



Board of Directors Meeting Minutes
April 20, 2016
Foothill Suite, 3rd floor: University Union

1. **Call to Order, ASI Student Representative, Secretary/Treasurer - 7:37 a.m. Mark Anthony Sohl**
Present: Adrianna Bolds, Alyssa Trejo, David Rolloff, Ed Mills, Mark Anthony Sohl, Missy Anapolsky
Also Present: Bill Olmsted, Jill Farrell, Kate Smith, Leslie Davis, Natalie Andrews, Krista Knifsend
Absent: Ali Izadian, Kisanet Woldeyohannes, Lindsay Ruth Vampola, Dean Sorensen
2. **Time Certain: 7:30a.m. 990 Tax Presentation: Christy Norton, Principal; K Coe Isom**
 - A. Norton reviewed the 990 Tax Form. She began with Schedule M, which has been passed out to everyone. She stated that the non-cash contribution has been corrected. This marks the only change in the packet since it was emailed out to everyone.
 - B. The 990 tax form shows unrelated business income of \$110,839. Norton stated that if the mission is being served then this amount is non-taxable. The mission can be seen on Page 2 of the form. Unrelated business income is any activity that does not relate to the mission. Expenses may be offset for this. Farrell clarified that the main unrelated business expenses come from alumni in the form of items such as WELL memberships and intramural leagues. Norton then stated that the overall basis on this tax return is a loss. When there is a net loss, then no taxes are owed. Therefore, there are no taxes calculated on this return. *(MSP: Anapolsky, Trejo)*
3. **Public Comment: None**
4. **Consent Calendar:**
 - A. **Approval of Board of Directors Meeting Minutes – March 30, 2016**
 - i. Davis stated that there were some numbering issues with the format of these Meeting Minutes that occurred when it was joined with the packet in the file. This will be adjusted. It affected only the format and all that is written will remain the same. *(MSP: Anapolsky, Trejo)*
5. **Old Business:**
 - A. **Reserve Policy: Davis**
 - i. Davis stated that the Reserve Policy is being brought back for approval. During the Budget and Finance Committee meeting, there was an issue found that has since been corrected. When calculating reserves, the funds utilized should be undesignated funds. There was a correction made to remove the Local Repair and Replacement in the calculation of our available reserves. In addition, instead of stating .50 and .5, the policy will now state 50% and 5% to provide more clarity. *(MSP: Trejo, Anapolsky)*

B. Budget 2016-2017: Davis/Farrell

i. 2017 Wage Scale

- a. Farrell presented the 2017 Wage Scale. There is a minimum wage increase proposed January 1, 2017. This will provide a fifty cent increase after January 1, 2017. The impact on the budget for the six months between January and June 2017 is \$47,098.
- b. Benefit rates increases for Kaiser, HealthNet, and Dental total will impact \$62,212 in the 2016-2017 budget.
- c. The U.S. Department of Labor proposed changes to the Fair Labor Standards Act White Collar Exemption Regulations, which would set salary thresholds for full-time exempt employees. It is not certain if this will pass, but if it does then the salary for these employees must exceed a certain amount for them to not be eligible for overtime. Davis stated that this would impact their vacation greatly if the employee were to change from exempt to non-exempt. This could cause a lot of turnover within the organization. Because of this, they are currently working with UEI on this matter and reviewing from a global perspective. Mills added that this affects the whole university and not just Union WELL Inc. This impacts the budget of \$92,830 for these potential salary changes.

ii. Operating

- a. Hours of operation for the Union has no changes.
- b. The WELL will be closed Memorial Day 2017 and will have adjusted hours for the Martin Luther King Junior holiday.
- c. There are personnel changes reflected in the 2016-2017 budget for the Executive Director, Union Event Services Manager Operations, IT Technical Supports Specialist, WELL Intramural Coordinator, WELL Administrative Assistant, Event Services Reservations Manager, and two Building Maintenance Specialist positions.
- d. There is a 3% salary increase worked into the budget, which amounts to \$94,305, which is not guaranteed but still planned for.
- e. WELL membership rates will remain the same. They are currently researching and analyzing market rates to ensure they are not priced out of the market. This will be readdressed in the fall. Prepaid alumni rates will remain the same at \$16 per month.
- f. Farrell showed the approved 2016-2017 rates for University Invoice and campus cost allocations.

iii. Capital

- a. The total Capital (70) in the budget for 2016-2017 is \$142,293.
 - 1. In 5210-70-8000, there is a total of \$115,590.
 - (a). This includes: an articulating lift (\$58,590), outdoor strength renovation for turf and additional equipment (\$30,000), Terrace Suite Wall Plate Signage (\$4,000), Water Bottle Filling Station in the Brown Bag area (\$3,000), Cell Phone Charging

Stations (\$5,000), and Braille Signage Project in the Union (\$15,000).

2. In S220-70-8000, there is \$0 allocated.
3. In S230-70-8000, there is a total of \$10,058.
 - (a). This includes: Gum Remover Equipment (4,340) and Additional Blueprint Holders (\$5,718).
4. In S250-70-8000, there is a total of \$16,645.
 - (a). This includes: WELL Camera Addition (\$2,145), Multimedia Box WELL Event Services (\$4,000), Gallery Music System (\$5,500), and In-Ear Monitor System for UNIQUE (\$5,000).

iv. Repair and Replacement

- a. The total Repair and Replacement (80) in the budget for 2016-2017 is \$503,590.
 1. In 2-5210-80-8000, there is a total of \$241,575.
 - (a). This includes: University Union T2003 Condenser Unit Relocation (\$10,000), Replace Fitness Equipment (\$210,775), Replace Crash Pads Climbing Wall (\$7,000), Replace Water Bottle Filling Stations in the WELL (\$5,000), Event Services Table Replacement (\$4,500), Replace Event Services Customer Side Chairs (\$1,500), and Replace Event Services Desk Chairs (\$2,800).
 2. In 2-5220-80-8000, there is a total of \$10,645 which includes the University Union Corbin to Medeco Key Replacement in Food Services (\$10,645).
 3. In 2-5230-80-8000, there is a total of \$37,895.
 - (a). This includes: WELL LED Lighting Upgrades in Cardio/Fitness Floor/Studios (\$13,746), Chariot Vacuum Replacement (\$11,935), Union and WELL Radio Analog to Hybrid Analog/Digital Refresh Project 2/3 (\$9,214), and Gallery Lighting and Additional Fixtures (\$3,000).
 4. In 2-5240-80-8000, there is a total of \$5,000 which includes Art from Art Fund Terrace Suite and Student Purchase Awards (\$5,000).
 5. In 2-5250-80-8000, there is a total of \$208,475.
 - (a). This includes: University Union South Dock Camera Refresh (\$8,234), Workstation Refresh (\$36,981), WELL Digital Signage Refresh (\$32,567), NVR Replacement (\$23,890), Campus TeleVideo Head-End Consolidation (\$3,303), Replace Group Fitness Studio Stereos in Klamath and Feather (\$15,000), Terrace Suite AV Upgrade (\$50,000), Redwood Room AV Upgrade (\$20,000), Large Format Printer (\$14,500), and Replace Terminal Lounge TVs (\$4,000).

v. Capital Repair and Replacement

- a. The total Capital Repair and Replacement (TBU01) in the budget for 2016-2017 is \$335,075.

1. This includes: University Union Hinde Carpeting (\$10,575), University Union Valley Suite (\$8,500), Ballroom AV moved from 2015-2016 budget (\$300,000), University Union South Walkway Repairs (TBD), University Union Basement Stair Retread (\$9,000), and WELL Performance Center Floor Replacement (\$7,000).

vi. Reserves

- a. Below is a summary of the reserves that Farrell reviewed:

Undesignated Reserves

Revenue Fund (Projected)	\$11,140,252
Local Reserves (Projected)	<u>\$8,004,925</u>
Total Undesignated Reserves:	\$19,145,177

BOD Policy requires	1 year debt coverage =	\$5,075,825 and
	6 month operating =	<u>\$4,002,463</u>
Total BOD Policy Requirement:		\$9,078,288
Avail Undesignated Reserves		\$10,066,889

Designated Reserves

Repair and Replacement Fund (Projected, Local)	\$2,567,101
Capital Repair and Replacement (Projected, TBU01)	\$1,912,021

- vii. Sohl asked if there is a preference between approving the 2016 -2017 Budget in one blanket motion or individually. Anapolsky suggests it is done at once and Mills agreed. Sohl asked for objections to this. There were no objections. The 2016-2017 Budget, which included the 2017 Wage Scale, Operating, Capital, Repair and Replacement, Capital Repair and Replacement, and Reserves were passed. *(MSP: Bolds, Trejo)*

C. Expansion Update: Olmsted

- i. Olmsted stated that the floor plans for the Union are locked down. There still may be some minor adjustments to be made, but the overall layout and structural components is complete.
- ii. Recently, the Architects found out that the entire building would have to be brought up to fire code, which means the building would have to add sprinklers throughout the entire building. This is a massive undertaking, but important for safety. This process will be completed in a five year phase to soften the impact on the budget.
- iii. Olmsted then showed the most recent renderings on the projector. The new part of the building will incorporate design touches that incorporate some finishes to tie to the old side of the building. It also will do the same with the WELL in the form of a mesh sign, similar to the one that they have.

D. Board Elections for Chair of the Board, 2016-2017

- i. Sohl stated that nominations and self-nominations will be accepted for the Chair of the Board 2016-2017.
- ii. Trejo nominated herself. There are no other nominations at this time. Sohl closes nominations. Anapolsky seconds the nomination for Trejo. Motion is passed and Trejo is nominated to the Chair of the Board. Davis will send this to President Nelsen for approval.

6. New Business:

A. Advisory Groups and Committee Charges

- i. Due to time constraints, Davis requested to table until fall. *(MSP: Bolds, Trejo)*

B. Summer Operating Committee

- i. Davis stated that during the summer, advice and counsel may be needed due to decisions with construction. If money is asked for then it would be important to have Board support. Davis showed on the projector who has agreed to be a part of the Summer Operating Committee *(MSP: Bolds, Anapolsky)*

C. Audit Committee 16-17 Appointment

- i. Davis showed who is on the Auditee Committee for 16-17. *(MSP: Anapolsky, Trejo)*

D. Meeting Dates 2016-17: Davis

- i. Davis presented the meeting dates for 2016-2017. *(MSP: Trejo, Bolds)*

7. Reports and Comments

- A. Board Members (No reports or comments given)
- B. Executive Director: Davis (No reports or comments given)

8. Information

- A. The WELL: Smith (as distributed)
- B. University Union: Sorensen (as distributed)

9. Adjournment: 8:45am



Respectfully Submitted

9.14.16

Date