

**Western Carwash Association
Board of Directors Meeting
July 29, 2009
Minutes**

The Peppermill – Sorrento 4 Room, Reno, NV

(The minutes are a complete recording of the day and may not have necessarily been discussed in the order as recorded below.)

Present

Executive: Jerry Nix, President
Bill Carbonel, Vice President

Coy Lindblom, Secretary/Treasurer
Randy Cressal, Past President

Directors: Bud Abraham
Darrin Baum
Chris Buscaglia
Doug Christ
Rick Diehl

Brad Hooper
Herschel Kilgore
Kirk Kuzmanic
Sander Romick
Francis Tenggardjaja

Staff: Holly Macriss, Executive Director
Christina Shupe, Admin/Membership Coordinator
Carolyn Tienken, CMP, Convention/Meetings Coordinator

Guests: Sharon Deg Moutray, WCIA
Sam Furno, WCIA
Len Harrington, WCIA
Steve Jarvis, Wells Fargo

Absent

Directors: Scott Gray

Approval of Scott Gray's Absence

MSC: Approved

Approval of the February, 2009 Meeting Minutes

MSC: Approved

President's Report

President Nix gave his last report as President and extended thanks to outgoing director's Kirk Kuzmanic and Francis Tenggardjaja for their many years of dedication to serving on the WCA Board of Directors.

Executive Director's Report

A written WCA Team report outlining the work completed or in motion in the WCA/ARC contracted Scope of Work and the Team reports from November was submitted to the Board prior to the meeting. Ms. Macriss fielded questions regarding this report:

- A. Randy Cressall expressed his appreciation to the WCA staff and asked for detail on how Membership interactions are handled. Members who call the WCA are triaged by the receptionist and directed to either Ms. Shupe or Ms. Macriss depending on their reason for calling.
- B. Coy Lindblom asked for detail regarding items in the report that are marked "In Process". Ms. Macriss clarified that these items are ongoing and either haven't been resolved (i.e. Audit and Convention) or are items that are continually updated (i.e. Web site).

- C. General questions regarding the contracted Scope of Work were raised. Some board members mentioned they had not seen the contract between ARC and WCA. Ms. Macriss provided copies of the ARC/WCA Contract and the Scope of Work. She also explained the roles of the people at ARC who touch the WCA account.
- D. Bud Abraham asked if the report submitted was standard report. It seemed very lengthy and detailed. Ms. Macriss explained that this report was a special wrap-up report for exiting directors and covered the past nine months. The monthly Team report submitted to directors is a separate item.
- E. Directors requested an additional document to accompany the Team report – timelines and projected finish dates for major projects.

Committee Reports:

Insurance Committee

WCIA Presentation

- A. Steve Jarvis was introduced to the Board. Mr. Jarvis is the WCIA Controller and as of February 2009 is a Finance Manager for Wells Fargo. WCIA is just \$650,000 out of \$34,000,000 from one Wells Fargo office. All WCIA accounting is done by Wells Fargo in Colorado Springs and monitored by Mr. Jarvis monthly.
- B. A written report comparing premiums from 2005-2008 was submitted.
- C. A 2009 Mid-Year report was submitted in writing.
- D. Len Harrington, WCIA President, informed the board that the insurance industry is in a competitive part of the cycle. This will pass and premiums will go back up and income will come back up. Despite the smaller payments to WCA, WCIA has actually increased the number of policies and once premiums go back up, so will WCA's commission. Mr. Harrington is working with his staff on their marketing efforts. They are not satisfied with current results.
- E. Board members were confused by the WCIA 1st quarter report and interest income in 2008. In June of 2008 WCIA reported \$26,000 of interest income. Mr. Jarvis informed the board that this was actually "contingent" income. Interest will never go back to what it was because they can no longer hold payments. All payments must now be made within 45 days.
- F. Insurance committee will make a recommendation to WCIA on what information the Board would like to see in the reports receive from WCIA.
- G. Sam Furno provided a monthly snapshot of activity for policies gained and lost provided. Responding to questions from the board, Mr. Furno said he would like to see the Membership Roster book and other tangible printed items once offered by WCA be considered again instead of just offering online resources.

President Nix asked the WCA Staff to leave the room and the Board entered a closed session at 10:17AM.

Reconvened meeting at 10:43AM

Insurance Committee report continued:

- H. Mr. Kuzmanic informed the Board of the November 17, 2009 renewal date for the management contract for WCIA and mentioned the September 17th deadline to give notice to WCIA if there is intent to not renew.
- I. Staff will proceed with the RFP process to obtain a lawyer to review the WCA/WCIA documentation and will present the findings in August to both groups for approval of shared cost and to move forward.

Motion: Ask the WCA representatives to the WCIA board to ask for a six month extension of the service contract.

MSC - Approved

Abstain: Jerry Nix, Coy Lindblom, Bill Carbonel

Program / Seminar Committee

- A. Working with exhibitors on cancelations
- B. Working with IDA for 2010 partnership.
- C. Staff continues to monitor the rate at the MGM and is continuing efforts to lower the rate.
- D. Disney Institute staff has toured several full-serve facilities and will meet with a Self Serve member and tour facilities.
- E. 470 nights booked in our room block right as of July 29th.
- F. Staff secured giveaways for Exhibitors and Attendees by purchasing over \$3,000 in gift certificates for restaurants on the Las Vegas strip at a cost of approximately \$230 to the WCA. Staff will work with Program Chairs on ideas for distributed of these certificates.

Web Task Force Committee

- A. Staff continues to investigate the addition of classified ads to the WCA website to advertise car washes for sale.
- B. Job posting, interactive calendar, and printing and marketing store are also in process.
- C. The search function is being improved and will be updated.
- D. The Web based database is still in progress.

Environmental Committee

- A. Mr. Cressall presented the WCA Drought Tool Kit to the Board. Additional editing and design will continue with the completed product to be introduced at the Annual Convention in October.
- B. Bill Carbonel presented the WCA Environmental Certification program for operators to the Board. Additional editing and design will continue with the completed project to be introduced to the membership in September at the earliest as well as at the Annual Convention.
- C. Mr. Carbonel mentioned the meeting with the California Urban Water Conservation Council (CUWCC) and asked the Board to approve membership with this group. At the meeting it was thought that WCA would pay \$300 to participate, but unfortunately the category of membership WCA falls into costs \$5,185. The Board agreed membership with CUWCC was beneficial. Staff will contact CUWCC's executive director to see if dues can be reduced.

Motion: Approve \$5,185 for membership in the California Urban Water Council.

MSA - Approved

Legislative Committee

No Report.

Conveyor Committee

No Report.

Self-Serve Committee

- A. Previous Boot camp will be contacted as well as new prospects to fill the Self Serve Nut's and Bolts sections at Convention.
- B. A schedule of educational sessions will be available by July 31.

Nominations/Awards Committee

- A. No current award nominations from the membership. Committee members will make some recommendations and asked the Board to do the same.
- B. It is the intent to provide a video of award winners at Convention. Staff is researching vendors.
- C. The 2010 Board of Director nominees were presented to the Board for discussion: Nicole Upchurch (supplier), Frank Phalen (owner), and Ted Burt (supplier).

- D. At this time there is only one vendor board member position to fill. Mr. Cressall nominated Ms. Upchurch to complete the last two years of the three-year term being vacated by Mr. Tenggardjaja.
- E. Mr. Cressall also nominated Mr. Phalen for the three-year term being vacated by Mr. Cressall.
- F. It was discussed the Mr. Phalen's experience as a CPA makes him a possible candidate for the Secretary/Treasurer position when Mr. Lindblom tenure on the Board is over. If elected by the membership, Mr. Lindblom will work closely with Mr. Phalen to see if this is a possibility.
- G. Doug Christ nominated Mr. Cressall to complete the last two years of the three-year term being vacated by Mr. Kuzmanic.

Motion: Nominate Bill Carbonel for President and Chris Buscalgia for Vice President

MSA - Approved

Motion: Nominate Nicole Upchurch to complete the last two years of the three-year term being vacated by Mr. Tenggardjaja and Frank Phalen for the three-year term being vacated by Mr. Cressall.

MSA – Approved

Motion: Nominate Randy Cressall to complete the last two years of the three-year term being vacated by Mr. Kuzmanic.

MSA - Approved

Membership Growth Committee

- A. A report of membership numbers was submitted to the Board prior to this meeting. Ms. Shupe answered questions pertaining to this report.
- B. Current paid Membership is approximately 882, up from 850 reported at the February Board meeting.
- C. The committee informed the Board of new member benefits being considered and the review of current benefits with the intent to switch or add providers.
- D. A non renewed list will be distributed to the Board in August. Brad Hooper requested that each board member reach out to those non-renewed members they may know.

Carolyn Tienken introduction the Peppermill Sales Manager Paula Kent who thanked the Board for holding their meeting at the Peppermill and looks forward to working with us on future projects.

Break for lunch at 12:09 p.m.

Reconvened meeting at 1:05 p.m.

Finance Committee

- A. The board was asked for comments on the financial reports submitted by the committee. There were no requests for changes and comments that they were greatly improved.

Motion: Approve the June 30, 2009 financial statement.

MSA – Approved

- B. Ms. Macriss requested a 10% cut in expenses across the board, to be controlled by Staff. It was reported that June July, August and September are historically high volume months for Membership. July, August, and September are also historically high volume months for Convention as well. The current cash projections carried out through this year keep us positive until December. With a 10% reduction, we should be able to stay cash positive throughout the end of the year, however the until Convention is completed, we have no idea how we will end financially. Larger cuts were discussed but it was determined they would require WCA to start cutting services. The Board will review the budget at the next board meeting in October/November. The Board instructed Staff to try to reduce expenses by at least 10%.

- C. **Review and update of Audit:** Ms. Macriss informed the Board of her discussion with the IRS agent July 17th. There were two identified concerns: 1. no reported employee taxes, and 2. No reported unrelated business income (UBI) related to advertisement. Ms. Macriss resolved the employee tax concern by informing the IRS agent the Olivito & Associates (O&A) is a management company therefore WCA had no employees. She also informed him this was still the case as Association Resource Center is also a management company. Ms. Macriss researched his other concern regarding the UBI and determined that a Form 990T was never submitted by the Silva & Silva, the CPA group used by O&A. The IRS agent said that he would be investigating this item more closely and will determine if enough income was earned during the year being reviewed and if a Form 990T needed to be submitted.
- D. The Board asked if Silva and Silva has any responsibility with the documentation they prepared. It was discussed that if WCA is fined by the IRS, Staff will research to see if Silva & Silva's E&O insurance may cover the fine
- E. The Board discussed WCA's current investments and Mr. Lindblom gave committee recommendations.

Motion by Coy: Sell Vanguard funds and convert them to Certificate of Deposits and charge the Finance Committee to review the investments on an ongoing basis.

MSA - Approved

- F. The planning process for the 2010 Budget will begin in August. The goal is to have the 2010 budget approved by the Board at the next board meeting in October/November. Staff and Mr. Lindblom will work with committee chairs on developing their budgets for 2010 and basing their budget on actual action items.

Board entered Closed Session at 1:55pm.

Reconvened meeting at 3:50pm

Old Business

The WCA Logo – Holly presented a retrospective of previously submitted logos and the latest creation that was based on board feedback. Board provided feedback and suggested changes. A final decision must be made by August 30th. Changes from designer should arrive by August 10th and will be submitted to the Board for their review and comments.

New Business

Staff collected board member shirt and ring sizes for future reference.

Meeting adjourned at 4:25pm