

FINANCE COMMITTEE MEETING
CV Starr Community Center
300 S. Lincoln Street
Fort Bragg, CA 95437
Tuesday, May 3th, 2011
9:00 a.m.

Meeting Minutes

1.0 David called the finance meeting to order at 9:00 am. Committee member present was David Yeomans and Harold Sipila. Also present were committee members: Jim Hurst and Beth Pine. Melissa Ivankay was also present.

2.0 M/s/c Yeoman-Sipila to approve the agenda as presented.

3.0 Public Comment: None

4.0 Correspondence:

5.0 Information/Discussion:

5.1 Cash flow report: Jim said that the cash flow now represents the fiscal year minus the additional month of December, 2010, that was part of the cash flow, but was causing the numbers to be inaccurate. He also noted that the property tax advance would not be available until the first week of July, when the original plan was for June. Jim said he would make that change in the cash flow and devise a plan for the shortfall in operating capital.

5.2 SCORE II Fund Raising Effort: There was some initial discussion regarding promotional swim passes for summer visitor revenue. Melissa is following up on the pledges that were not being realized for various reasons and she has been able to clean up the errors. She noted that a volunteer was needed to “clean up” the data base. Melissa said she has talked to someone about web design. She also noted a staff person who may be able to make updates to the web page.

5.3 Revenue Enhancement and Expense Reduction: Jim talked to MCDH about the physical therapy program, and asked for a guaranteed amount of revenue generation, and is looking for at least a \$500 per month revenue guarantee. There was some discussion regarding the constraints of the exclusivity involved for the minimal revenue generated. David thinks that the District needs to take a stand regarding the constraints that would be imposed by an agreement with MCDH. If the exclusive use could be overcome, or a reasonable rate established, then it would be a negotiable contract.

5.4 Preliminary Budget for 2011-2012: Jim presented the committee with a draft preliminary budget. Jim has made some assumptions in the budget due to the fact that the financial statements are not broken down to accurately reflect cost centers, although

they are getting nearer and will continue to be modified. Jim also noted that this budget returns the pay reductions and pays an administrator's salary for the Starr Center. He said that the program coordinators and staff will be giving him their recommended budgets, and more changes will be made based on what he receives. David asked how the payment of this year's expenses being paid from next year's revenue affects this year's budget. Harold noted that the budget assumes that the District is starting from zero. Beth said that she thought this year's budget should reflect a drop in property tax revenue based upon last year's expenses being paid. David noted that the preliminary budget is a tool to see what the shortfall is and what it will take to run the District. David noted that the budget will need to be balanced largely by money raised rather than cuts, since it would not be possible to make enough cuts to balance the budget and run the District. There was some discussion regarding programs in the South Coast. Melissa wondered about the possibility of revenue from programs on the South Coast. It was agreed that there should be more revenue allocated to the South Coast and a dedicated staff person for program development, in collaboration with RCRC. There was some discussion about the reality of revenue from donations and pledges being so much higher for next year compared to the current year. Jim noted that the first payment from a property tax initiative will not be realized until next fiscal year. David said that we can't start spending money at accelerated rate until the public have an opportunity to vote on an initiative, and so we have to continue with the cuts, etc, until that point. David said that the budget of real operations should be kept in place, but a budget that is balanced or nearly balanced should also be presented for adoption. Jim said that he thinks a recommended budget should be presented that is closer to being balanced, but that the budget that is needed will remain on the document, that shows the staff positions that are needed and the salaries that need to be restored. Jim will work on quantifying an amount to restore salaries an adjustment of individual positions. David agrees that we cannot show our donations and pledges to be more than last years. Jim does not think it is unrealistic to keep the SCORE pledges at \$360,000. Jim said that he would make modifications and prepare a personnel cost.

5.5 Financial Statements for February and March, 2011 was tabled to next Finance Meeting.

6.0 Next meeting will be held on May 17, 2011 at 9:00 am.

Meeting adjourned at 10:40 am.

Respectfully submitted,

Beth Pine
Acting Secretary to the Board