

**Avila Beach Community Foundation
Board Meeting – July 19, 2018 – 5pm
Avila Beach Community Center
MEETING MINUTES**

Trustee Members Present:

Vice President: Mike Ginn
Secretary: Gary Maier
Treasurer: Richard Zacky
Bev Aho
Brooke Salvini
Lucinda Borchard
Cyndy Lakowski
Barbara Nicholson
Ellen Pitrowski
Saul Goldberg

Staff:

Executive Director: Rick Cohen
Project Specialist: Paula Dempsey (outgoing)
Project Specialist: Stephanie Rowe (incoming)

Other

Kevin Sanchez – UBS

Trustee Members Absent

Lisa Ritterbuck
Percy Jones
Paul Prather

1. **Meeting was called to order at 5:02 pm by Mike Ginn**
2. **Roll Call by Gary Maier**
3. **Introductions -**
 - a. Rick Cohen introduced Stephanie Rowe who will be transitioning into the role of Project Specialist.
 - b. Rick Cohen thanked Paula Dempsey for her excellent work as Project Specialist for the past 3 years, wished her well and presented a gift from the board.
4. **UBS Mid-Year Portfolio Investments Report by Kevin Sanchez:**
 - Portfolio Value as of 6/30/18 was \$2,171,855 – Down .03% YTD and Up 8% in the past 12 months as of 6/30/18
 - Stock market has had a phenomenal run since the downturn in 2009
 - The Foundation portfolio performance was down slightly during the 2nd quarter of 2018 due to the increased volatility in the overall market
 - Over course of the next decade, Kevin anticipates the Domestic Market will be up approximately 5-7% annually, the International Market up 6.5-8% annually and the Emerging Market up 9-11% annually
 - Kevin is comfortable with the current investment strategy, but will come back with recommendations if the market changes

**Avila Beach Community Foundation
Board Meeting - July 19, 2018 - 5pm
Avila Beach Community Center
MEETING MINUTES**

5. Consent Items:

Gary Maier made a motion to accept the following consent items, Cyndy Lakowske seconded, and all approved.

- a. Minutes of April 2018 Board Meeting
- b. March/April/May Financial Reports
- c. UBS 2nd Quarter Investment Report - \$2,171,855 value

6. Activities and Project Updates:

a. Avila Beach Public Art Phase II Update

- After receiving the proposal from ARTS Obispo for up to \$6,800, Gary Maier volunteered to be the project manager
- Gary, Rick C. and Paula met with ARTS Obispo and they agreed to a reduced scope of work (RFP/Call to Artists and handling the judging process), but they aren't able to start the project until at least October
- The board discussed the following options:
 - Move forward with the project without using ARTS Obispo
 - Wait for ARTS Obispo to have the time to work on the project in October or November
 - Other art organizations/individuals that could facilitate the project. Barbara Nicholson suggested the California Arts Council who she is working with on another project. Another option might be Angela Tahti, former Executive Director of ARTS Obispo, who worked on the 1st Project to see if she is available on a free-lance basis
- The board concluded that first choice would be to work with ARTS Obispo, so Gary will reach out to them to see if they would make a firm commitment to starting work on the project in October/November. Gary will keep the board posted.

b. "Avilones of Distinction" Plans

- In celebration of 20 years of service, the Foundation is hosting an "Avilones of Distinction Awards" program. It is not intended to be an annual event, but it may be done again at other milestone years
- The information and nomination form will be posted on the Foundation website by August 1st
- Nominations are due by October 1, 2018
 - Community members will be able to nominate Avilones for three categories: Volunteerism, Philanthropy and Leadership
 - It is not intended to be a popularity contest, so names will be redacted, and voting will be based on their efforts/deeds
 - A committee will review and select the winners from the submissions

**Avila Beach Community Foundation
Board Meeting – July 19, 2018 – 5pm
Avila Beach Community Center
MEETING MINUTES**

- The award will be a \$500 donation to an eligible Avila non-profit on behalf of each winner at their choosing.
- The program will be promoted through the monthly email newsletter, the Avila Beach News, website and Facebook page

c. Meet the Agencies Showcase Update - Rick C. reported that due to staff changes and the delay in the public art project the event will be postponed until February 2019.

d. ABCF Marketing Report

- Posting periodically on Facebook regarding Foundation news, events, grantee updates, etc.
- The email list for Rick C.'s monthly news has approximately 375 subscribers and continues to average a 40% open rate

7. Foundation Reporting, Planning and Action Items:

a. Select Interim Board President for Remainder of 2018 - Mike Ginn volunteered to continue chairing the meetings until the end of the year.

a.1. It's time to begin thinking about recruitment for new Trustees for 2019 – There are three vacancies, so Rick C. encouraged the board to think about who may be a potential fit for the board. The terms are for three years. Trustees must either live in, own property in or have a business in Avila Beach. Board members can submit their Prospect Recommendation Forms to Rick C.

b. Results of Caliber's Financial Review of ABCF

Brooke Salvini and Richard Zacky reported on the findings of the financial review with Caliber Audit. Cost of review was \$7,500.

- Overall, the report was very positive and there were no significant operations or accounting issues identified
- The following items (per the report) were recommended for consideration to help strengthen the internal controls:
 - Restricted Net Assets: Separate net asset accounts be established by designation
 - Unrealized Gain/Loss: Create a new account which is classified as revenue/expense rather than recording directly to equity
 - Accruals and Prepaid Items: Accrue expenses as liabilities in the period which they incurred
 - Several general recommendations around cash and investments, cash disbursements, acknowledgement letters and in-kind donations

**Avila Beach Community Foundation
Board Meeting – July 19, 2018 – 5pm
Avila Beach Community Center
MEETING MINUTES**

- The board discussed how often this type of review should be done. Given the fact that the report was positive and there were no significant issues, it was determined that every 5 years should be adequate.
 - Lucinda Borchard moved to accept the financial review, Bev Aho seconded and all approved.
- c. 2017 Tax Filings in Progress** – Rick C. reported that the filing was delayed due to the financial review. An extension was filed, and he is now working with the tax accountant to prepare the 2017 taxes.
- d. Letter from Civic Association re: Staffing Change** – Grantees are required to notify the Foundation of any significant change in their operation. The Avila Beach Civic Association recently made the Foundation aware that they have hired an Associate Director, Marina Searcy. In order to cover the increased salary expenses, Executive Director Mary Foppiano originally reduced her hours/salary. However, since then the Civic Association board has elected to cover the extra salary costs thru the end of this year.
- e. 2019 Grant RFP Announced**
- The grant process is now open and the information and application are on the Foundation website for downloading
 - Applications are due by Monday, September 17, 2018
 - Notifications have been sent to those organizations and people who have previously submitted applications or expressed interest in the past
- f. Surfrider Foundation 2018 Grant** – The organization has successfully leveraged the Foundation’s matching grant of \$1,000 to receive \$5,000 from CFSLO (Community Foundation San Luis Obispo County).

8. Other Business:

- a. Any Feedback on Trustee Business Card Outreach?** – Rick C. passed around the business cards. He encouraged the board to continue to reach out to three Avila residents to introduce them to the Foundation to help increase awareness and engagement.
- b. "Thinking Outside the Box" Session** –
- **"If I could alter the Foundation grant-making program, it would look like"**: Due to time constraints, this item was not discussed.

9. Adjourn Meeting – Mike Ginn adjourned meeting at 6:44pm.

<p>Next Board Meeting is Thursday, October 18th at 3:30pm Grantee Interviews Session</p>
--