



Board of Directors' Meeting Minutes December 11, 2019

The Board of Directors of the San Francisco Ladies' Protection and Relief Society (the Board) held its monthly meeting on Wednesday, December 11, 2019 at Heritage on the Marina (the Heritage), John Killeen Fitness Center.

Directors Present: Deborah Avakian, Paul Cesari, David Gruber, Molly Hauser, Jane Hickerson, Scott Hindes, David Hines, Randy Gridley, Margaret Jacobs, Jeanie Kayser-Jones, Trish Otstott, Laura Pilz, and Leslie Van Houten

Directors Excused: Connie Tiret

Staff Present: Ken Donnelly, Chief Executive Officer; Joe Conroy, Chief Financial Officer

Residents' Representatives Present: Out-going , Bernie Burke, Incoming Residents' Council President

I. Call to Order

Chair Hines called the meeting to order at 4:00 p.m. He thanked CEO Donnelly for his 7+ years of service to Heritage on the Marina. He also thanked the three retiring board members, Jane Hickerson, Molly Hauser and Paul Cesari, for their years of service on the Board.

II. Consent Agenda

The Board approved the Consent Agenda: November 2019 Minutes

III. Residents Communications and Relations Report

Outgoing Residents' Council President and Director Hanley welcomed the Board members to the annual holiday party held that same evening.

IV. Budget Discussion for FY 2020

Controller Conroy lead the discussion on the proposed budget for 2020. In advance of the meeting, the Board was provided with the draft 2020 budget and the 2020 Business Plan Assumptions. Conroy explained that there would be a 3.7-million-dollar deficit even though costs will remain about the same. Revenue will decrease next year because of the seven vacant studio apartments. He noted that the two studios in the Assisted Living section likely will not be filled because of decrease in interest in apartments of that size. In addition, among other things, there is a need for additional personnel as well as increase in the health premiums and GL/professional liability insurance. The 2020 Business Plan Assumptions contains greater detail.

A discussion ensued on some of the particulars.

The 2020 Budget was approved upon motion by the Board.

V. Leadership Discussion

Leslie Van Houten, chair of the Executive Compensation Committee reported on the status of the search for an interim Executive Director/CEO. She referred to the Work Plan prepared by CEO Donnelly and sent to the Board in advance of the meeting. Leslie reported on the meeting by the search committee held with Mel Matsumoto who at the time of the meeting was seriously considering the opportunity to be the Heritage's interim CEO/ED. All groups who had met with Mr. Matsumoto including residents and senior leadership reported positively about him. Should Mr. Matsumoto determine that he is not interested in the position, there is one other candidate who has been approached, and the Board can also engage the firm, Witt Kieffer. Witt Kieffer has a group that specializes in placing interim leaders in the Health Care industry.

VI. Nominating Committee

Committee Chair Trish Otsott presented the Board with the following slate of officers:

CHAIR: Dave Hines

VICE CHAIR: David Gruber

SECRETARY: Tony Hanley

TREASURER: Connie Tiret

The Board, upon motion, approved the slate of Officers for 2020.

VII. Adjournment

The meeting was adjourned at 5:20 p.m.

VIII. Executive Session

The Board met in Executive Session from 5:35 p.m. to 5:55 p.m. at which time the Executive Session was adjourned.

IX. Reconvening of Regular Session and Adjournment

The Board reconvened its regular session at 5:56 pm to entertain the following motion:

Once interim leadership is in place, that CEO Donnelly be retained in a different role--to help transition the new interim leader and to partner with the Board on Strategic Planning--subject to mutual agreement on terms and conditions of employment.

The motion was approved by all the directors present with the exception of one abstention.

This session was adjourned at 6:05 pm. The next scheduled Board meeting is to be held on January 22, 2020.

Respectfully submitted,

Leslie L. Van Houten