

The Salvation Army

Phoenix Advisory Board Minutes

April 9, 2013

The Salvation Army Phoenix Advisory Board convened for a regular meeting on
April 9, 2013 11:30 a.m. 2707 E. Van Buren St, Phoenix, AZ 85008

ATTENDEES

BOARD MEMBERS

Linda Dickerman	Marlene Klotz Collins
Mike Andrews	Wally Larson
Susan Von Stein	Tom Leyda
Bill Alkema	Randy Long
Calvin Brice	Ted McClure
Bill Brewer	Pat Moeschler
Dick Eisenach	Barry Shemer
Ken Fauth	Gayle Starr
George Flores	Gayle Tanner
Melissa Garner	Jeff Taylor
Mike Karlson	Corey Woods
John King	Tom Fanin

GUESTS

Collin Gaines
Denise Rosado

OFFICERS

Col. Olin Hogan
Lt. Col. Joe Posillico
Maj. Raewyn Aspeitia
Maj. Rafael Aspeitia
Capt. Derek Strickland

Staff

Suzanne Bright
Deb Oberhamer
Mark Sorensen
Melany Stroupe

I. WELCOME

Linda Dickerman

II. INVOCATION

Col. Olin Hogan

III. DIVISIONAL COMMANDER

Lt. Col. Joe Posillico

- Governor's Prayer Breakfast is scheduled for April 25, 2013 at the Hyatt Regency space is still available. The speaker is a member and the Salvation Army Band is playing. RSVP are to be emailed to Cindy Jang.
- Phoenix received an estate gift of \$247K which may be used to pay down the Red Loans

IV. NOMINATING COMMITTEE

Marlene Klotz Collins

- Welcomed one new board member
 - Corey Woods City of Tempe Councilmember
- Marlene motioned for new members JoAnn & Joseph Callaway to become members of the Advisory Board
- Barry Shemer seconded the motion
- The motion was voted unanimously

V. PHOENIX CITY REPORT

Col. Olin Hogan

- Col. Hogan reviewed the items and events presented in his April Report.
 - Herberger Advisory Council ½ day retreat is scheduled for April 20. The meeting will be held at the Kroc Center
 - Col. Hogan reiterated Eddie Basha, Jr. commendable achievements to community and his dedication to children and education. He passed away on March 26th and his memorial service was held on Saturday April 6 at ASU Gammage in Tempe. He will be missed.
 - Hope for our Homeless Report
 - Col. Hogan included a brief welcome to our new PR Director Melany Stroupe. Welcome Melany!
 - Col. Hogan went over the success of the Easter Event that was held on March 30. Nearly 500 underprivileged children from our Valley corps and shelters participated in this event.

VI. PROPERTY COMMITTEE

Ken Fauth/Dick Eisenach

- Tabled east property due to financial issues
- Improvements for Maryvale are under consideration. Property Committee is meeting on the April 16 with James at Maryvale to discuss ADA requirements/improvements
- Herberger Campus PODS will also be discuss at the HAC meeting on April 20. Possible use of POD for teenage activity center
Wants to accomplish by June.
 - Will have materials for review at the next AB meeting.
 - Fundraising to Mark earmarked for June
- Camp Ponderosa is under review to be utilized year around to off-set costs. Bill Brewer is in a discussion with a consultant and will be heading up to camp. Camp visit is scheduled for Wednesday, April 17.

Discussion:

Linda asked if their needs to be a ½ day seminar to understand the financial standing of the camp.

George Flores explained that the property lay-out went smooth.

Barry agreed that there would be a benefit to putting together a narrative (i.e. challenges, services, obligations).

VII. FINANCIAL REPORT

Capt. Derek Strickland

- Phoenix
 - For the five months ending in February 2013 contribution (including kettles) \$2.2M
 - Actual contributions are up (without kettles) \$350K
 - Salaries are down due to the removal of Kroc and Korean VOS from the database
 - Discretionary Expenses are up by \$20K due to more Assistance
 - Surplus / positive net asset of \$738,560 (best the City of Phoenix has had in 5 years)
- Kroc
 - '09-'12 was in the smaller building. '13 will be the first complete year in the larger building
 - Endowment (which pays for salaries) received \$810,537 over last year's at \$383,764.
- For other information, see Capt. Strickland's report

Discussion

Marlene stated that there was a dramatic increase in salaries 163 P/T and F/T employees verses the previous 15

Wally said that THQ asked for a 6 month extension for documentation for the income loss for the gym floor incident.

Lt. Col. Posillico said that there wasn't so much a loss of income but a NET loss of income..... \$50K PLUS whatever additional costs.

May receive approx. \$150K as a settlement.

Gayle Starr asked about loss of market share value.

Bill Alkema asked about the decrease in membership and how it affected us.

George Flores asked if SA was using outside council.

Lt. Col. Posillico answered that SA is going through THQ

VIII. KROC

- 147K sq ft vs 50K sq ft / 163 employees vs 15 employees
- Advisory Council is established and gives advice.
- Gave hand-outs which includes: Org Chart, Usage by age, Usage by date, Scholarship Stats, Membership Stats, an Open House flyer and a Tactical Calendar for the 2013-2014 calendar year
 - Biggest use of facility is by 12 year olds. This is because they can be dropped off. Goal is to try to serve more ages 8-12. and 20-25. This will be difficult since LA fitness just moved in down the street.
 - 129,081 people have used their facility (tracked by swiping their card). This is not including the East event that was held on March 30.
 - Scholarship issued:
 - 165 families / 621 members
 - Averaging 300 + memberships per month
 - Open House is scheduled for April 27. Last time it helped increase membership by 8%.
 - Goals: Increase scholarship, increase awareness, work on rental not just membership
- Alice in Wonderland Production postponed due to lack of participation
 - Gayle Starr suggested working with a valley youth theater
 - Ted will try to get in touch with the local venue

Discussion:

Marlene suggested a grandparent/caregiver festival – through the Governor's office is on May 3rd – possibly pair up opportunity

Ken asked for a consultant management update
Ted replied that the update will be to Lt Col. Posillico this week.
George asked about project revenue – outside rentals
Ted said that their biggest problem is tapping into areas outside the South Mtn area
Randy Long asked if we are part of the Convention Center
Gayle

IX. DEVELOPMENT REPORT

Mark Sorensen

- Introduced Melany Stroupe– Public Relations Director
- Arizona Gives a Day total donation for TSA was \$4,390
- Phoenix Shelter Grants
 - Elim House 2012: \$90,219 2013: \$344,864
 - Kaiser 2012: \$111K 2013: \$625,500 (requested – July decision)
- Portfolio Income October 1 – March 31st without KROC : \$13,752,475.35
- Kroc Portfolio Income October 1 – March 31st : \$164,634
- Phoenix City Subtotal October 1 – March 31st: \$1,748,312.17
- Major donors up 7%
- For additional information see Development Report attachment

Discussion:

Jeff Taylor asked if all the grants were DES? \$80M increase in grants.
Lt. Col. Posillico mentioned about wilderness camp. Which is geared for youths ages 13-17 years of age,
He also mentions about Bashas' fundraiser in July about sending military veteran kids to camp.

X. CHRISTMAS / ADOPT-A-KETTLE PROGRAM

Tom Leyda

- Realtor Day
 - Russ Goldstein introduced and Marlene met with JoAnn & Joseph Callaway, who have been donating for over 40 years, getting involved with kettles.
 - Tom Fanin will get together to help structure Realtor Day
- The Big Ring Continental breakfast will be held on May 14. Goal is 150 businesses
- The Corona del Sol High School Red Kettle Club made a surprise presentation of \$4,900 to Captains Robyn and Stephanie Bridgeo on Monday, April 8. The student officers were given \$500 by a NAB member in January when the NAB held its meeting in Phoenix. He challenged the to “grow the money”. They did various activities and have designated the money to send 14 kids to music camp this summer. The students are producing a video of the presentation and how they raised the money. It will be shown later this month at the NAB meeting in Boston. The member who gave them the initial \$500 has no idea what the RKC members have been doing to increase the investment.

Discussion

Jeff Taylor asked about food drives. He explained that ASU did a food drive for Tempe Corps and that RKC sorted the food. There was general discussion about getting Boys and Girls Scouts involved in bell ringing and Angel Program.

XI. RESOURCE AND DEVELOPMENT

Col. Olin Hogan

- Donut Day
 - Still trying to secure a local donut sponsor for the event on June 7 to generate income and friends.
- Kettle Kick Off
 - Thursday, November 7 @ the Kroc
 - Tables are \$100 each (i.e. ticket could then be issued for \$10.00 each)
- Formed a relationship w/Phx International Raceway last year. Signed on to do it again this year.

XII. CONSENT AGENDA

Linda Dickerman

- Linda asked for the motion to approve the Consent Agenda
- Seconded – George Flores
- Motion carried unanimously

XIII. BENEDICTION/ADJOURN

Maj. Rafael Aspeitia

- Meeting adjourned at 1:10 p.m.
- Minutes taken by Suzanne Bright
- Next Phoenix Advisory Board meeting will take place **Tuesday, May 14, 2013 at 11:30 a.m.**