

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

MINUTES

SAN BRUNO COMMUNITY FOUNDATION

Regular Meeting of the Board of Directors

September 5, 2018

7:00 p.m.

Meeting Location:

San Bruno Senior Center, 1555 Crystal Springs Road, San Bruno

- 1. Call to Order/Welcome:** President Nancy Kraus called the meeting to order at 7:02 p.m.
- 2. Roll Call:** Board Members Kraus, Hedley, McGlothlin, Ross, Bohm, Roberts, and Stanback Stroud, present.
- 3. Approval of Minutes:** June 6, 2018, Regular Board Meeting: Vice President Hedley moved to approve the minutes of the June 6, 2018, Regular Board Meeting, seconded by Board Member Roberts, approved unanimously.

4. Presentations

- a. Introduction of New San Bruno City Manager Jovan Grogan

President Kraus introduced Jovan Grogan, the new San Bruno City Manager to the Board. Mr. Grogan made brief remarks, thanking the Board for its work on behalf of the San Bruno community, including its funding of the new recreation and aquatics center, and highlighted the management transition currently taking place in various City departments.

- b. Overview of the Skyline College Promise Scholars Program by Ellen Murray, Director of the Promise Scholars Program

Due to her professional affiliation with Skyline College, Board Member Stanback Stroud recused herself from this agenda item and left the room.

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

President Kraus introduced Ellen Murray, Director of the Skyline Promise Scholars Program at Skyline College. She remarked that since education is a strategic grantmaking priority area, the Foundation invited Ms. Murray to brief the Board on the Skyline Promise Scholars Program.

Along with Dr. Angelica Garcia, Vice President for Student Services at Skyline, Ms. Murray gave a brief overview of the Skyline Promise Scholars Program. She began by highlighting research supporting the notion that an educated community is a thriving community. She then explained the Promise Scholars Program, which aims to dramatically increase graduation rates at Skyline by providing financial, academic, and student services support to full-time students. She said the program is based on the ASAP model at the City University of New York, that 2018-2019 is the first year of replicating the full model after two cohorts participating in a pilot program, and that the program has been funded by the Skyline President's Council and a combination of grants.

5. Board Member Comments

- a. **President:** President Kraus welcomed the other Board members to the meeting and thanked Foundation staff for their work over the summer.
- b. **Others:** Board Member Stanback Stroud shared copies of Skyline College's Annual Report with Board Members and informed them of Skyline's Success Summit, a half-day forum on September 28 bringing together business, civic, nonprofit, and academic leaders to discuss critical issues facing San Mateo County.

6. Executive Director's Report: Executive Director Leslie Hatamiya announced that the Foundation's Annual Report was mailed to all San Bruno addresses the previous day, that the San Bruno City Council approved the Foundation's fiscal year 2018-2019 budget on June 26, and that website traffic and e-newsletter readership have remained stable in recent months.

7. Consent Calendar

- a. Adopt Resolution Canceling the October 3, 2018, Regular Board Meeting
- b. Adopt Resolution Ratifying Approval of \$250,000 Strategic Grant to the San Bruno Education Foundation to Support the San Bruno Park School District's School Transformation Effort at Parkside Intermediate School and to Implement the SEAL Program at Belle Air and Allen Elementary Schools
- c. Adopt Resolution Approving Appointments to the Investment Committee
- d. Receive and Approve Treasurer's Report (May, June, and July 2018 Financial Statements)

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

Board Member Stanback Stroud moved to accept the Consent Calendar as presented, seconded by Treasurer Tim Ross, approved unanimously.

8. Conduct of Business

- a. Receive Report from Investment Committee and Presentation from Sand Hill Global Advisors, LLC, Regarding SBCF's Investment Portfolio

Investment Committee Chair Ross gave a brief summary of the Committee's most recent quarterly meeting, which was held on August 22, 2018. He reported that the meeting included the quarterly report from the team at Sand Hill Global Advisors, LLC, the Foundation's investment adviser. He also noted that the next Investment Committee meeting is scheduled for Tuesday, November 27, 2018.

Chair Ross then introduced Brian Dombkowski, Sand Hill's CEO, and Senior Wealth Manager and San Bruno resident Kristin Sun to give the firm's annual presentation to the Board.

Mr. Dombkowski gave the firm's assessment of the economic and market outlook and described the market as mid to late cycle. He then reviewed the three pools of the Foundation's investment portfolio: (1) a Quasi-Endowment Pool, with a long-term time horizon following a classic endowment investment strategy (June 30, 2018, balance of \$17,521,667); (2) a Strategic Pool to be spent down on strategic projects and operations (June 30 balance of \$55,451,122), and (3) a Liquidity Pool to cover the Foundation's near-term cash needs (June 30 balance of \$356,359). He described the overall performance of the three pools of funds as positive, with a combined value, as of June 30, 2018, of \$73,329,147, which was an increase from the initial funding balance of \$69,945,290 in May 2016, when the Foundation took possession of the restitution funds. Mr. Dombkowski ended his presentation by remarking that the firm is committed to remaining an independent fiduciary and is honored to work on behalf of the Foundation and the San Bruno community.

- b. Receive Report on Music Education Strategic Initiative

Executive Director Hatamiya reminded the Board that in 2017 the Foundation launched a Music Education Strategic Initiative, investing \$495,000 through the San Bruno Education Foundation and the Capuchino High School Alumni Association in the music education programs of San Bruno's public schools. She then introduced SBEF Vice President Bryan Vander Lugt and CHSAA Vice President Judy Puccini to provide a report on the implementation of the Initiative over the past year and plans for the second year.

Ms. Puccini reported on the programs that Foundation funding has supported thus far, including offering the Music for Minors program to all elementary school students in the San Bruno Park School District (benefiting about 2,000 students), offering an after-school instrumentals program for 5th graders (30 students), providing instruments, equipment, and supplies to the Parkside Intermediate School music program (about 300 students), and providing band uniforms, transportation, and other equipment for the Capuchino High School music program (about 200 students). She handed out a brochure for the

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

Capuchino High School music program and noted the various awards that Parkside and Capuchino musicians have received.

Dr. Vander Lugt discussed some of the challenges the two organizations have faced in implementing the Initiative, including the high turnover rate of the music teachers in the Music for Minors program due to the high cost of living in the Bay Area, the challenges of working together with partner organizations including the PTAs, and developing strategies for attracting other sources of funding to continue the programs. He also highlighted many of the positive developments, beyond the enhanced music programs, arising out of the Initiative, including the motivation for many different organizations from elementary to high school to collaborate on this effort, new, enthusiastic, and supportive leadership at Capuchino and the San Bruno Park School District, and the resulting community engagement. He invited the Board and all community members to attend “Music in the Air,” a variety show-style event showcasing the public school music programs, to be held on Saturday, November 3, at Capuchino High School. He reported that YouTube is the lead sponsor for the event, and the goals for the event include both fundraising and community awareness. He said SBEF has enlisted the services of a videographer to create an impact video highlighting the rich music education history in San Bruno’s public schools.

Board Members expressed their appreciation to Dr. Vander Lugt, Ms. Puccini, and members of the Initiative’s steering committee in shepherding the Initiative and said the implementation is blossoming like the Board envisioned in approving the strategic grant.

- c. Receive Report from Ad Hoc Committee on Recreation and Aquatics Center Project and Adopt Resolution Approving Strategic Grant to the City of San Bruno for Architectural and Project Management Services Related to the Schematic Design, Development of Construction Documents, and Support through Project Construction for the Recreation Center and Aquatics Center Project in an Amount Not to Exceed \$5,625,000

As chair of the Ad Hoc Committee on Recreation and Aquatics Center Project, President Kraus reminded the Board that the overall project is designed in three phases: conceptual design, development of schematic design plans and construction drawings, and construction. She said that last November this Board approved a strategic grant to the City of San Bruno, in an amount not to exceed \$550,000, to cover expenses in connection with the first stage, and that the City hired Group 4 Architecture, a South San Francisco-based full-service architectural firm, to lead the conceptual design phase, which included two rounds of outreach over the first half of 2018. She said based on the community input, Group 4 developed a conceptual design proposal for the project, which the City Council approved in June. She also reported that the City is quickly moving forward with the second phase, and in July the City Council approved the selection of Group 4 to provide architectural services for the second phase of the project (schematic design and construction documents) and for support services through the construction phase. She then presented to the Board a resolution to approve a strategic grant, in an amount not to exceed \$5,625,000, to the City to cover the next set of expenses associated with the recreation and aquatics center, including the costs associated with hiring architectural services through the completion of the project and project management services for the second phase. If approved, she said the

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

\$5,625,000 grant (like the initial grant for the conceptual design phase) would be counted against the \$50 million total the Foundation has earmarked for this project.

Vice President Hedley moved to adopt the resolution approving a strategic grant to the City of San Bruno for architectural and project management services related to the schematic design, development of construction documents, and support through project construction for the Recreation Center and Aquatics Center Project in an amount not to exceed \$5,625,000, seconded by Secretary McGlothlin, approved unanimously.

- d. Receive Report on Other Programs (Community Grants Fund, Crestmoor Neighborhood Memorial Scholarship, Other Strategic Grants)

Executive Director Hatamiya gave brief updates on the Foundation's other programs. With regard to the Community Grants Fund, she announced that the third iteration of the program was launched in early July, with a September 26 application deadline. She said two Grant Workshops were held in July and August, with a third scheduled for September 10. Finally, she said the Foundation is pleased to have the support of Google.org and YouTube again this year; with the Google/YouTube donation of \$100,000, the Foundation will award grants totaling \$300,000 in December.

Regarding the Crestmoor Neighborhood Memorial Scholarship, Ms. Hatamiya reported that the 2019 Crestmoor Scholarship will launch in December, and the application deadline will be March 6, 2019.

She then reported on three strategic grants to the City of San Bruno. First, she reported that over the summer the Foundation received the City's grant report for Community Day, which was held on June 3, 2018, and that the Foundation recently made to the City a grant payment of \$49,225 (including \$21,000 from corporate sponsors) to support Community Day. With regard to the Pedestrian Safety Initiative, she reported that the final two sets of flashing beacons - one at the southern end of San Mateo Avenue and one near John Muir Elementary School - are scheduled to be installed in September and are in addition to flashing beacons already installed at unsignalized and mid-block crossings near Parkside Intermediate School and Portola Elementary School this past spring. With regard to the First Responder Effectiveness Strategic Initiative, she reported that Implementation of the three projects being funded by the Foundation's grant (emergency shelter supplies, critical facilities site assessments, and police mindfulness training) is underway. She also noted that donations to the Initiative from Google.org and employees of Google and YouTube following April's shooting at the YouTube headquarters have totaled more than \$300,000 and that the City is working to identify one or more projects to be funded by these donations.

Finally, Ms. Hatamiya reported on the Schools Transformation strategic grant. She said that in July the Foundation paid the San Bruno Education Foundation the \$250,000 grant to support the San Bruno Park School District's school transformation efforts at Parkside Intermediate School (collaboration with Partners in School Innovation) and Belle Air and Allen Elementary Schools (SEAL literacy program). Implementation of both projects is beginning this school year.

SAN BRUNO

Community Foundation

Board of Directors

Nancy A. Kraus, *President* • Frank Hedley, *Vice President* • John P. McGlothlin, *Secretary* • Tim Ross, *Treasurer*
Patricia Bohm • Emily Roberts • Regina Stanback Stroud
Leslie Hatamiya, *Executive Director*

e. Receive Report from Audit Committee Regarding Fiscal Year 2017-2018 Audit

On behalf of the Audit Committee, Chair McGlothlin reported that Foundation staff closed the fiscal year 2017-2018 accounting books and provided requested materials to the Foundation's certified public accounting firm for the annual audit, which is on track to be completed by the November Board meeting. He mentioned that the Audit Committee would be meeting on October 22 at City Hall to review the draft audited financial statements with the auditors, who are also preparing the Foundation's informational tax returns.

f. Discuss Upcoming Officer Elections for 2019 Term

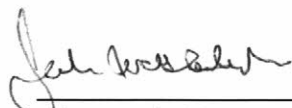
President Kraus noted that under Board's officer elections process, the subject of officer elections is agendized at the meeting prior to taking nominations and holding the election to allow for Board discussion on this topic. President Kraus began the discussion by saying that health challenges prevent her from continuing as president in 2019 and that she suggests that the Board elect Vice President Hedley, due to his exemplary leadership thus far, to serve as president in his final year on the Board. She also recommended that Board Member Roberts, whose service on the Board will not be termed out at the end of 2019, be elected to serve as Vice President. Secretary McGlothlin expressed a willingness to continue to serve in his present position or in another position. Vice President Hedley praised President Kraus' leadership and said that, if nominated, he would be honored to serve as president. Board Member Roberts also said she would be willing to serve as an officer if asked. Other Board members, including Ms. Bohm, Dr. Stanback Stroud, and Ms. Roberts, thanked President Kraus for her valuable leadership and the vision she has brought to the Foundation.

9. Public Comment: Lonnie Sopko of the American Legion Post 409 thanked the Board for the Community Grant that funded the renovation of the Post's kitchen last year and invited community members to attend the Post's breakfast fundraiser the last Saturday of each month.

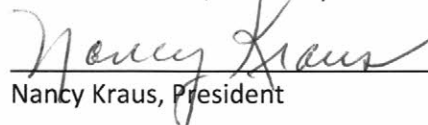
San Bruno resident Mary Lou Johnson acknowledged the work of the Foundation in the community and, in particular, lauded the leadership of President Kraus.

10. Adjourn: Board Member Roberts moved to adjourn the meeting at 8:27 p.m., seconded by Board Member Stanback Stroud, approved unanimously.

Respectfully submitted for approval at the Regular Board Meeting of November 7, 2018, by Secretary John McGlothlin and President Nancy Kraus.



John McGlothlin, Secretary



Nancy Kraus, President