

**Catholic Charities
Board of Directors
Minutes of the Meeting of May 25, 2017**

Members Attending: Most Reverend Paul Coakley, Chairman; Vi Le, Vice President; Michael Milligan, Secretary-Treasurer; Bob Bates; Tom Casso; Abe Castillo; Jerry Krittenbrink; David Madigan; Reverend Rick Stansberry; Mike Sterkel; Maria Wallace; Kathy Williams

Members Absent: Rhonda Carretero, President; Randy Calvert; Deacon Tony Crispo; Ray Haefele; Reverend John Metzinger

Others Present: Damon Britton; Bart Ferrell; Angela Jennings; Richard Klinge; Karen Kreger; Jane Moon; Patrick Raglow

Pre-Meeting Presentation

At 11:45 a.m., before the regular meeting opened, Director of Refugee Resettlement Services Angela Jennings presented a recap of her recent tour of the Holy Land with other Oklahoma faith leaders organized by the Oklahoma Conference of Churches. The group comprised eight Christians, eight Jews and eight Muslims with the goal of increasing inter-faith dialog and understanding.

Call to Order/Determination of Quorum

In Rhonda Carretero's absence, Vi Le called the meeting to order at noon and Archbishop Paul Coakley led the Prayer of St. Francis of Assisi. Members recited the mission statement. It was determined that a quorum was present.

Consent Agenda

Tom Casso made a motion that the minutes of the meeting of April 27, 2017, be approved as submitted. Kathy Williams seconded the motion and it was approved unanimously.

Committee Reports

Finance Committee

April Financial Report

Michael Milligan reviewed the Financial Report for April. Highlights are below:

- Audits entries are underway and adjustments should be complete by June 30.
- Pledges from the Capital Campaign are down by \$3.7 million and this contributed greatly to the year-to-date reduction in assets of nearly \$4 million.
- The building loan was reduced by \$1.3 million year-to-date.

- The current year loss of \$1.9 million results from prior year restricted revenue being spent in the current year.
- Grants revenue was \$780,690 below budget year-to-date largely because expenses in reimbursement grant-funded programs were less than expected.
- First-quarter statements for Investment Income were reflected in the report. The year-to-date value was \$255,909 over budget.
- Other Income was over budget year-to-date by \$205,842, but \$115,000 of that variance was due to a bequest which was not budgeted.
- April ended with a year-to-date net surplus of \$232,522, most of which could be attributed to the higher-than-expected Investment Income.
- The fiscal year budgeted deficit of \$2,293,500 is normal due to the requirement that revenue such as grants and United Way funds be recognized in the fiscal year in which they are received even if they are not expended until the following fiscal year.

2017-18 Budget Status

The Finance Committee will hold a special meeting on June 13 to review the preliminary draft of the 2017-18 Budget. Board members also are welcome to attend. The final budget draft should be ready for approval at the June 22 board meeting.

Governance Committee

Board Recruitment Update

Maria Wallace reported that the Governance Committee continues to vet candidates for new board appointments.

Proposed Bylaw Change Regarding Secretary-Treasurer Duties

At the April 27 meeting it was announced that Board Member Mike Sterkel, who currently serves on the Finance Committee, has agreed, if elected, to serve the second year of Michael Milligan's two-year term as Secretary-Treasurer when Michael Milligan terms out of board service on June 30. However, Mike Sterkel requested that Michael Milligan continue to serve, at least for the next year, as chairman of the Finance Committee to give him time to become more familiar with duties and requirements of the office. Because the bylaws require that the Secretary-Treasurer must serve as Finance Committee Chairman, the Governance Committee proposed the following options for board consideration:

Option 1: Amend the bylaws to require that the Secretary-Treasurer serve as a member of the Finance Committee but not necessarily as Chairman of the committee.

Option 2: Suspend the requirement that the Secretary-Treasurer serve as Chairman of the Finance Committee.

Option 3: Do not formally amend or suspend the bylaws, but ask Michael Milligan to serve in an advisement role to help Mike Sterkel transition to the duties of Secretary-Treasurer.

Michael Milligan stressed the importance of turnover in board leadership and said he would be pleased to serve as an advisor as long as the board and committee need him. After discussion, Tom Casso moved to accept Michael Milligan as an advisor to the Finance Committee. Kathy Williams seconded the motion and all approved.

Michael Milligan also recommended that the board establish an annual practice of contacting members of all its committees to confirm formally whether they are able and willing to continue service for the year.

In addition, he noted that the bylaws state that the Audit Committee must include at least one member who does not serve on the board or Finance Committee. Currently, however, while not all Audit Committee members serve on the board, they all serve on the Finance Committee. He suggested that the board either remove the bylaw requirement or recruit an Audit Committee member who does not sit on the Finance Committee. Before a bylaw change is considered, staff will confirm whether the rule is required by the Council on Accreditation.

Sponsored Housing

Villa Isenbart/Trinity Gardens – Renewal of Promissory Note from Trinity Place, L.P.

In addition to his detailed written report included in the meeting packet, Michael Milligan presented a request from Trinity Place, L.P., for a renewal and extension of the promissory note that will be due October 15, 2017, under the following terms:

1. Fixed monthly payments of \$4,000
2. Adjustable interest rate of 1.25% over the 2-year treasury rate, adjusted monthly
3. Term: Until Paid in Full

He made a motion that the board approve the request as submitted. Maria Wallace seconded the motion and all approved.

Columbia Square/Villanova Apartments – Limited Partner Buyout

Patrick Raglow reported that Columbia Square Inc. is approaching in December its first option period to buy out the Bellwether Enterprise limited-partner share of 99% in Villanova Apartments, Lawton. Columbia Square Inc. is the general partner at 1%. Tom Gorman from Gorman Management, which manages operation of Villanova Apartments, reports that Bellwether Enterprise is agreeable to the early exit from the partnership because of Catholic Charities' financial strength and stable operation of Villanova. Patrick Raglow expects the process to begin by December 2017, and move toward a closing date in December 2018, after which Catholic Charities would have full ownership of the property.

Mission Advancement Committee

- Patrick Raglow announced that the Reds, Whites and Brews fundraiser benefiting Sanctuary Women's Development Center in Oklahoma City is set for July 27 at Cattlemen's Event Center.
- Vetting continues for the position of Senior Director of Development.
- Staff will work with the Mission Advancement Committee to apply fundraising tools from Catholic Charities USA designed to identify new funding streams for local programs and services.
- The current 3-year Strategic Plan ends in June 2018. Therefore, the board will begin the process of developing the 2018-2021 Strategic Plan in the fall.

Old Business

No old business was raised for discussion.

New Business

Patrick Raglow reminded the board that, when Catholic Charities received a reimbursement last year from CCUSA for 2013 tornado disaster recovery, the board reallocated some of the funds to future disaster recovery. The board has already released \$358,000 of these funds designated for future disasters to be used to assist people affected by the 2015 flood disaster. Of the reimbursement funds originally set aside for future disaster assistance, \$430,000 remains. Staff requests that the board release \$200,000 of that \$430,000 for further recovery efforts in the 2015 floods. This would leave \$230,000 available for future disasters, including the most recent Elk City tornado if it is determined there is a need.

Michael Milligan made a motion that \$200,000 of the \$430,000 reserved for future disaster recovery be allocated for 2015 flood assistance. Maria Wallace seconded the motion and it was unanimously approved.

Executive Director's Report

In addition to his written report to the board, Patrick Raglow reported the following:

- Catholic Charities' Disaster Resiliency program, funded by a grant from the Margaret A. Cargill Foundation, proved effective following the recent Elk City tornado. The resiliency program trains communities in disaster preparedness. Members of St. Matthew Catholic Church in Elk City had taken the Catholic Charities training prior to the tornado and were therefore well-prepared to respond to their community's needs in the days following the disaster.
- Bridget McGuire, who served the board as a non-voting member in her capacity as OU Board Fellow during the 2016-17 academic year, attended her last meeting in April. During her term, she volunteered to represent Catholic Charities at the Oklahoma Catholic Men's Conference, and she worked on the Green Tie Gala Committee.

- The 2017 Catholic Charities Annual Mass and Meeting is set for Thursday, August 24, in Enid, Oklahoma. Archbishop Paul Coakley will celebrate Mass at 11:30 a.m. following the 10 a.m. board meeting. Mass will be followed by presentation of the Annual Awards and then lunch. The event will be held at St. Francis Xavier or St. Gregory the Great parish. Details are pending. A save-the-date notice was included in the meeting packet. It will be important for board members to attend to ensure a quorum. Board members are welcome to ride to Enid that morning with staff members on a chartered bus from the Oklahoma City office.
- United Way of Central Oklahoma has confirmed designated donations to Catholic Charities will be 10% less than last year. Notification regarding the total allocation from United Way of Central Oklahoma is expected by June 15.
- United Way of Southwest Oklahoma has allocated 10% less this year than it did last year for the Lawton Regional Service Location.
- New applications have been submitted to United Way of Norman for the Sanctuary Women's Development Center in Norman and to United Way of South Central Oklahoma for the Ardmore Regional Service Location. Those applications are pending.
- Presentation to United Way of Enid and Northwest Oklahoma is set for the first week in June.

President's Remarks

Rhonda Carretero did not attend the meeting. Vi Le had no additional remarks.

Chairman's Remarks

Archbishop Coakley updated the board about preparations underway for the Beatification of Oklahoma native Father Stanley Rother who is the first U.S.-born martyr and first U.S.-born priest to be beatified. The celebration is set for September 23. Delegations will attend from Guatemala, the Vatican, and communities from across the United States.

He announced that the Archdiocese of Oklahoma City is preparing for its capital campaign, which is expected to last about two years. He added that a recent feasibility study conducted by an outside firm has affirmed Catholic Charities' outstanding reputation across the Archdiocese.

The meeting was adjourned at 12:55 p.m.


Rhonda Carretero, President


Date