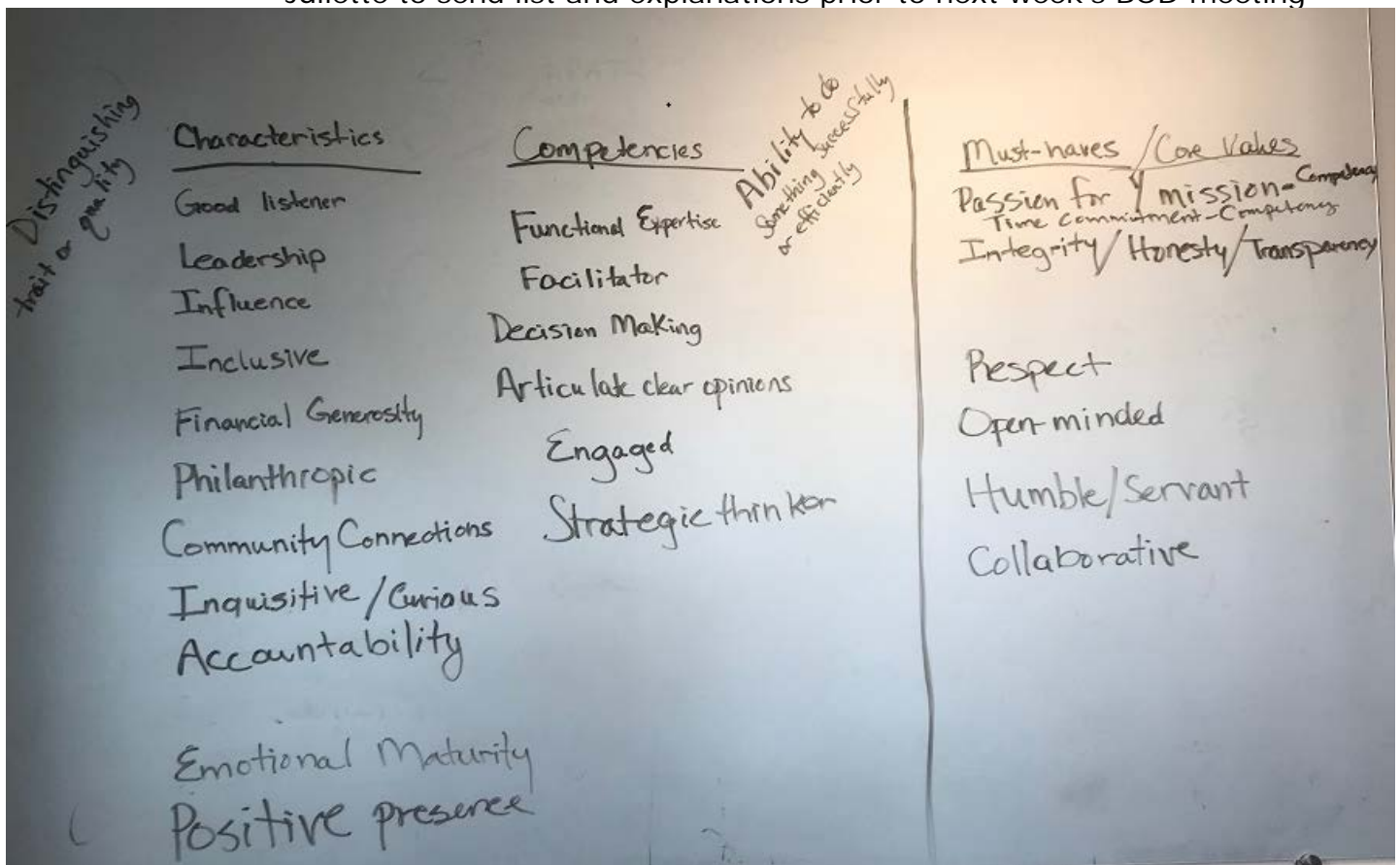
BOARD GOVERNANCE

Minutes June 19, 2019

Call to order 7:57am

Attendees: Juliette Meunier, John Rochford, Michael Hahn, Sean Peasley, Mike Proud, Jeff McBride, Crystal Immerman

- **Reschedule July 2019 Governance Meeting**
 - Crystal will send a doodle to committee for rescheduling
- **Characteristics/Competencies**
 - Characteristics should be must haves/core values
 - BOD meeting – start with blank slate/word cloud
 - Juliette to send list and explanations prior to next week's BOD meeting



- **Onboarding/Orientation Task Force**
 - Onboarding/Orientation Task Force should determine best practices for new BOD members, as well as existing BOD members (as a "reset")
 - Explain who we are and what our mission and purpose is

NEXT MEETING DATE JULY 8TH 4PM – 6PM

CHAIR: JULIETTE MEUNIER

- Explain our guardrails
- Educate members so they are comfortable and engaged
- 80% Interpersonal/20% execution
- This process should be done in phases/waves
 - 1 month, 2 months, 30 day sprints
 - After month 2 -task force should be able to identify a table of contents for the onboarding process
- BOD governance will give the task force direction for moving forward
 - BOD Governance to provide a quick list of “do’s & don’ts”, set initial boundaries
 - Suggested Task Force Members: 3 board members , Anna Romiti, Dolores Daly, Jeff McBride
 - Board Chair will be the facilitator of the orientation
 - Juliette will reach out to board members to discuss participation
 - Jeff will speak to Dolores & Anna
 - Once task force members are confirmed:
 - Task Force will be invited to the next Board Governance Meeting
 - Task force should set meeting dates (preferably after the first Mission Vision Values retreat) to begin
- **Board Governance Commission and Chart of Work**
 - All members agree to suggested changes outlined by Michael Hahn
 - Crystal will finalize the document and will provide at the next governance meeting for a vote to adopt

Adjourn 9:35am