



MINUTES

ROLL CALL

Trustees

Wills, Kathy, Chair	Present
Smith, Gerri, Vice Chair	Present
Beyersdorfer, Jeff, Vice Chair/Treasurer	Present
Hasenstein, Sue, Secretary	Present
Andres-Schneider, Ellen	Present
Baughman, Tim	Present
Beverly, Bruce, SCPA Rep	Present
Clark, Tom	Proxy
Diamond, Suzanne	Present
Dye, Sydney, SMOCA Rep	Absent
Felder, Rich	Present
Fusillo, Mary	Present
Hayslip, Richard	Absent
Hernandez, Rosary	Present/Absent
Irish, Christine, SPA Rep	Present
Itzkowitz, David, SMOCA Rep	Present
Kapner, Peggy	Present
Lewis, Alison	Present
Miller, Pete	Present
Millon, JP	Present/Proxy
Roberts, Terry	Present
Schwinghamer, Steven, SPA Rep	Present

Trustees continued

Smith, Vicki	Present
Wills, Kathy, SCPA Representative	Present

Staff

Agudelo-Martin, Victoria, Controller	Present
Baker, Steve, Director of Marketing & Communications	Present
Cochran, Sara, SMOCA Director & Chief Curator	Present
Curry-Evans, Kim, Dir. Scottsdale Public Art	Present
DeGroot, Lisa, HR Manager	Present
Joyce, Kathy, Director of Development	Present
Marsh, Natalie, Director of Education & Outreach	Present
McDaniel, Scott, Director of Finance & Administration	Present
Messmer, Abbey Interim Director of Performing Arts	Present
Miller, Mike, Interim CEO	Present
Renfro, Beth, Marketing Manager	Present
Wilson, Eileen, Associate Director of Donor Relations	Present

OPEN MEETING

1. Call to Order

Kathy Wills

- a. Kathy Wills called the meeting to order at 4:00 p.m.

Kathy thanked the board for arriving early for a board photo shoot. Kathy made a few brief announcements which included: introducing Mike Miller as Interim CEO of Scottsdale Arts; informing the board of the canceled November 1st Chamber event; and inviting board members to her home for a board dinner on November 18th.

- b. Welcome and Public Comments

Kathy asked for public comments. **There were no public comments.**

CONSENT AGENDA

2. Motion to Approve Consent Agenda Items

Action

- a. Approve September 26, 2017 Board of Trustees meeting minutes
- b. Approve October 11, 2017 Scottsdale Public Art Advisory Board marked agenda

A motion was made by Bruce Beverly, and seconded by Rich Felder, to approve the consent agenda. Motion passed

unanimously.

REGULAR AGENDA

1. HR Committee Report

JP Millon

JP Millon reported that the HR committee, which meets on an as needed basis, met recently to discuss and approve the selection of a new third party administrator for our 401(k) plan, 4UsAll. This move will cut our fees in half. The move was prompted by the reactive rather than proactive approach taken by Wells Fargo. The goal for the plan is to have more employees invested.

2. FY17 Audit Report & Presentation

Colleen Kamps, Henry & Horne, LLP

Kathy Wills called for an executive session of the board and welcomed Scottsdale Arts staff to remain for the presentation. **EXECUTIVE SESSION was called at 4:03pm. Regular Session resumed at 4:14pm.**

3. Finance Committee Report

Jef Beyersdorfer

Jeff invited Scott McDaniel to report on the September financials. Scott reported that year-to-date earned revenue is on budget mostly due to SMOCA's *Ocean of Light: Submergence – A Squidsoup Project*. Expenses are mainly on budget and we can expect to see some savings in the salary line. Jeff reported that the budget was revisited and approximately \$150K of expenses were missing as well as some revenue items. The most substantial expense missing from the budget is credit card fees. There are also two high-level open positions which will offer one-time savings in expenses. All told, the missing items and one-time items total about (\$300K). To offset this, expense savings and revenue increases have been identified.

4. Investment Committee Report

Rich Felder

Rich Felder reported that the committee met yesterday with Miller Russell Associates (MRA) to review the quarterly report. The committee has some new members and all are now up to date on the RFP process for a new Investment Advisor. MRA is expected to submit a proposal as is the Arizona Community Foundation. By Spring, interviews with representatives of various organizations who submit proposals will be complete and an advisor selected.

5. Governance Committee Report

Gerri Smith for Richard Hayslip

Kathy Wills thanked Richard Hayslip in absentia for his service on the board and committee and reported to the board that she has appointed board Vice Chair, Gerri Smith to chair the committee. Gerri announced the approval of AG2 Associate Advisory Board members to the three Advisory Boards: SMOCA, Mark Paratore; SCPA, Lisa Tye; and SPA, Jamie Neuffer. AG2 member Peter Boyle will serve on the Education Committee. Gerri asked the recording secretary, Kelly Hicks to provide a walkthrough of the changes to the Bylaws recommended by the governance committee. Revisions include changes to: updated language to reflect we do not have an "annual meeting"; revise when a partial term is allowed in order to allow for the Past Chair to remain on the board during the first full term of the succeeding chair; separated Honorary and Emeriti distinctions; corrected terminology related to Advisory Board members; updated language to reflect currently used internal titles (Directors instead of Vice Presidents); rolled the Audit Committee into the Finance Committee; and officially classified the Development Committee as an "Other Standing Committee". Gerri asked the recording secretary, Kelly Hicks to provide a walkthrough of the changes to the Advisory Board Charter recommended by the governance committee. Revisions include changes to: updated language to better reflect the role of the governance committee in approving advisory board members; updated language to reflect give/get requirements are set and must be followed; and added a section to reflect Board of Trustees resolution in regards to AG2 Associate Advisory Board members.

A motion was made by Kathy Wills, and seconded by Rich Felder, to approve the recommended changes to the Scottsdale Cultural Council Bylaws and Advisory Board Charter as presented. Motion passed unanimously with more than 2/3rds of the board in attendance.

Gerri then requested a motion to approve Audit Committee chair, Sue Hasenstein as a member of the Finance Committee.

A motion was made by Ellen Andres-Schneider, and seconded by Jeff Beyersdorfer, to approve Sue Hasenstein as a member of the Finance Committee. Motion passed unanimously.

Gerri reported that the governance committee reviewed a number of names for potential trustee candidates and will be scheduling meetings to determine their interest, and which board would be the best fit. Gerri welcomed the board to submit names to the governance committee for consideration.

6. 2017-18 Board Goals Follow Up

Kathy reviewed the board goals which include: Advocating for the successful negotiation of a renewed Management Services Agreement with the City of Scottsdale; Guiding the organization in the creation of an updated Strategic Plan (internally and externally focused); Supporting the organization by educating the Boards on how to get more involved in Development/Fundraising; Building a cohesive board through social interaction and engagement; Advising and assisting the organization on filling key vacant positions with quality leaders; and Communicating successes to the city and community in an effort to raise the profile of the board and entire organization.

7. Canal Convergence Update

Chris Irish

Chris invited Kim Curry-Evans to present to the board. Kim reported that Colleen Donohoe has been appointed as coordinator for Canal Convergence and will work closely with Kim on the event. Event management will be outsourced which will be a big relief for staff, allowing them to focus on art installations. Surveys will be taken and quantifiable attendance will be calculated. The current pass-through invoicing process is tedious and Kim will be working with the City to move to monthly invoicing for this project. It is to be determined whether there will be a VIP preview party or a VIP tent for the duration of the event. Kim noted that Canal Convergence will be going “green.”

8. Development Committee Report

Erik Peterson

Erik welcomed new development committee member Alison Lewis and invited interested board members to contact him regarding serving on the development committee. The October 4th Development Committee Meeting had a focus on corporate strategies. Numerous suggestions from the committee were shared with the group and Kathy Joyce and Cathy Turner are coordinating new contact opportunities. The next Dev Com meeting is scheduled for November 1st in the Annex office at 7:30 am. Erik reported in the activities of the committee and department.

The Virginia G. Piper Charitable Trust announced that they awarded our 2 year grant proposal of \$410,000 [this will be reflected in either October or November financials once official letter is received] in support of a new website, Tessitura Optimization, and data clean up. This is a real game changer for the organization as this will combine the 5 different websites we have now into one fully functioning site that will enhance the customer experience exponentially. Pete Miller is the trustee representative to that group and will be reporting out to us at each meeting. This is the largest grant awarded the organization from Piper outside of their naming gifts that went out to organizations when the Trust was first established. We are very thankful for this amazing gift! Pete reported that the group has met, Zac Boatright identified potential vendors when he attended the Tessitura conference and has begun initial conversations with both database cleanup vendors and website design vendors. An RFP will be sent out for website design vendors after more in depth discussion are held with database cleanup vendors.

The Annual appeal has been redesigned as a sumo sized postcard which allows for a much wider reach at only \$.14 per contact. A new bitly link – members.scottsdalearts.org goes directly to the page to JOIN. We’ve expanded the reach to 42,000 households and the focus is on membership with a nod to GIVING TUESDAY on 11/28, Ansel Adams: America Gala, Frankenstein @ Scottsdale Civic Center Library, and the Paolo Soleri exhibition at SMOCA.

Erik invited Peggy Kapner to provide an update on Gala which is only 6 weeks away. There were two tables returned to availability due to changes in people’s schedules - so if you need additional seats for the dinner we have a few. Let us know asap. Gala program and auction guide is in design and will be printed as an in-kind gift again this year from SRP. This is wonderful support – thanks to SRP. The auction guide through GiveSmart will go live NOVEMBER 1. Eblasts about GALA experiences will commence first week of November – they each have a theme: Nov 4 – Auction announcement – items live on line for viewing + Concert & After Party PUSH gala.scottsdalearts.org; Nov 11 – Concert & After Party tickets – PUSH and Read more about it – links to Chris and Dave Brubeck discussing how they created the work; Nov 18 – Concert & After

Party experience + if tickets still available; Nov 25 – As you arrive – what you will experience!; Dec 5 – Many thanks to all for making the GALA a huge success!

Erik reported that the development committee will revisit Board Roles & Responsibilities – this will be the focus topic of the upcoming Development Committee meeting on November 1. Kathy Wills noted the importance of moving the fiscal year end push for board contributions to an end of calendar year due date in order to allow the development department to concentrate fiscal year end efforts on other donors. Invoicing will provide giving options and a list will be developed to indicate which “gifts” count and which don’t. The revised roles and responsibilities document will better outline give/get requirements.

9. Interim CEO Report

Mike Miller

Mike Miller noted that there were a number of impactful events that provided an experience and highlighted our brand, specifically noting the Gala and SMOCA’s exhibition *Ocean of Light: Submergence – A Squidsoup Project*, and recommending more experiences be developed. The question to consider is, “What is the experience and how does it bring more people?”. Mike reported that he met with division and department directors during his first week as Interim CEO, and held an All Staff meeting during his second week. Mike noted that staff are positive, engaged, passionate and knowledgeable, and had interesting questions, mostly surrounding the CEO position. Mike reported that Interim COO, Natalie Marsh, Director of Education & Outreach, will oversee the day-to-day operations of other three operating divisions, Scottsdale Center for the Performing Arts, Scottsdale Museum of Contemporary Art, and Scottsdale Public Art. The Director of Development, Director of Marketing & Communications, and Director of Finance & Administration will report directly to the Interim CEO.

Mike noted that strategic planning is critical and that we should think as broadly as possible, then come back to where we can stretch ourselves while establishing exactly what is achievable. Natalie reported that we have identified an outside consultant with municipal government strategic planning experience. A timeline will be developed that includes data gathering and community engagement. The goal is to have the plan 95% complete before reviewing with the board at the board retreat in April.

Mike invited Gerri to update the board on the CEO search. Gerri reported that the committee wants to take time to survey all employees, hold focus groups with internal and external constituents, then develop a job description and post it internally and externally. If no good candidates apply, a search firm may be contracted. Gerri noted that candidate named would be confidential. Kathy noted that the most important job of the board is to fill the CEO position with someone who will lead the organization for years to come. Mike noted that comments regarding there being an issue with CEO turnover at Scottsdale Arts are inaccurate, and though there have been a number of interim CEOs over the last 12 years, Frank Jacobson served as CEO for 18 years, Bill Banchs served for five years, and Neale Perl served for three years.

ADJOURNMENT – to Executive Session at 5:15pm. Regular session did not resume.

Respectfully submitted,
Kelly Hicks
Recording Secretary