

MINUTES
Meeting of the Board of Directors
CHILDREN'S BEREAVEMENT CENTER OF SOUTH TEXAS
October 23, 2018

The September meeting of the Board was convened at 6:10 PM at Tribeca Restaurant by Board Chair Jacqui Peace, who announced that a quorum for the meeting was established.

Members Present: Jacqui Peace, Mallory Ahl, Bill Day, Lauren Ferrero, Rose Mary Fry, Connie Gilbert, Jeff Hetrick, Jimmie Keenan, Raj Rajani, Bobby Rios, Ryan Sullivan, Candace Tottenham, Debra Weems, Ty West, Jenifer Yi. Present by conference call was Scott Gruendler. Informed excused absence due to travel and work, with designated proxy, were: Jessica Berg (Jacqui) Barbara Cantrell (Mallory); Tom Coyle (Ryan), Katy Corrigan (Mallory), Andrew Himoff (Ty), Curtis Ruder (Scott), Frank Zoch (Ty)
Staff: Marian Sokol and Blair Thompson; and for introductory portion of meeting Kerry Quinn.

Mission Moment: Focus of the Mission Moment was the highly successful Pet Therapy program at the Center, which currently provides 6 therapy dogs for peer support on evenings addressing sibling loss, death by violence and suicide. Steve and Dr. Kassia Fontenot were present with Bellin, the first dog to come to work at the Center. Bellin is a rescued Husky who is 11 years old and loves to be with the children. These special pet partners also are present during summer camps to provide support and engage children in an interactive "Ask the Doctor" program. Plans are also underway to orient 3 new pet partner teams for Paloma Place in Floresville.

The second portion of Mission Moment was the introduction of Kerry Quinn, newly hired Director of Finance at the Center. Kerry comes with excellent experience in non-profit accounting and stellar recommendations from organizations served in the past. Kerry's position will strengthen infrastructure essential to keeping pace with the additional finance and reporting required by Victims of Crime Act (VOCA) and City of San Antonio grant.

Board Business

- I. Consent Agenda
 - a. Consent Agenda included Minutes from the September 25, 2018 Board Meeting. A motion to approve was made by Jeff Hetrick with second by Rose Mary Fry. Motion was accepted by consensus.

- II. Finance Committee
 - a. Bobby Rios, Treasurer, reviewed the Balance Sheet and Year to Date Financial Statements for Board members and commented that finances were trending better than budget. Ty West remarked on the positive revenue reflected in the Rio Grande Valley office this month. This derives from a combination of grant funds deposited and a \$25,000 pledge that Randy Baker, Interim Director has secured. The intent is for the Valley program to become an independently operating nonprofit organization in the next few years. ACTION ITEM: Motion by Ty, seconded by Jimmie Keenan was accepted by all.
 - b. Bobby also presented the 2017 Form 990 which is prepared by independent auditor Randy Walker & Co. This is a public document that can be accessed through the Center's website and is important in Foundation decision making. Several members of the Finance Committee had already reviewed in depth and recommended that the document be accepted as presented. Lauren Ferrero had a few minor questions and

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comments for clarification. ACTION ITEM: Bobby Rios made a motion to accept the Form 990 document as presented; motion was seconded by Rose Mary and approved by all members.

III. Facilities Committee

- a. Chair Connie Gilbert referenced and reviewed a *Summary of Findings* Document related to Due Diligence regarding potential purchase of the adjacent "Annex" property at 215 W. Olmos Drive. The document was previously discussed by the Executive Committee. Numerous inspections included electrical, structural and environmental; as well as a separate asbestos, lead and mold inspection. Overall findings indicate that the building is structurally sound, and that there are no indicators to cause concern for a potential purchaser of the site. It is obvious that the building is outdated in appearance, not handicapped accessible, and that the HVAC system is old; but nothing in the various analyses indicates a major safety or occupancy issue. Connie also shared that she had engaged services of a professional space planner to provide suggested options for either first or second floor staff usage.
- b. Attorneys Lauren Ferrero, Andrew Sherwood and Ryan Sullivan have been meeting frequently to assess any legal issues related to the potential purchase. There is a need for further clarification regarding property ownership and succession of ownership by the various partners through the past several decades. The attorneys have considered options to assure that there are no future issues regarding clear title to ownership; but the responsibility now lies in the hands of the seller's attorney and Presidio Title Company to resolve outstanding legal concerns by the end of the feasibility study date, which is November 5. If these issues are resolved, then a potential closing could occur within 30 days.

IV. Resource Development Committee (RDC)

- a. Bobby Rios reported for Scott Gruendler, RDC Chair, who was present by conference call at the meeting. The Committee met on October 8 and looked at an analysis of Center donor giving by geographic area, as well as prospective ways in which we can grow Center support. Legacy donors from the zip codes surrounding the Center continue to be very significant, but there is an increasing percentage of donors and prospective donors from outer areas of the city, as it grows toward and past Loop 1604. It was noted that the upcoming 2019 Gala event is a prime opportunity to engage new supporters for the Center, given that honorees are Mayor Ron and Erika Nirenberg and the venue has changed to the Mays Family Center at the Witte; with capacity for seating up to 600. It was noted that the Friends Board and Gala Committee have an ambitious goal of attendance close to 500. But that will only be accomplished if every Board member helps by identifying colleagues and friends who will come out to support the gala on February 28. Letters have been sent to each Board and Advisory Board member with an appeal for help. The Resource Development Committee will focus on visits with corporations to try to secure additional sponsors. Mallory Ahl noted that the Friends Board also needs help with attractive live auction items, such as travel packages and hunting/outdoor trips. The 2018 event raised net revenue of \$228,000. Last year's honorees, restaurateurs Suzy and Cappy Lawton, are the honorary chairs of the upcoming gala.

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- b. Marian spoke briefly about the Annual Campaign. This year we are piloting a new strategy, by having the direct mail appeal in form of a letter crafted from Dr. Laura Lindner, former client and supporter; rather than the letters come from Board members. Rose Mary requested that all board members receive an electronic copy of the letter in format that they can circulate and share to increase outreach to potential new donors. Jacqui also noted that if this new approach is not successful we will add a component of personal appeal letters in late November. The holiday months are traditionally the time in which by far the majority of annual individual donations are received.

V. Executive Committee:

- a. Chair Jacqui Peace again thanked Board members for the thoughtful and active way in which they have participated in the property analysis and decision-making process over the past three months. She particularly noted the strong role played by Connie Gilbert, Bobby Rios, Ty West and Dykema Cox attorney Andrew Sherwood, a colleague of Ryan Sullivan's who is providing pro bono assistance. Jacqui also noted the challenge in timing for property purchase, given that the Center has had so much successive program growth. Jacqui then presented the recommendation of the Executive Committee, which is favorable toward purchase. She reviewed the components of the recommendation as outlined below. It is recommended that:
 - Execute the existing contract for purchase of the property at 215 W. Olmos Dr. for \$685,000.
 - Evaluate responses to RFPs and secure bridge financing to facilitate purchase.
 - Immediately engage in a Major Gifts Campaign to raise approximately \$1 million to \$1.2 million to pay off bridge loan, remediate essential elements and provide funds for limited re-design and improvements to accommodate several additional staff members in the Annex.
 - In timeframe 2020 through 2022, Conduct full-scale (est. \$4MM) Capital Campaign to fully integrate and equip both buildings, expand parking, establish facility endowment, and secure additional operating revenue to support further expansion.
- b. ACTION ITEM: Past Chair Bill Day made a motion to approve the above recommendation to purchase the building and proceed with finance options. The motion was seconded by Jeff Hetrick. Discussion ensued. Ty West who has been representing the Center on a pro bono basis as broker stated that he believes this is a wise decision. Debra Weems noted that it is important that we strategize and have input from those with expertise in planning a capital campaign, so that we understand the best time to go public and leverage major donors toward the goal. Questions were raised regarding short and long-term consultant help that might be needed. Several board members suggested that Bert Pfiester would be their first choice for engaging in that role. Board members then voted unanimously in favor of the motion.

VI. Management Report

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- a. Board members were directed to the several-page written update on the Board portal and in the distributed packets. Marian asked Mallory Ahl to provide an update on both Gala progress and the upcoming Tour & Taste event. Marian also reminded Board members that the December Holiday Party event for the Board and staff will be Thursday December 13; and will honor long- time volunteer Linda Fugit who is moving to Austin. There is another event on October 28 at La Fonda, also honoring Linda, to which all are invited.
- b. Marian noted that all programs and sites are functioning well, as noted in the client usage trends included in written reports; and that Paloma Place was receiving a heavy flow of new referrals. The Center has hired another therapist who starts in Floresville this week. Next week marks the first anniversary of the Sutherland Springs tragedy.
- c. The Annual Holiday Shop event for the children is Saturday, December 8th. Appreciation is extended to Plains Capital Bank for their support, under the leadership of Connie Gilbert. Marian also noted that the Advisory Board, with Chairs Mike and Jodi Wood will convene on November 1, and that they can help greatly in the proposed building campaign.

VII. Old and New Business

There was no additional old or new business presented.

VIII. Announcements: Happy Birthday wishes were extended to Lauren Ferrero

Expressions of Appreciation were extended to Jimmie Keenan who has been on site in Florida with the Well Med Team playing a key role in hurricane relief efforts.

IX. Adjournment- the meeting was adjourned at 7:35 pm. Next regular meeting of the Board will be held at 12 NOON on Monday November 26, 2018 at Texas Capital Bank Building, 4th floor Conference Room.

Respectfully Submitted:

Connie Gilbert, Secretary