

**Leadership Birmingham Annual Board of Directors Meeting**  
**Wednesday, June 23, 2021 - 1:30 p.m.**  
**Regions Bank, 12<sup>th</sup> floor conference room & virtual via WebEx**

**Attendees**

**In-Person:** Bob Corley, Natalie Davis, Cathy Friedman, Wayne Hutchens, Myeisha Hutchinson, Emily Hess Levine, Bill Ritter, Guin Robinson, Lee Smith, Mike Warren, Nick Willis, Odessa Woolfolk

**Virtual:** Nelson Bean, Neal Berte, Kelly Caruso, Daniel Coleman, Mark Crosswhite, Ann Florie, Jim Gorrie, Anthony Joseph, Edgar Marx, Chris Nanni, Joel Rotenstreich, Joyce Shevin, Larry Thornton, Tim Vines, Cathy Wright, Alan Zeigler

**Staff:** Libba Vaughan, Susan Cash

**Guests:** Matt Stewart and Morgan Hudson from DiPiazza, LaRocca, Heeter & Co.

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Chairman Mike Warren called the meeting to order at 1:35 p.m. and invited Matt Stewart to review the audit.

**AUDIT REPORT**

Matt Stewart reported a clean opinion on the 2019-2020 audit and overall a steady balance sheet from year to year. Matt stated that the statement of activities shows a steady income statement. One variance from the previous year is income of \$45,400 from COVID relief, and that made up for a little lost income that would have occurred. Matt noted that member contributions increased, and total expenses went down. The \$3,500 in the donor-imposed restrictions column is scholarship money that was released from restriction. In the notes to financial statements, Matt said that one required new note is included in note 1 about how COVID could negatively impact operations and cause uncertainties in future revenues. Leadership Birmingham has one year of operating expenses which is very good. Matt noted the income statements are separated by Leadership Birmingham, Members Association, and Youth Leadership Forum. Matt also noted the \$40,000 elimination between programs – the pledge of funds from Leadership Birmingham to YLF. Natalie Davis asked about the \$7,200 changes in net assets, and Libba explained that is the donation from YLF back to LB. Mike stated the swap has been in place for a number of years.

**GOVERNANCE – Bill Ritter, Governance committee chair**

The governance committee met on June 16 and recommended three items for the full board's consideration. The first is the renewal of the Class of 2018-2021 board of directors, with the exception of Kate Nielsen who has asked to retire at the end of her term. Bill stated that with Mike Warren's May 30 retirement from Children's Hospital, Mike would like to step down as chair of Leadership Birmingham's board of directors despite Bill checking, double checking, and triple checking to make sure he would not stay. The governance committee recommended that Bill Ritter take over as chair of the board and Kelly Caruso take the position of vice-chair of the board.

Odessa Woolfolk seconded the motion to accept the governance committee's recommendation and approve the renewal of the 2018-2021 class of directors, Bill Ritter as chair, and Kelly Caruso as vice-chair. The motion approved unanimously.

**FINANCIAL REPORT – Nick Willis, Finance committee chair**

Nick asked for a motion to accept the 2019-2020 audit. Guin Robinson made a motion and Cathy Friedman seconded. The 2019-2020 audit was accepted unanimously.

Nick presented the statement of financial position, the profit and loss statement, the budget versus actuals for the fiscal year which has 7 days remaining. Revenues and expenses are both down. Libba

noted that we received two Payroll Protection Plan (PPP) loans – one in last fiscal year (\$45,400) and one in this fiscal year (\$43,222). Both were applied for through Regions Bank and have been forgiven by the SBA. The PPP loan helped to make up for the loss in tuition revenue that we did not receive this year due to the postponement of the Leadership Birmingham class. Libba noted that she expects a commitment of an additional \$40,300 in corporate giving for this fiscal year.

Nick presented the 2021-2022 budget. A recommendation of the finance committee is for the organization to increase class member tuition up to \$2,000 from \$1,750 for the Class of 2023. This amount would help us increase program flexibility and still remain quite competitive in pricing. Libba noted the current annual tuition rates of comparable leadership programs:

Montgomery - \$1,875	Atlanta - \$4,500
Huntsville, \$4,850	Jackson - \$2,000
Mobile - \$2,500	Chattanooga - \$2,900
Alabama - \$3,250	Memphis - \$5,000
Nashville - \$1,000	

Odessa Woolfolk asked if any of these organizations provide more leadership training. Libba stated that Leadership Huntsville is the only one that she knows that uses that model heavily, and Odessa stated that the founding board made a decision not to do leadership training. Leadership Huntsville also has a much larger staff than Leadership Birmingham and runs more programs. Ann Florie stated that they also have a very different funding model and do not get the kind of corporate contributions that we do.

Nick asked the board to approve the budget and tuition increase on recommendation from the finance committee, and Lee Smith seconded. The 2021-2022 budget and increase in tuition were unanimously approved.

### **EXECUTIVE DIRECTOR REPORT – Libba Vaughan**

At last year's board meeting, we had not made the decision to postpone the Class of 2021. But with COVID numbers drastically increasing last July, you will recall that we made the decision to postpone the LB class instead of hosting it virtually. And then, the YLF Steering Committee made the same decision with YLF. All comments we heard were gratitude for making that decision. It seems easy now, but it wasn't then...and that's what this entire year has been like. We should not forget what we didn't know last April, or July, or even in January of this year.

I am proud of how we adapted to the virtual world. We – like everyone- became comfortable with Zoom and Webex and Teams – and we hosted 29 virtual and one in-person event during the past ten months with our alumni. We engaged groups that we normally don't get to see regularly- and many that we do-through these events, and the class reunions we hosted were a lot of fun, including Cathy Friedman's class of 1995. We do plan to continue an online event series this upcoming year for our alumni, but at a smaller scale.

In this year of isolation, we chose to tell the stories of our recent class members and alumni by investing in the services of a professional writer and graphic designer to help produce two newsletters. They also helped us with associated digital content to post online. I look at these to serve as our annual report for this pandemic year.

Our alumni carried us through this year: they donated \$17,000 over what we budgeted in donations for the year- this is over \$22,000 than what they gave last year- and they also gave a total of \$52,100

in dues, which is right above where we budgeted - but \$11,000 over last year. Thanks to Members Council members and board members Chris Nanni and Cathy Friedman for helping in this effort.

Thank you also to Judge Sharon Blackburn for helping YLF receive a \$10,000 grant from the Robert R. Meyer Foundation, and thanks to Dr. Nancy Biggio for seven years of service as chair of the YLF steering committee. She has moved to New Orleans. Libba noted that Susie Abbott will reach ten years of service in July, and Susan Shields Cash will reach that milestone this November.

I have immense gratitude for Mike Warren and his service to Leadership Birmingham. I appreciate everything that you've done, Mike, not only for me, but especially for this organization. I will miss you.

### **APPROVAL OF MINUTES**

Mike Warren requested to approve the minutes from the Board of Directors meeting on June 24, 2020. Bill Ritter made a motion to approve, and Wayne Hutchens seconded the motion. Minutes were approved unanimously.

### **RECOGNITION**

Bill Ritter shared a board resolution honoring Mike Warren for his years of service to Leadership Birmingham. The full text of the resolution is at the end of these minutes. Natalie Davis made a motion to approve the resolution, and Guin Robinson seconded. The board resolution honoring Mike Warren was heartily and unanimously approved.

Ann Florie, current board member and Leadership Birmingham's executive director for 14 of the 18 years Mike served as chair, shared her thoughts on Mike's leadership. Below is a summary of her remarks:

#### **Ann Florie**

*Mike, I can't let this opportunity go by without having a chance to publicly acknowledge the appreciation, personally and on behalf of Leadership Birmingham, for the contributions that you have made over your tenure here. You have been more gracious and generous with your time and leadership than most people I know.*

*The role of the chair is always important, but the relationship between the board chair and the executive director is particularly important. When I took this job, Mike and I did not know each other well. I was little nervous about coming in but was coming in with plenty of ideas and an overabundance of confidence in the changes that I wanted to make. I had not been there longer than about 2 weeks when I got a call from Kathy (Mike's assistant) who asked me to meet with Mike at his office. I assumed since he was a CEO that he would be interested in the financials, so I went over there with all of that in hand and all my ideas. What he really wanted to do was not that at all. He wanted to talk about the community and leadership in the community. He wanted to talk about the changes that were going on and his philosophy about leadership and the important role that he thought Leadership Birmingham could play going forward. Going forward, those conversations and that philosophy of leadership eventually found their way over time into program days and other changes in the organization.*

*I probably met with Mike every couple of months, for hours, and I realized that he was actually using those meetings to build trust. And, he was letting me know in a subtle way of what his expectations were about the working relationship. Those meetings also served to mentor me and to coach me in a very skillful way, and I will forever be grateful for that. His style was never to micromanage but to lead you through a series of questions that he hoped might lead to a decision.*

*He always gave you the opportunity to plead your case and to work through things first so he never stepped on you. If you couldn't convince him of your decision and why it was the right one, he was very capable of being quite direct when he needed to be.*

*Mike could deftly handle more meetings than you know. He could get you through any meeting. He handled selection by himself one year when my mother died. He handled meetings in which I was so sick that I couldn't talk, and he just said, "let me deal with it." He always handled any sticky situation, and he always backs you up on decisions. He was always there, and he always carried his load.*

*Mike Warren always says it's important how you leave. And I want you to know, Mike, that I think we should be grateful that through your vision and your strategic thinking, you have left Leadership Birmingham very well positioned for the future. And we're incredibly grateful that you've been here, and I certainly enjoyed working with you.*

**Mike Warren**

*When that time comes and Ann Florie is not asked to speak at my memorial service, I hope you all will remember those kind words! Ann, thank you very much.*

*Bill, I'm not sure how you're going to end this, but I'm very grateful for the time. I've had. One of my great delights was to see that each class that first time. Wishing them well off, they go and to see the eagerness with which they were approaching the new year was something. That always gave me a really positive feeling about the future of Birmingham and the future of the next leaders that we were going to have with us. And I think that more than anything else summarizes what Leadership Birmingham has meant to me, and I think what it means to our community now, and into the future.*

*So, thank you all for these kind words, and for the resolution and Bill, I wish you and Kelly the very best working with Libba. I'm so pleased with where our organization is. And I'm also pleased with where you will take it. Thank you.*

Mike adjourned the meeting and went into executive session at 2:33pm.

Minutes submitted by Susan Cash.

## **Resolution Honoring Mike Warren**

**WHEREAS**, the Board of Directors of Leadership Birmingham desires to honor and recognize Mike Warren for his unwavering and outstanding leadership throughout the City of Birmingham and the State of Alabama through his business and civic endeavors and particularly as Chairman of the Board of Directors of Leadership Birmingham; and

**WHEREAS**, Mike Warren was born in Texas but is a product of Alabama, including the Auburn public schools and Auburn University, and he earned his J.D. degree from Duke University before returning to Alabama; and

**WHEREAS**, during his fifty-year career, Mike Warren has served in critical leadership roles at Alabama Gas Corporation, Energen Corporation, and Children's Hospital of Alabama, and the boards of Protective Life, Blue Cross Blue Shield of Alabama, Birmingham-Southern College and Royal Cup Coffee; and

**WHEREAS**, he has served in key leadership roles at many civic organizations in addition to Leadership Birmingham, including the United Way of Central Alabama, Leadership Alabama, Business Council of Alabama, and the Metropolitan Development Board; and

**WHEREAS**, Mike Warren is a graduate of the Leadership Birmingham Class of 1986, was elected to the Board of Directors in 1997 and then was named Chairman of the Board of Directors in 2003, a term he has held for 18 years; and

**WHEREAS**, under his leadership as Chairman, over 900 leaders have graduated from Leadership Birmingham and benefitted from Mike's boundless energy, inspired leadership, and generosity of spirit, and he has elevated Leadership Birmingham into an organization critical to the strength and success of an inclusive Greater Birmingham.

Now Therefore, Be It Resolved, on this 23<sup>rd</sup> day of June, 2021, by the Board of Directors of Leadership Birmingham, heartily thank Mike Warren for his truly outstanding leadership and to recognize the respect and admiration we have for his dedicated leadership and service. We wish him the very best in his retirement as he enjoys his family, including wife Anne; children Bill, Laura, and Amy; and grandchildren Phoebe, Hannah, Patrick, Samuel, Amelia, Henry, Ethan, Michael, Parker, and Ruby.

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Bill Ritter  
Vice-Chairman of the Board  
Leadership Birmingham