

# ABCF Executive Board Meeting

## April 16, 2012 3:00pm

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Meeting called to order at 3:07

Present:

Mike Ritter, Pete Kelley, Boyd Horne, Bill Gerrish, Rick Cohen and Penny Burciaga

1) Mike met with Vicki Book and Mary about the payoff or forgiveness of the Loan. In 2007 ABCF made a \$25,000 loan to the Civic Association for some additional post construction needs. Terms are \$2,000 payment per year. Balance is \$17,399.

Options presented are:

- 1) Forgive the loan
- 2) Reduce interest rate which is currently on the high side in today's market.
- 3) Forgive the loan in lieu of 15 years free rent \$1200 year.

Option 3 is a win/win for both ABCF. As a Fiduciary, Mike didn't think there was anything illegal about the option. ABCA would actually gain \$800 more a year. Pete is in favor of reducing the interest rate, and Mike and Boyd are in favor of forgiving the loan. This also saves us bookkeeping and administrative tasks.

Pete made a motion to reduce the interest rate – there was no second. Recommend to the Board that we go with Option 3. Boyd, Mike and Bill voted yea, Pete opposed. Recommendation will be shared at ensuing full board meeting for final determination.

2) Mike will work with Rick on an evaluation for the Executive Director and an evaluation for the Board. The Evaluation period will be January-December, 2012. The form will be available in November, 2012.

The Executive Committee adjourned at 3:28 pm.

# ABCF Board Meeting

## April 16, 2012 3:30pm

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1. Board Meeting was called to order at 3:29 pm.
2. Pete conducted Roll call:  
Boyd Horne, Mike Ritter, Bill Gerrish, Pete Kelley, Patty Andreen, Chris DeWeese, Lucinda Borchard, Maridel Salisbury, Carolyn Morton, Rick Cohen and Penny Burciaga were present. Absent were Michael Ginn, Julian Varela, Jim Becker and Justin Hodges.
3. Quarterly UBS Portfolio Investment Report  
As of 3/31 – The total value of the portfolio \$1,856,900  
Conference Call – comments by Kevin Sanchez, UBS Advisor

Our portfolio has seen growth the last two quarters. We are no longer in a recession and our economy is doing better than expected. Our portfolio is nicely balanced and has done a good job of meeting the benchmarks. Kevin is not concerned about any of the fund manager, nor is he recommending any changes in our allocations, and we are on target with our goals. Portfolio is up \$146,000 from the end of 4<sup>th</sup> quarter, 2011.

4. Bill made a motion to accept the financial report, Pete seconded. All approved.
5. Reviewed proposal from the Civic Association. See Executive Board meeting minutes for details on the options. The Executive Board is recommending that we go with option 3 to forgive the loan in lieu of 15 years free rent. Patty suggested that we let them know that essentially we are subsidizing their finances and we would expect that they would be asking us for \$800 per year less in grant funding.

Lucinda made a motion to accept option #3, Maridel seconded. All agreed with the exception of Pete Kelley.

6. Mike Ritter reported on an evaluation procedure and form that he will work on with Rick. Mike will send out the format to the Board for feedback on the form. The form will be presented at the November board meeting for review and discussion.
7. Rick reported on some community correspondence and outreach from Bellevue School, People's Self Help Housing and the Cancer Well-Fit Program, thanking the foundation for their support through our matching gifts initiative.
8. Mike reported on the Trustee Outreach letters. We have very few responses. Lucinda and Chris are sending out letters in the next few weeks.
9. Reviewed responses from Town Hall Forum evaluation. The next strategic step is to peruse the list for those people who the Board has the best relationships with, and then pursue opportunities for further discussion.

There were also respondents interested in bringing some projects to fruition. This would be a logical next step for us in a fundraising plan. Projects are a good way to build those relationships and eventually work our way up to estate giving. Community gardens, a dog park, and creating a golf cart friendly Avila Beach are among the most popular of the projects. Patty suggested that we look for trends in the interest for projects on which we can move forward. Lucinda suggested that we really focus on the small groups to further flesh out the interests and passions in the community. Boyd gave some history of the previous projects that the Board has initiated, such as the Community Center and the Trolley. Pete suggested that the Avila School House history center could be a legacy project that the foundation could move forward with. Patty said that she would be interested in working behind the scenes to utilize her knowledge of the County Office of Education to help move the School House project forward. Chris suggested that the Dept. of the Interior could be a resource for the School House project. The consensus is that the board is behind the School House project and it's a project that the community could rally behind.

10. New Trustee Recruitment update: Mike Ginn is still working on contacts with Ed Herrera and Percy Jones.

Rick phoned Terri Frank from Chevron. Terri is still interested, but she needs another six months to work through some other projects. She would like to observe our 2013 grant process to gain a greater understanding of ABCF.

11. Penny reported on Avila History and Heritage. Due to a conflict in events with the Sea Life Center, we are now partnering with the Sea Life Center for the first lecture. The event will start at 6pm at the Sea Life Center for music, wine and cheese. Guests will then take a free Trolley ride over to the Community Center for the lecture. Mike Ritter will MC the event. We have 60 registered and Penny will be sending out another promo email this week. We expect to end up with 70-75 people, which is a very good showing for this first event.
12. Discussed Avila Trolley proposal to reduce yearly service and expand service during the busy season. The RTA Board is meeting to discuss and the board agreed that their proposal makes sense. Rick will report back to RTA that we are in agreement.
13. Penny reported on Social Marketing Strategies. The subscribers to our monthly email have increased as well as website traffic. This is partially due to our recent events. Rick does receive responses back from his e-newsletter column, so this demonstrates that subscribers are engaged and interested in the subject matter. Penny will work on building up our Facebook page in the coming months.
14. Rick reported on the Front Street trash receptacles project. The problem is that there are not enough trash bins along the sea wall boardwalk. Anne Brown spoke to Susan Devine and Susan has pursued the issue with Rick to see what the Foundation and community could do. The purchase price for six receptacles is \$4200. Businesses are being solicited to donate one half the cost for each receptacle, with the other half being matched by funds remaining from last year's initiative. The goal is to get the receptacles placed by Memorial Day weekend. The County will waive any permit fees and Parks and Rec. will pick up the liners as part of the regular duties during the busy season. The rest of the year, the business that co-sponsors the trash receptacle would need to pick-up the trash during the slow season. The receptacles will have a plaque recognizing the foundation and the businesses.

15. Update on talks with ABCA/ABCSD/SLO regarding the Community Center. The Civic Association is concerned about deferred maintenance for the building. The CSD made it clear that taking over the maintenance wasn't financially doable. Mike said that SLO County Supervisor Adam Hill indicated there must be a defined benefit to the County in order to assume financial liability for the Community Center. The Civic Association will need to take the initiative to pursue the proposal with the County and produce the financial benefit reports. A lease-back option is one of the possibilities.
16. Mike reported on the Board financial contribution letters. He asked all Trustees to step up and contribute something, regardless of the amount.
17. Mike reported on the financial reports required as per the bylaws and reviewed the comparison between Year End 2011 and Year End 2010.

Mike also discussed investment portfolio projections and assumptions of income and gains less expenses and grants. From Mike's projections we can see that we are seeing the corpus slowly eroding, but the end result is that in 20 years we will not be in disaster mode. The projections also show that we need large estate gifts in order to be sustainable long term. Rick is making progress with Richard and Kathy Zacky of Zacky Farms. The Zackys bought a house in Avila (Heron Crest) and have a family foundation. Rick met with the Zackys and shared ways they could help the Foundation. This is an example of being aware and "chumming the waters" to look for opportunities in line with our Foundation's mission. Trustee community outreach can really make a difference, so all are encouraged to participate.

18. Mike reported that Patty Andreen has offered to take a look at existing Foundation bylaws to see if any outdated practices and policies need attention or revision. Boyd volunteered to work with Patty on the project since he has the history on the bylaws and articles.
19. Discussed Planning Retreat for February or March of next year.
20. Meeting adjourned at 5:25pm.