



BOARD OF DIRECTORS MEETING AGENDA

Details

Date: April 30, 2020 @ 7:30am

Location: ZOOM:

<https://us02web.zoom.us/j/88178581811?pwd=cVBPUFNGWjNVNVZBMEVYYmFYKy9LZz09>

Presiding

Rosanna Coveyou, Board Chair

Call to order –Rosanna Coveyou, Board Chair

Invocation – Mike Proud, 5 minutes

Approval of Minutes – John Rochford, Secretary

- February 27, 2020

COVID Updates – Executive Leadership

- Business
 - Cash Flow
 - LOC
 - PPP
 - Reopening Plans
 - Facilities
 - CYD
- Secured Donations
- Current Programs
 - Maple Hill
 - Santa Ana

Committee Meeting Minutes - Attached for your information

Other Business/QA

Adjourn



BOARD OF DIRECTORS MEETING AGENDA

Details

Date: February 27, 2020

Location: YMCA OC – Board Room

Presiding

Rosanna Coveyou, Board Chair

Present: Rosanna Coveyou, David Lamb, Greg Custer, Jess Meyers, Michael Hahn, Mike Proud, Tony Spriggs, Rosanna Coveyou, Ryan Fessler, Sean Peasley, Lisa Alonso, Jeff McBride, Dolores Daly, Joyce Kirchhofer, Anna Romiti, Christine Salas, Crystal Immerman

Phone: Juliette Meunier

Absent: John Rochford, Minh Hoang, Don Saulic, Brian Constable

Call to order – 7:37am

Invocation – Mike Proud, 5 minutes

Presidents Report – Jeff McBride, 5 minutes

- Boy scouts have started to identify YMCA BOD members; Greg Custer has been nominated
- Project GROW: Crystal Immerman won employee of the quarter
- Anna Romiti was recognized for becoming an amazing leader

Approval of Minutes – Rosanna Coveyou, Board Chair

- January 30, 2020
 - Rosanna: Asked if everyone reviewed minutes, any questions
 - Dave Lamb motioned to approve the minutes as presented
 - Lisa Alonso seconded the motion
 - Approved, no nays or abstentions

Misc.

- Rosanna praised Mike Proud for his effort and leadership over the last few months with the Mission Vision Values process

Annual Campaign – Dolores Daly, 15 minutes

- AO's goals is \$823,500; currently at 59%
- BOD's goal is \$150,000; currently at 71%
- 100% of funds raised go back to our YMCA families
 - Anna shared a story from a mother who was touched by our fundraising efforts
- Social Media Took Kit
 - Annual Campaign Folders handed out
 - Overview of where to find documents and link on the BOD portal was given



BOARD OF DIRECTORS MEETING AGENDA

Consent Calendar

- Board Resolution – Childcare Designated Staff Change for Licensing – Kaycee Martin
 - Rosanna: Asked if everyone reviewed, any questions
 - Sean Peasley motioned to approve the resolution as presented
 - Michael Hahn seconded the motion
 - Approved, no nays or abstentions
- Board Resolution – Compensation Committee – CEO
 - Rosanna: Asked if everyone reviewed, any questions
 - Dave Lamb motioned to approve the resolution
 - Michael Hahn seconded the motion
 - Approved, no nays or abstentions

Mission Vision Values – Mike Proud

- VALUES
 - FAITH: Courageously living and preserving our Christian Principles
 - All in favor
 - RESPONSIBILITY: Owning our leadership roles
 - All in favor
 - RESPECT: Demonstrating openness and collaboration
 - All in favor
 - PASSION: Enthusiastically committed to serve
 - All in favor
- BODs MISSION STATEMENT: Advancing the YMCA's mission through vision and governance to ensure a strategic, sustainable and impactful organization
 - All in favor
- BODs VISION STATEMENT: Servant Leaders working together to be the best nonprofit board by:
 - Challenging the status quo with inspirational ideas
 - Promoting the brand and protecting its resources
 - Shaping strategic direction and priorities
 - All in favor

BRANCH BOARDS

- Jeff: We are going to bring branch boards back. We have a task team that will define the Mission Vision Values of the branch boards and will bring it back to this group.

Committee Meeting Minutes - Attached for your information

- Finance Committee, CARES Committee, Governance Committee, PDF Committee, Investment Committee

Adjourn: 8:42am

Maple Hill Evaluation Executive Summary

The Maple Hill Family YMCA (MH) located in Diamond Bar, Ca. was acquired by the YMCA of Orange County in the Asset transfer of the Pomona Valley YMCA in 2017. For the last 3 years, the YMCA of Orange County provided the full support of AO departments and operational expertise yet the facility is still struggling to retain a sufficient number of members to make the facility profitable. Total financial loss from 2017-2019 was <\$375,923> with an expected additional loss of <\$68,000> in 2020.

Facility Statistics and Comparison:

- YOC avg. 2,866 units per facility. MH current units is 393.
- YOC market penetration rate range 2.60%-4.23%. MH penetration rate 1.16%
- YOC facility usage ranges from 402-575 members per day. MH averages 34 members per day.
- YOC MB revenue per sq. ft. range from \$45.40-\$96.86. MH has an average of \$19.94.
- YOC MB retention ranges from 62.4%-67.8%. MH averages 50.7%

In 2019, we engaged GRO to do a full facility analysis and as part of their analysis, they reported the following:

- MH is small and outdated
- Current facilities in our portfolio range from 18,000-29,450 sq. ft. compared to MH at 3,658 sq. ft. The recommended space for an ideal YMCA is 40,000 sq. ft.+
- Initial recommendation is to replace/redevelop at a different location in the area
- The land is too small and not in a preferred location

Information on MH Property as prepared by CBRE in January 2020:

- Land area is 2.13 acres
- 27 parking spots
- 3,658 sq. ft. bldg.
- Zoned residential L/M
- Average broker opinion of land value is \$27.86/PSF (\$2,585,000). It is yet undetermined the impact the COVID-19 pandemic will have on the value of commercial properties, but the possibility of a decrease is likely.

Based on the current situation of the COVID-19 pandemic it is imperative that we look at every location and program for future viability, make informed decision as what we can, and should realistically be able to sustain in future operations. MH is not sustainable in the future and will continue to be a financial loss on an annual basis. The MH land can benefit this organizations ability to recover from this pandemic quickly and continue on the path of re-development of our other facilities in a timely manner. Based on all the information we have gathered the Executive Leadership Team is recommending the permanent closure of the Maple Hill facility, notification of members and staff by May 1, 2020 and sale of the property when appropriate.



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

April 17, 2020

**Finance Committee
MINUTES**

Conference Call

FINANCE COMMITTEE MEETING
MINUTES
April 17 @ 12:30pm

Present/Phone:

Sean Peasley, Brian Constable, Ryan Fessler, Minh Hoang, Jeff McBride, Dolores Daly, Joyce Kirchhofer, Christine Salas

Absent: Juliette Meunier

1. Review/Approve Meeting Minutes

Sean Peasley

- February 21, 2020
 - Brian Constable motioned to approved minutes as presented
 - Minh Hoang seconded the motion
 - Approved, All in favor no nays or abstentions

2. Financials

Joyce Kirchhofer

- March 2020
 - Joyce – Unprecedented times due to COVID 19
 - In mid-March we shut down all fitness facilities and closed all but 28 child care centers
 - Revenue for ½ of March for closed programs was moved to deferred revenue
 - Revenue decreased \$1.6M
 - Investments also had a massive loss but as things re-open the investment will start to build
 - Cash flows
 - Projected out the cash; exclusive of the \$10.5M investments
 - As of today – We have cash through June and then we would have to dip into the investment account
 - P&L Scenarios
 - Loss for April could easily end up being \$1.3-1.5M
 - Unemployment currently = approximately \$30K/week (after the 50% federal credit) and will likely increase as we just furloughed another wave of employees
 - The skeleton crew that we kept on is working a 4 day week and salary employees are taking a 20% pay cut
 - Brian Constable appreciates leadership's decision for this. Has there been any talk of possibly paying those employees back to make them "whole"
 - Leadership has discussed this possibility briefly but has not looked deeper into this (yet)
 - Sean – what are the biggest fixed items that are contributing to that loss
 - Payroll (biggest number)
 - Rent
 - Contractual obligations with software

- Joyce: We have talked to the majority of our vendors to see if we can get credit or discount
 - Insurance carrier said it could take up to 60 days to see what the discount would be
 - Workers Compensation - The WCIRB is allowing a special WC code for employees working from home. We are also working to reduce our premium payments due to the substantial decrease in payroll
- Sean: Are we looking at what it looks like in the best- and worst-case scenario?
 - Joyce: We have calculated many different levels but now will be looking at other scenarios
- Sean: At what point do we reduce the workforce even more?
 - Leadership is constantly/daily looking at this and we are very sensitive to the costs
 - FYI the ASES grant is still paying for those specific employees
- Ryan: Are the payables increasing
 - Joyce: Yes. We have been working with all of our vendors and have approximately 50-60 who have agreed to payment arrangements, some have given us credits and some are deferring our payments
- Brian: Offered a suggestion to paying the interest on the loans
 - Joyce will look into that vs deferring the payment

3. SBA/PPP Loan

Joyce Kirchhofer

- We did apply under guidelines that we felt were okay and the loan was approved but our attorney looked at it and we over the 500 headcount. Therefore, we have withdrawn the application as of this morning
- In order to apply for this loan, we were required to open up a checking account with Farmers and Merchant Bank and would like to keep it open
 - Brian motion to keep the FMB checking account open
 - Ryan seconded the motion
 - Approved, all in favor no nays or abstentions

4. Line of Credit

Joyce Kirchhofer

- FMB and Wells provided term sheets for a LOC
- Don Saulic suggested a “margin account loan”
 - There are no fees and the only thing we would pay is interest
 - Term is open and we could draw 60-70% of the value of in our investments
 - The fed funds rate plus 1%, with the 1% going to Fidelity
 - Currently the rate would be about 1.25%
 - Bahnsen has waived their fees
 - Brian: I think it’s fine to leverage out our own funds to avoid a shortfall of cash
 - Joyce anticipates having to draw on this when cash run out in June
 - Brian Constable motions to approve the “margin account loan”

- Ryan Fessler seconded the motion
- Approved, all in favor no nays or abstentions

5. Stimulus Funding

Joyce Kirchhofer

- See “Loans and Grants” from YUSA in Finance packet for all details
 - SBA Loans (see above minutes; application withdrawn)
 - Industry Stabilization Loan
 - Doesn’t make sense for us at this time
 - There is no deadline for applying so we will continue to look into this
 - SBA Economic Injury and Grants
 - YMCA does not qualify
 - Employee Retention
 - Doesn’t make sense for us to apply, paying staff while not working
 - We would only get a \$5K credit and would spend more money trying to get the credit
 - Emergency Unemployment Relief
 - We automatically get, handled through the state
 - Employer payroll tax deferral
 - We are (currently) not doing this
 - We can invoke at anytime
 - Family First Coronavirus Act
 - We do not qualify

6. Maple Hill

Dolores Daly

- Email summary was sent to this group and is available by request
- Maple Hill serves 393 units and it is not the right facility
- This location was transferred to us for free during the asset transfer from Pomona
- We have lost \$376K cumulatively and will lose another \$68K for this year alone
- We would like to recommend to permanently close this facility; we would need to notify staff at the beginning of May
 - Ryan Fessler motioned to approve the closure
 - Brian Constable seconded the motion
 - Approved, All in favor no nays or abstentions
- We are also looking at the same scenario for Santa Ana and Huntington Beach
 - We will report back to this group once we have detailed numbers

7. Other Business

- UCI employees got an increase/premium pay of \$2/hour because of the risk
 - Sean – did they sign a release?
 - Dolores: Yes, we have a specific COVID 19 releases and liability waivers
 - a. Staff AND parents signed

Adjourned at 1:25pm



FOR YOUTH DEVELOPMENT
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY

April 24, 2020

**Executive Committee
MINUTES**

ZOOM/Conference Call

FINANCE COMMITTEE MEETING
MINUTES
April 24 @ 2:00pm

Present/Phone/ZOOM:

David Lamb, Rosanna Coveyou, Juliette Meunier, Mike Proud, Michael Hahn, John Rochford , Jeff McBride, Dolores Daly, Joyce Kirchhofer, Christine Salas

Absent: Sean Peasley

1. Line of Credit

- Fidelity “margin account loan”
- There are no fees and the only thing we would pay is interest
- Term is open and we could draw 60-70% of the value of in our investments
- Joyce anticipates having to draw on this when cash run out in June
- This has been discussed with Finance Committee; all members approved on 4/17/2020
 - David Lamb motioned to approve
 - Rosanna seconded the motion
 - Approved, all in favor no nays or abstentions

2. Farmers & Merchant Bank Account

- In order to apply for the SBA loan an account with F&M was needed. YOC would like to keep this account open for potential future use
- This has been discussed with Finance Committee; all members approved on 4/17/2020
 - David Lamb motioned to approve
 - Rosanna seconded the motion
 - Michal Hahn abstained
 - Approved, all in favor no nays and 1 abstention

3. Maple Hill

Dolores Daly

- Email summary was sent to this group and is available by request
- Maple Hill serves 393 units and it is not the right facility
- This location was transferred to us for free during the asset transfer from Pomona
- We have lost \$376K cumulatively and will lose another \$68K for this year alone
- We would like to recommend to permanently close this facility; we would need to notify staff at the beginning of May
- This has been discussed with Finance Committee; all members approved on 4/17/2020
 - John Rochford motioned to approve the permanent closure of Maple Hill
 - David Lamb seconded the motion
 - Approved, All in favor no nays or abstentions

Adjourned