

FICRA BUILDING TRUST BOARD OF DIRECTORS MEETING MINUTES
Process, Policy, and NCC Rental Rates Special Meeting
Sunday May 30, 2021

TRUST Board Attendees: Craig McLaughlin, Arlyn Lawrence, Howard Stapleton, Jim Braden (Building projects manager), Hal Goodell, and Gina Olson all in attendance.

Meeting started at 12:30 pm at the NCC front classroom.

Howard opened the meeting with the purpose of this meeting is to formulate process, policy, and documents in regard to usage of the NCC building. (The finance committee will, at a separate meeting, be proposing the rates, which the Trust will vote on.)

Our guiding principles in making these decisions are led by the following:

- We want to maximize both the availability and the use of the NCC for all Fox Island residents.
- For smaller recurring events, it will be the Board's intention, consistent with #1, above, to simply cover the Trust's costs for those rentals.
- For larger non-recurring events (weddings, graduations, parties, etc) it will be the Board's intention to not only cover the Trust's full costs, but provide additional revenue to help fund reserves for future replacements, expansions, updates, etc. of the Trust property.
- It will be the Board's intention to be fair to all those who want to use the NCC for their functions without discrimination or preference other than for Fox Island residents and non-profit organizations based on Fox Island.

Howard provided 2 pages (attached to pdf version of minutes) which summarize the average income of the Trust from facility operations. The numbers were based on the FICRA Building Trust P&L statements for 2015 through 2020, excluding revenues and expenses for all of the activities that did not consist of the basic facilities operation (preserving and maintaining the NCC and Trust properties). In other words, the revenue and expenses for Citizens Patrol and Emergency Preparations Planning, as well as all revenues (including donations) and expenses associated with Trust fundraising events, such as the Party With A Purpose, FICRA Fair (including clothing sales), Plant Sale and Garage Sale were not included. This should have left just the basic facilities operation. The annual payment from FICRA is included in the rental revenues for the basic operation. It would probably be best to use the numbers from 2015 through 2019, since 2020 was such an anomaly.

The percentages shown on the documents in the grey shaded box at the top reflect that about half of our rental income from 2015 through 2019 came from Events Income, which is essentially the rentals at the published rate (\$300 to \$650 per event). The Sources of Income percentages at the bottom include all basic facilities income sources, including non-event donations and rentals. So in essence, about 1/2 of the revenues

associated with the basic facilities operations are from donations, 25% is from published rate rentals, and less than 10% is from the rent received from the various community organizations, which are heavily subsidized.

The board discussed that a community center should be utilized by the community, and in that it is our intension to continue to allow “legacy” groups to use the facility in a recurring schedule for “minimal fee”. This is to cover the cost of light/heat, and to facilitate equity, and responsibility. There is an interest in increasing the frequency of hired professional cleaning (to improve maintenance and decrease work required of current board members, rental coordinator). During regular operations, a cleaning service should come in 2 times/month, and more frequently if there are big events for prep and post event deep clean.

PROCESS DISCUSSION:

Craig emphasizes that it should be an easy process, and therefore it is further explained the current process to rent the NCC.

From a customer point of view, each person interested in renting the NCC for small community use reaches out to the rental coordinator via voice mail (leaving a message) or by email. Inquiries are then forwarded to the board for discussion/ approval. For a FICRA sponsored event, then the FICRA board checks the events calendar well in advance, and in coordination with the rental coordinator, will schedule their event/ blocking out that date. For single use events, an interested party may see the NCC website, photos, rental documents, events calendar, contact the rental coordinator, and meet to view the facility/grounds. If it is determined at that time that the interested party would like to book the rental, signed forms are submitted with dues/fees to secure the rental. There is also a deposit and proof of insurance required. A walk through is performed after the event by the rental coordinator, and if there is not damage and clean up standards have been met, then the deposit is refunded. There are many expectations of our renters, including occupancy, parking, and noise. We are operating in a “non-conforming use” capacity historically, and so updates in permit from the county will be further pursued to avoid problems as we saw recently with the Chapel at Echo Bay.

It is our intention to make a policy that matches our goals, and that helps the rental coordinator make rental decisions by policy, independent of requiring a board approval for each case, if possible. Back ground information on this is the following: The rental coordinator has not been involved in determining small community use recurring rentals historically. Legacy community groups meeting (normally during weekdays) have not historically been in conflict with single event rentals, which typically request Fri, Sat, or Sunday dates. Recurring events on a Friday night (like Trivia night, and Kickball) were for a season, and not all year round. Small community groups of 8-10 people were able to cancel or reschedule around a big event if the rental coordinator requested this.

POLICY DISCUSSION:

It is determined that the rental use policy should be discussed with surrounding neighbors most affected by activities, parking, noise, as this is a community. Gina and Jim will collect names to contact for this purposed communication. The FICRA Board should also have a full understanding of the purpose of the new policy formulation and why or how separate types of groups using facility are categorized. The “scope of the use” of the building by any one group may also be a considered factor. There is a suggestion to also have it listed in the policy that FICRA Trust has the right to cancel or stop renting to any one group as determined, to be used only as a safety net for situations unforeseen. We want to create policy going forward that will minimize the potential for conflicting use.

A copy of the By Laws and NCC Use Policy & Guidelines current as of 10/19/2020 were under review.

Craig offered to create a draft which the board will review and reconvene for further discussion on remaining decisions, planning and etc.

The meeting was adjourned at 2:15 pm.

Minutes taken by Gina Olson, 5/30/21

FICRA Building Trust Facility Rental Revenues and Costs
2015 through 2020

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Proposed	2015-2020 Average	2015-2019 Average	
Ordinary Income/Expense										
Income										
Advertisement Income Web (50%)				50.00						
Total Donations Income	5,646.80	4,249.91	15,831.69	24,035.27	20,330.02	33,013.17	59,500.00	17,184	14,019	
Miscellaneous Income	50.00	5.00	50.41	195.00	566.00	-		144	173	
Rental Income										
Yoga Class	-	-	-	-	475.00	100.00	200.00	96	95	1%
Quilt Group	-	-	78.00	209.00	195.00	75.00	100.00	93	96	1%
AA Income	1,020.00	1,020.00	1,045.00	1,020.00	1,020.00	865.00	500.00	998	1,025	7%
Art Group Income	500.00	500.00	500.00	450.00	550.00	100.00	200.00	433	500	3%
Events Income	10,618.75	5,875.00	4,650.00	9,101.00	5,550.00	755.00	2,000.00	6,092	7,159	48%
Garage Income	2,400.00	2,400.00	2,400.00	3,050.00	4,075.00	4,450.00	4,200.00	3,129	2,865	19%
FICRA Usage Fee	-	3,500.00	-	7,000.00	3,500.00	3,500.00	3,500.00	2,917	2,800	19%
Rental Income - Other	-	342.00	1,375.00	-	-	-	-	286	343	2%
Total Rental Income	14,538.75	13,637.00	10,048.00	20,830.00	15,365.00	9,845.00	10,700.00	14,044	14,884	
Total Income	20,235.55	17,891.91	25,930.10	45,110.27	36,261.02	42,858.17	70,200.00	31,381	29,086	
Gross Profit	20,235.55	17,891.91	25,930.10	45,110.27	36,261.02	42,858.17	70,200.00	31,381	29,086	
Expense										
Reverse Transfer		6,415.49								
Advertisement Expense	249.00		373.14							
Total Bank Fees Expense	669.52	601.12	909.77	1,234.43	1,255.50	1,140.98	500.00			
Tax Preparation Expense				252.90	251.15	250.00	300.00			
Depreciation Expense	542.50				8,638.58	7,688.90	8,700.00			
Total FICRA Mailing Expense	1,418.47	928.52	1,030.42	903.10	694.14	624.55	1,048.00			
Fire Inspection Expense			86.00							
Total Insurance Expense	5,019.23	8,027.51	7,032.64	4,620.00	5,450.10	6,113.73	6,150.00			
Licenses and Permits	10.00		10.00	20.00	10.00	10.00	10.00			
Total NCC Maintenance	2,736.86	2,400.53	1,460.38	2,036.97	1,308.10	11,032.93	3,260.00			
Total Other Facilities Maintenance	971.51	3,801.63	1,495.41	1,615.32	1,874.86	1,312.50	5,500.00			
Un-Budgeted Misc. Expense	96.35	296.10	397.28	282.61	525.16	100.00				
Reconciliation Discrepancies			(1.00)							
Rental Expense										

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2015 through 2020

	2015 Actual	2016 Actual	2017 Actual	2018 Actual	2019 Actual	2020 Actual	2021 Proposed	2015-2020 Average	2015-2019 Average
Contract Cleaning Expense	2,300.00	1,343.75	2,408.35	1,412.50	1,237.50	2,400.00	1,600.00		
Rental Coordinator Expense	1,540.00	1,352.76	1,490.00	2,240.00	850.00		400.00		
Rental Expense - Other				31.81					
Total Rental Expense	3,840.00	2,696.51	3,898.35	3,684.31	2,087.50	2,400.00	2,000.00	3,101	3,241
Scholarship Expense	1,000.00								
Supplies Expense	717.11	802.22	620.01	631.02	290.43	65.96	400.00		
Property Taxes Expense	2,575.54	2,549.92	2,796.65	2,953.82	3,359.35	3,684.50	4,000.00		
Utilities Expense									
Total Utilities Expense	3,447.25	4,147.82	5,037.55	4,512.94	5,944.50	5,083.36	6,850.00		
Web Expense (50/50 split)	585.89	851.30	618.54	636.01	711.53	261.05	300.00		
Total Expense	23,879.23	33,518.67	25,765.14	23,383.43	32,400.90	39,768.46	39,018.00	29,786	27,789
Net Ordinary Income	(3,643.68)	(15,626.76)	164.96	21,726.84	3,860.12	3,089.71	31,182.00	1,595	1,296
Net Other Income	9.74	-	0.13	3.44	251.07	870.55	-	189	53
Net Income	(3,633.94)	(15,626.76)	165.09	21,730.28	4,111.19	3,960.26	31,182.00	1,784	1,349
Transfers to Capital Reserve Funds						6,750.00	6,750.00		
Sources of Income									
Donations								55%	48%
Rental Income									
Garage								10%	10%
FICRA Usage								10%	10%
Recurring Community Use								6%	7%
Other Events								19%	25%
Notes:									
Revenues and expenses DO NOT INCLUDE Citizens Patrol, Emergency Planning and Trust Event Fundraisers (Party with a Purpose, FICRA Fair, Plant Sale, etc.)									
Donations Income is ONLY non-event income, NOT including donations from Party with a Purpose and other fundraisers.									
Events Income under Rental Income is the published rates rentals (weddings, receptions, family parties, etc.)									
Percentages on Rental Income lines show amounts as percentage of rental income only, not all income.									
Sources of Income percentages are based on all donations and rental income in analysis.									