

## **Friday, March 15, 2019 Minutes**

### **Present**

- **Institute Board Members:** Teresa Acosta, Michele Beal Bagneris, Stan Caldwell, Brett Channing, Carolyn Coleman, Hal Conklin, Mark Gaughan, Rod Gould, Nick Gonzalez, Randi Johl, Jim Keene, Graham Knaus, Lee Lor Pat Martel, Neil McCormick, Dan Miller, Lydia Romero and Erin Steffen (via phone)
- **Absent:** Patrick Blacklock
- **Guests:** Jennifer Whiting
- **Staff:** Karalee Browne, Kim Danko, Kristy Jensen, Melissa Kuehne, Erica Manuel, Christal Lazard, Hanna Stelmakhovych and Randi Kay Stephens

### **I. Welcome/Introductions**

### **II. Executive Session**

The Board met in Executive Session with the Executive Director.

### **III. Administrative Items**

#### **November 2018 Minutes**

Rod moved to approve the November 2018 minutes. Teresa seconded. All in favor. Motion approved.

#### **Future Board Meeting Duration**

The Board discussed extending the duration of the meetings when needed. They also shared ideas related to how to hold more productive and effective meetings including: focusing on the business of ILG not external presentations, having working lunches, and committing to staying for the entire meeting and not leaving early. Erica shared that if additional time is needed at a meeting she will provide the Board with advanced notice

so they can make the appropriate travel arrangements and staff will do their part to keep meetings on time and on track.

### **Conflict of Interest Form**

Erica shared that the annual Conflict of Interest disclosure form was at each Board member's seat. She asked Board members to complete it and return it to staff.

## **IV. Executive Committee Report**

### **Executive Committee Retreat Report**

Michele shared that the Executive Committee met in Pasadena in early February for their annual retreat. She reported the Committee discussed strategic planning, financials and the August Board retreat.

### **Executive Committee Policy Change**

Michele reported that the Executive Committee discussed a change to the Committee Policy that would allow all of the Committee chairs to serve on the Executive Committee. She asked the Governance Committee to review the policy and bring a recommendation back to the Board in May.

### **August 2019 Retreat Update**

Erica shared that staff is asking for quotes from two hotels in Newport Beach and will make a recommendation back to the Executive Committee in advance of the next meeting.

Mark Gaughan recommended the Hyatt in Newport Beach and staff agreed to explore that venue when soliciting proposals.

### **ILG Board Secretary**

Erica reported that ILG's bylaws currently name the Executive Director as the Secretary of the Board. The Secretary of State does not allow this dual role, so ILG will need to appoint another person to that position and amend the bylaws to reflect that. The Board inquired if it can be a board position (e.g. vice chair) or if it has to be a person. Erica responded that it can be either. The Board suggested that for this year, the Chair of the Finance Committee be named Secretary and Treasurer.

Hal moved to authorize staff in conjunction with the Governance Committee to make a change to the bylaws that would allow the Chair of the Finance Committee as the Secretary and Treasurer. Teresa seconded. Michele offered an amendment to the motion to say "authorize staff in conjunction with the Governance Committee to make a

change to the bylaws naming the Chair of the Finance Committee as the Secretary and Treasurer as required by the Secretary of State.” All in favor. Motion approved.

## **V. Governance Committee Report**

Brett shared that the Governance Committee is off to a busy start – since the last meeting they have held two conference calls and welcomed three new liaisons to the Board.

### **Board Vacancies**

Brett reported that the Board still has four vacancies. The Committee gathered prospects from the Board and discussed these on the first Committee call and narrowed down the candidates. The Committee then had conversations with the prospective Board members and are recommending the following candidates for consideration by the Board:

- Richard Montgomery, Councilmember, City of Manhattan Beach
- Sue Novasel, Supervisor, El Dorado County
- Nat Rojanasathira, Administrative Services Director, Town of Danville
- Hilary Straus, General Manager, Citrus Heights Water District

He added there were a number of other good prospects that the Committee will keep in mind for future vacancies.

Graham moved to appoint Richard, Sue, Nat and Hilary to the Board. Rod seconded. All in favor. Motion approved.

### **Board Self-Evaluation Review**

Brett and Erica shared the results from the Board Self-Evaluation. He thanked the Board for participating and for their honest feedback. Overall, the results show that the Board works well together, that members feel they are making a difference, but that ILG needs to focus on strategic planning in the coming year.

## **VI. Finance Committee Report**

### **December 2018 Financials**

The year-end financials were included in the packet. Neil shared that it was a good snapshot of the past year – overall ILG ended 2018 at 80% of budgeted revenues and 79% of budgeted expenses. He added the financials are unaudited at this point, the audit is expected to be finalized by June. He also reported that the Committee will be looking at the Investment Policy and work to develop a Reserve Policy. Erica added that the Committee and staff will also be researching the best vehicle for investing our

existing funds.. Graham recommended considering CalTrust as part of that discussion. He also suggested reporting financial information to the Board year over year by program – that way the Board will be able to assess what is going well and what needs additional focus.

## **2019 Budget**

The 2019 approved budget was included in the packet.

## **January 2019 Financials**

Erica shared the January 2019 financials with the Board. She added that everything is tracking well so far, and that staff will be looking for additional indicators/measures of financial health to share with the Board moving forward. Lydia moved to approve the January 2019 financials. Brett seconded. All in favor. Motion approved.

## **VII. Advancement Committee Report**

### **Board Giving**

Teresa shared that the Board should have received an email from her about the annual Board giving campaign. She thanked the Board members who have already given, and reminded the rest of this Board of the 100% Board giving goal and the importance of that metric for potential funders.

### **Fundraising Summary**

The fundraising summary was included in the packet.

## **VIII. 2019 Project Highlights**

Staff provided brief highlights of ILG's 2019 initiatives. Full program updates were included in the packet.

## **IX. Strategic Planning**

Erica reported that based on the Board self-evaluation, her initial assessment and feedback from staff she is recommending that ILG embark on a strategic planning process. She added that the goal of the conversation during the meeting was to make sure there is a shared understanding of goals, objectives and what success looks like.

She shared the following goals for the strategic planning process:

1. Enable a proactive approach to planning
2. Establish clear direction – what will do and what will not do

3. Increase operational efficiency
4. Increase profitability
5. Enhance resiliency
6. Clarify purpose

Erica walked the Board through a few timeline/process options:

1. 3-4 months – this option would include fewer stakeholder interviews, and would have a plan ready for review at the August retreat
2. 4-6 months – this option would be ready for review at the August retreat and implementation in the fall
3. 7-10 months – this option would not begin plan development until after the August retreat and would delay operational integration. We would likely need to go with this option if we ask the consultant to develop an operational plan as well.

She added that all have pros and cons, and the cost does not change dramatically – all of the options range from \$35,000 to \$50,000.

Board members inquired about the role of staff and the Board. Erica responded that in all of the options the plan would be developed by the consultants with support from staff. Michele added that she would be forming an Ad Hoc Committee to help define the scope and participate in the process. Erica added that when a committee is formed, it could work directly with staff to identify a consultant and appropriate timeline in advance of the May meeting so that the Board meeting time can be used effectively.

Michele asked for a straw poll of the Board and staff about which timeline/process they were leaning towards. There was some consensus around the 4-6 month option.

Michele asked for volunteers to join the Ad Hoc Committee. Mark, Pat Martel, Hal, Randi, Jennifer, Teresa, Lee, Jim and Rod volunteered. Michele thanked them for volunteering and shared that she and Erica will follow up by email to form a 5-7 member committee.

## **X. Project Highlights: Part 2**

Erica asked for any additional feedback or questions on the 2019 project presentations. Graham reminded the Board and staff about the importance of messaging and adapting that message to the audience – particularly with ILG's work around climate change. Karalee shared that the Beacon Program has taught ILG a lot about understanding the values of different communities around the state related to these issues and aligning the Beacon Program and Sustainability Best Practices Framework to those values and goals whether they are related to health, or climate resilience, or economic development.

Erin flagged increasing issues around civility – both interaction between elected officials and with the community. She suggested that ILG consider work in that space. Erica agreed it is an increasing issue and that it might fit in with ILG’s public engagement work. Rod added that ILG does governance training which also touches on civility and how elected officials can work together more effectively.

Erica thanked the Board and staff for an engaging and productive meeting.

## **XI. Adjourn**

Approved May 31, 2019