

MINUTES
of
HARBOR COMMUNITY BENEFIT FOUNDATION
ANNUAL BOARD OF DIRECTORS MEETING
FRIDAY, MAY 17, 2013

San Pedro Municipal Building, Room 452
638 South Beacon Street
San Pedro, CA 90731

CHAIR SEAN HECHT PRESIDED **Call to Order: 10:14 AM**

Present: Chair Sean Hecht, Treasurer Silvia Prieto, Secretary Jesse Marquez¹, Director Jim Sadd, and Director Kathleen Woodfield (5)

Absent: Vice Chair Michele Prichard, Director Peter Peyton (2)

Staff: Executive Director Mary Silverstein, Program Associates Arturo Alvarez and Ata ul Malik Khan

Counsel: General Counsel Michael Jenkins, Jenkins & Hogin, LLP

ITEM A PUBLIC COMMENT ON NON-AGENDA ITEMS

There were no public comments.

ITEM B STAFF & EXECUTIVE DIRECTOR ANNOUNCEMENTS

Executive Director M. Silverstein noted that AQMD and Landrum & Brown would provide a progress report on the TraPac Air Filtration and Noise Mitigation Program, respectively, at the next meeting.

ITEM C BOARD MEMBER REMARKS

The following Board members commented:

Chair S. Hecht announced that Agenda Items No. 10-11 on closed session would be tabled.

CONSENT AGENDA

ITEM NO. 1 REVIEW AND APPROVAL OF THE MINUTES OF HCBF BOARD MEETING DATED 4/24/2013

Motion to approve the minutes of the HCBF Board meeting dated 4/24/2013.

ITEM NO. 2 REVIEW AND APPROVAL OF FIRST AMENDMENT TO EMPLOYMENT AGREEMENT BETWEEN HCBF AND MARY SILVERSTEIN, EXECUTIVE DIRECTOR

Motion to approve the First Amendment to Employment Agreement, an extension and amendment of the Executive Director employment contract through November 30, 2014.

ITEM NO. 3 REVIEW AND APPROVAL OF HCBF FINANCIALS FOR FIRST QUARTER OF 2013

Motion to Receive and File Report prepared by NFM Solutions.

Motion to approve the consent agenda, Items 1, 2, and 3.

Motion carried unanimously:

Ayes: 4 (S. Hecht, S. Prieto, J. Sadd, K. Woodfield)

¹ Director J. Marquez joined the meeting during Agenda Item No. 4.

REGULAR ITEMS

- ITEM NO. 4 FUND MANAGEMENT PRESENTATION BY THE CALIFORNIA COMMUNITY FOUNDATION**
Senior Counsel & Charitable Advisor Carol Bradford and Financial & Investment Analyst Ravi Sharma, California Community Foundation (CCF), gave a presentation to the Board reporting on the performance of the PCMTF Investment Portfolio through March 30, 2013.

CCF responded to questions and comments from Board members.

Agenda Item No. 4 required no Board action.

- ITEM NO. 5 GOVERNANCE GUIDANCE: HCBF BOARD OF DIRECTORS ANNUAL EVALUATION**
Consultant David Norgard, OD180 Consulting, presented the results of the first Annual Board Performance Evaluation, based on the Annenberg Alchemy model. The interactive session was the first of three phases, designed to ensure good Board governance.

Agenda Item No. 5 required no Board action.

- ITEM NO. 6 HCBF ANNUAL MEETING – REVIEW OF ANNUAL FINANCIAL REPORTS/AUDIT & TAX**
Executive Director M. Silverstein presented to the Board for review and approval the auditor (RBZ, LLP) prepared 2012 Financial Reports and 2012 IRS and State filings; reporting that the Chair of the HCBF audit committee met with the auditors to review the annual reports. Director J. Sadd asked for and received clarifications.

Motion to receive and file the reports, directing staff to execute and file the necessary reports to the tax authorities.

Motion by J. Sadd, seconded by J. Marquez, and carried unanimously:

Ayes: 5 (S. Hecht, S. Prieto, J. Marquez, J. Sadd, K. Woodfield)

- ITEM NO. 7 HCBF COMMUNITY BENEFIT REPORT**
Program Associate Ata ul Malik Khan presented on this new marketing report, noting that this periodic report will be useful as a fund development tool, provided an overview of the report including a review of past and present grant projects/programs and HCBF's upcoming programs.

Agenda Item No.7 required no Board action.

- ITEM NO. 8 STRATEGIC PLAN: REVIEW AND FINAL APPROVAL OF STRATEGIC PLAN**
Chair Sean Hecht presented on this item. Based on the Annenberg Alchemy Nonprofit Leaders training, the first two goals were rephrased to provide clarity and be more reader friendly.

Motion to approve and adopt in substantial form, the 2013-2016 Strategic Plan, dated May 17, 2013.

Motion by K. Woodfield, seconded by J. Sadd, and carried unanimously:

Ayes: 5 (S. Hecht, S. Prieto, J. Marquez, J. Sadd, K. Woodfield)

- ITEM NO. 9 HCBF ANNUAL MEETING - BOARD OF DIRECTORS & OFFICERS ELECTION**
Executive Director Mary Silverstein and Chair Sean Hecht provided a brief overview on this item.

The HCBF Board of Directors convened for the first time in May 2011. The number of directors, qualifications, nomination, election process and term limits are set out in the HCBF bylaws. The May 17, 2013 Annual Board Meeting marks the end of a two-year term for all of the founding Board members. Six of the seven Directors elected to continue their service as Board Members (Directors A, B, C, D, F, and G). A new candidate will be considered at a subsequent meeting for Director E.

Unique to the selection of three seats, Directors E, F and G, concurrence is required from the Board of Harbor Commissioners (BOHC), or its designee.

Motion to:

- a) **Arrange for Director terms to be staggered, as contemplated in the Bylaws. Directors shall be elected at each annual meeting of the Board, and, no more than four Board members may serve a one-year term.**
- b) **Vote on the renewal of Directors A, B, C, D, F, and G, subject to joint approval of the TraPac Appellants, and, concurrence of the BOHC, or its designee (for seats E (vacant), F and G, only).**
 - A) Jesse Marquez
 - B) Kathleen Woodfield
 - C) Peter Peyton
 - D) Michele Prichard
 - E) vacant
 - F) Dr. Silvia Prieto, and
 - G) Sean Hecht
- c) **To achieve staggering, approve a one-year term for two Directors: 1) S. Prieto and 2) S. Hecht; and**
- d) **Vote to renew the Officers for a one-year term concluding on or about May 2014:**
 - 1) S. Hecht as Chair,
 - 2) M. Prichard as Vice Chair,
 - 3) J. Marquez as Secretary, and
 - 4) S. Prieto as Treasurer.

Motion by K. Woodfield, seconded by J. Marquez, and carried unanimously:

Ayes: 5 (S. Hecht, S. Prieto, J. Marquez, J. Sadd, K. Woodfield)

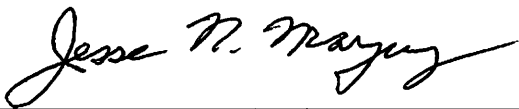
Executive Director M. Silverstein thanked Dr. J. Sadd for his service on the Board and presented him with a Founding Member plaque. Dr. J. Sadd stated it was an honor and a privilege serving on this board.

ITEM NO. 10 **CLOSED SESSION**
Tabled

ITEM NO. 11 **CLOSED SESSION – REPORT**
Tabled.

ITEM NO. 12 **ADJOURNMENT**
Chair S. Hecht adjourned the meeting at 12:32 PM.

I hereby certify that these minutes have been approved.



Jesse N. Marquez, Secretary

6/28/13
Date