

CapitolRiver Council Meeting Minutes

Jan. 16, 2018, 5:00-6:30 p.m. Board of Directors Meeting

Location: 180 East 5th Street, Skyway Level Conference Room B

Board Members in attendance: Kati Berg, Tiffany Brace, Lupe Castillo, Nick Cusick, Sandra Erickson, Tom Erickson, Amanda Feist, John Ganey, Todd Gray, Jeanne Hall, Jennifer Hensley, Bill Huepenbecker, Channon Lemon, Paul Mandell, James McClean, Crystal Meriwether, Jonathan Reisetter, Alesia G. Thompson Biro.

Board Members absent: Jauston-Charles Campbell, Emily Larson, Amy Lee, Vicki Plaistow, Maria I. Raines, Chris Smith.

Staff present: Jon Fure

Other attendees: Roger Fuller, Linda McBrayer

- I. Vice Chair Alesia G. Thompson Biro called the meeting to order.
- II. Introductions / Question of the Day – What is one thing that you would like to learn about? Responses included racial equity, economic equity, status of study that was done on commercial vacancies, history of downtown buildings / what has been happening and what CRC's role should be, how good intentions can translate into tangible results, Pedro park and next steps, how to get as many people as possible from diverse backgrounds (and from all areas within District 17) to be involved with CRC, how the City's funding allocation formula for district councils works / whether growth in population will result in higher funding for CRC, figuring out the needs of residents (particularly parks and activities for families), how to appreciate our "second-story neighborhood" (the skyway system), how we can influence the City Council to accomplish what we would like to see happen, turning community engagement into achievable goals, how to be more effective in getting grants and having more actionable items (tangible accomplishments that we can highlight to prospective donors), how to be respectful as a group and communicate effectively, how to set priorities as a group / determine issues and projects that we are going to rally around, and how to move forward in a strategic manner to leverage the board's unique set of skills.
- III. Motion by Crystal Meriwether, seconded by Lupe Castillo, to adopt the agenda. Motion passed.
- IV. Motion by James McClean, seconded by John Ganey, to approve the Dec. 5, 2018 Board Meeting Minutes. Motion passed.
- V. Neighborhood Honor Roll – Ms. Thompson Biro congratulated honorees: Kati Berg, Black Dog Café, and Keith Watton, and reminded board members that they are invited to the Jan. 25 event to honor recipients of the award throughout the City.
- VI. Board Meeting Snacks / Beverages – Jon Fure said this suggestion was made on several of the evaluation forms from recent board meetings, that many board meetings come to the meetings straight from work, which makes it a long day, and it would be nice if some refreshments were available. The suggestion is for board members to take turns bringing food or beverages to share. A signup sheet was distributed. Please remember to avoid bringing in anything containing citrus due to a board member's allergies, and please let the group know if there are any other allergies or diet restrictions to keep in mind.
- VII. CRC Work Plan and Goals – Jon Fure said board members should have received the 2018 CRC Work Plan with status updates. Board members might choose to keep some of those activities on the 2019 work plan, and the purpose of this agenda item is to spend some time brainstorming to generate potential issues that CRC could seek to address in our engagement work, or projects that board members would like to work on. A work sheet was provided that contained some major activities in

each quarter and space to write additional ideas for projects or issues that board members would like to include in the work plan (the ideas don't have to be added to a specific month or quarter, but the work sheet was designed so that more time-sensitive issues or projects could be added to the first quarter, and less time-sensitive or lower-priority concerns could be listed in future quarters). Board members formed groups and discussed ideas for the 2019 Work Plan.

- VIII. Treasurer's Report – Jon Fure provided a summary of the most recent monthly financial statements and 2019 draft budget. The balance sheet is a snapshot on a specific date, which shows CRC's assets (which could be restricted or unrestricted) and CRC's liabilities, and Net Assets, which is the difference between assets and liabilities, on Dec. 31, 2018. Near the bottom of that first page, you'll see that the Net Income for 2018 was negative \$11,975.37. Of that net loss, \$8,140.09 was Street Team expense, where we spent money in 2018 that was received in 2016 and 2017. The next document is the Profit and Loss Comparison, which shows the actual income that was received and money spent in the month of December and for all of 2018. The next document, Budget vs Actual, shows the budgeted and actual amounts earned or spent, so we can go through and compare each line item. The Finance Committee also has asked our accountant to prepare the statement called Profit and Loss by Class. This is something that will be provided monthly from now on, and it will include a breakdown of the funding sources that are being used to pay staff wages and payroll taxes, and other expenses. That will enable CRC to accurately track the use of the grant dollars and prepare relevant reports for the board, and for the donors and for our stakeholders. Board members were also asked to note that the \$2,820 payment to the Lowertown Future Fund that was authorized at the last board meeting was returned to CRC, because CRC had already returned the money in 2016 but our records were not updated.

The draft budget was also discussed. It contains \$87,223 in anticipated income and \$87,190 in anticipated expenses. The Finance Committee requested conservative estimates for income. Additional grants will be applied for and other fundraising methods will be implemented, but the only income sources on the budget are those that have been received or that we have a strong indication that CRC will receive. On the expense side, the largest expense is Executive Director wages, \$45,600. The budget contains \$9,000 for an Engagement Program Manager, which will be a temporary, contract position, and \$3,000 for student interns. The internship is intended to attract students in an urban planning degree program, so that they can provide staff support for the CRC's work in updating the Downtown Development Strategy. CRC has about nine committees – they don't all meet regularly, but it will be really helpful for overall staff capacity to be able to have a student intern to support one or more committees for several months. The Engagement Program Manager position would perform similar duties as Tabitha Benci DeRango when she worked in that role in 2017-2018, such as coordinating events like the Community Conversation on Homelessness, and leading activities that engage downtown residents in our work. Another high-priority expense is to create a database, which is an essential tool that we are missing. NationBuilder is a program that would replace our current website with a similar website that also has a database function, so it could also be used to send out email newsletters and other communication. That would be included in the \$500 that is budgeted for Web Hosting, which is actually less than we are spending now. There is also \$2,000 available for board member and staff training, and that's partly why the introduction question asked everyone what they are interested in learning about. A future agenda item could be to further discuss topics that you want to include in a board member training program, and then we can seek to find a consultant who can provide the training on those topics.

A question was asked about how the Executive Director salary is set. Jon Fure said it has been at the same rate since he was hired in January of 2017. There is no policy to have an automatic cost-of-living increase or any other scheduled increases, so changes would need to be negotiated and approved by the board. This was discussed during the performance appraisal process earlier this month, but he said it was his preference to place a higher priority on adding staff capacity, through at least one student intern and the temporary engagement position. That would allow CRC as an organization to be much more productive.

Motion by Crystal Meriwether to form a personnel committee, seconded by Todd Gray, to review and make recommendations about the Executive Director salary. The group discussed that this has been done in the past by the officers, which could be done instead of forming a new committee, and that the board should discuss and vote on the recommendation in executive session (without staff or non-board members in the room). The motion was modified: **Motion for the CRC officers to review and make recommendations about the Executive Director salary, and then make a recommendation to the board, which will be discussed in executive session for a board vote.** Jennifer Hensley said she has a printed copy of the salary survey published by the Minnesota Council of Nonprofits, which she could loan to the officers to help assess the current salary and / or potential changes. A concern was expressed that with the previous year's loss of about \$11,000, it doesn't seem prudent to increase wages for staff. A comment was made that it is a customary practice of nonprofit boards to review and discuss potential changes to the Executive Director compensation, so this is something that the CRC board should implement, even if the result is that no changes are made. The motion passed with one board member abstained.

Motion by Todd Gray, seconded by Crystal Meriwether, to accept the Treasurer's Report as presented. Motion passed.

Motion by Crystal Meriwether, seconded by Jennifer Hensley, to approve the proposed budget. Motion passed.

A question was asked about whether CRC has looked into getting free rent. Jon Fure said that John Mannillo had negotiated a 3-year lease at cost (maintenance and taxes), and the location was selected partly because of the need for access to the large conference room, and skyway access also was a priority. The lease was signed in June of 2017, so in June of 2019 we will be starting our third year. That will be a project to begin looking into alternative locations as early as possible.

- IX. Other board member updates: Kati Berg provided an update on legal proceedings involving the Friends of Pedro Park Expansion and the City of Saint Paul. There was a hearing on December 20, which was the third hearing before this judge, and the judge now has 90 days to come to a decision about the motions (motion for a temporary injunction to cause the building to stay in city ownership or the City's motion to dismiss). She said she has been happy with the legal services that have been provided at reduced cost. Marilyn Pietera (member of the family that donated the Pedro Luggage property), Former City Council Member Dave Thune and Peggy Lynch (former Executive Director for Friends of Ramsey County Parks and Trails) have all submitted affidavits in support of the motion to keep the

building in City ownership. They are preparing for trial and can ask the City questions through the discovery process. Anyone who has questions or suggestions should contact Kati Berg.

X. Motion by James McClean, seconded by Paul Mandell, to adjourn. Motion passed.

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