

## MINUTES

### ROLL CALL

#### Trustees

Wills, Kathy, Chair	Present
Beyersdorfer, Jeff, Vice Chair	Present
Miller, Mike, Treasurer	Present
Kapner, Peggy, Secretary	Present
Chippindall, Andrew, Past Chair	Present
Anderson, Rhonda	Absent
Appell, Felice	Present
Backlund, Ryan	Present
Baughman, Tim	Present
Beverly, Bruce	Present
Biddle, Steve	Present
Diamond, Suzanne	Present
Fedewa, Mary	Phone
Hasenstein, Sue	Present
Irish, Christine	Present
Itzkowitz, David	Present
Lewis, Alison	Absent

Lyon, Stephanie	Present
Millon, JP	Absent
Robbins, Dennis	Present
Roberts, Terry	Present
Roskam, Merle	Present
Schenkein, Jackie	Absent
Serena, Christian	Absent
Smith, Vicki	Phone

#### Staff

Agudelo-Martin, Victoria, Controller
Curry-Evans, Kim, Director, Scottsdale Public Art
Hicks, Kelly, Executive Assistant & Board Liaison
Marsh, Natalie, Director of Education & Outreach
McDaniel, Scott, Director of Finance & Administration
McCabe, Jennifer, Director & Chief Curator, SMOCA
Prins, Jamie, Events Director
Reeves, Meribeth, Managing Director, SCPA
Wuestemann, Gerd, President & CEO

### OPEN MEETING

#### 1. Call to Order & Announcements

Kathy Wills

- a. Kathy Wills called the meeting to order at 4:02 p.m.
- b. Public Comments - Kathy asked for public comments. **There were no public comments.**

### CONSENT AGENDA

#### 2. Motion to Approve Consent Agenda Items

#### Action

- a. October 23, 2018 Board of Trustees meeting minutes
- b. November 28, 2018 Scottsdale Public Art Advisory Board meeting marked agenda

**A motion was made by Chris Irish, and seconded by Mike Miller, to approve the consent agenda. Motion passed unanimously.**

### REGULAR AGENDA

#### 3. Canal Convergence Presentation

Kim Curry-Evans

Kim gave a PowerPoint presentation on November's Canal Convergence event and handed out a report on attendance, economic impact, tourism, education, marketing, and social media ROI, statistics, and press coverage. Highlights of the handout include: The event went from a 4 day event consisting of two weekends in late February/early March to a 10 day event in November at the behest of the City of Scottsdale to create a shoulder season destination event for the City. Attendance average doubled (based on a per day calculation with 32,855 attendees in Feb/March 2018 to 208,035 attendees in November 2018. Local restaurants on the Waterfront reported 10% - 20% increases in sales during the event. Per Experience Scottsdale's review of Smith Travel Research hotel data, an increase was seen across all metrics. The Education branch had an expanded role with 4 artist residencies impacting over 800 Title 1 students. Over 3,000 attendees participated in one of the 27 workshops given during the 10 day event. All four local TV networks covered the

event and MSN.com picked up an ABC15 story.

#### **4. Chair's Report**

**Kathy Wills**

Kathy thanked Dr. Terence "Terry" Roberts for his board service. Terry is resigning after five years of service due to time commitments, however, he will continue to participate in the education operating branch advisory committee, Education Task Force. The education branch has been working on establishing a new program related to memory and aging in partnership with a local hospital system.

Kathy called for board members to attend an invitation only Piper Academy for board members on fundraising and governance to be held on March 15<sup>th</sup> and noted that the board retreat scheduled for March 26<sup>th</sup> would cover the same topics. Kathy shared some information about Scottsdale Arts' D&O Insurance policy, reassuring trustees (former and current and their families) are covered for fiduciary, employee, and cyber related law suits.

Kathy noted the additional handouts at each trustees seat including, an education branch calendar, created using art by seniors in their programs, the new SMOCA newsletter, and a Violins of Hope calendar of events.

Violins of Hope tells the remarkable stories of violins played by Jewish musicians during the Holocaust. Each violin has its own unique and inspiring story that educates both young and old about the Holocaust in a deeply personal and emotional way. Today these instruments serve not only as powerful reminders of an unimaginable experience but also reinforce key lessons of tolerance, inclusion, and diversity that are essential for today and for future generations. The Violins of Hope have been featured in books, print, film and television. They have been used in lectures and educational programs and their stories and messages have impacted hundreds of thousands of individuals. They have been played in concert halls and exhibited in museums throughout the world and they will be in Phoenix in February 2019. Through concerts, exhibition and education our community will have a variety of ways to experience Violins of Hope. Violins of Hope will be one of the largest programs in Maricopa County, reaching between 30,000 to 50,000 people in our community and bringing non-profit arts groups and other agencies together to collaborate on this project. Scottsdale Center for the Performing Arts will house the exhibition and hold a concert in collaboration with Arizona MusicFest.

#### **5. Finance Committee Report**

**Mike Miller**

Mike Miller commented that the Finance Committee reviews all the numbers in detail and reports the overall picture to the board each meeting. Mike noted that the detailed income statement (July 1 - December 31) shows a \$670K shortage in revenue with \$400k being contributed revenue and \$185 being earned revenue (due to some canceled shows. SMOCA revenue is ahead of budget projections. All other areas met expense projections. Payroll is down \$187K due to open positions. Bottom line shows a \$148k net surplus where we hoped to see \$384k. Assets saw a significant investment loss of \$437k. Cash flow shows May and June as lean months due to no City financial participation revenue and no ticket sales. Finance committee is monitoring cash and may need to dip into line of credit. It all comes back to contributed revenue being down. Work is being done to bring Canal Convergence budget back in line.

#### **6. Governance Committee Report**

**Peggy Kapner**

Peggy called on trustees to introduce new patrons and potential trustee candidates to Scottsdale Arts noting the results of a board survey on trustee areas of expertise revealing we need more technology, legal, real estate, marketing, PR, and fundraising experience at the table. We currently have six open seats on the board. Peggy called for a motion to add two trustees to the finance committee.

**A motion was made by David Itzkowitz, and seconded by Chris Irish, to approve Ryan Backlund and Bruce Beverly as members of the Finance Committee. Motion passed unanimously.**

#### **7. Advancement Session**

**Gerd Wuestemann**

Gerd opened a discussion about having interactive sessions at board meetings noting the need to make board meetings more than just dramatic readings of reports. Gerd started the advancement session by commenting that Scottsdale Arts is in a genuinely unique position as an umbrella organization of all arts and culture in Scottsdale. We have realistically had fairly consistent fundraising results of approximately \$2M per fiscal year, however, we have the same 120 – 130 donors giving the bulk of the gifts over the last 10- 15 years. We have shown that we are good at retaining donors,

however we have no new donors, no donor pipeline and no planned giving program despite having mostly mature donors. With 85% of this country's wealth in fixed assets, we need to change our approach. We will continue to harvest and do good stewardship while also opening new avenues. Gerd encouraged participating in the March 15<sup>th</sup> Piper Academy session mentioned by Kathy earlier.

Gerd posed the question, "What is Scottsdale Arts all about?" What's our elevator speech?

Andrew noted that it is easier now that we are under a new name and that from a tourism standpoint, we are The Center, SMoCA, Public Art, Canal Convergence, and the Scottsdale Arts Festival. It was noted that we need to do a better job to educate our board on what we do. Merle suggested we have a tagline. Jeff suggested we use the new statement from the new strategic plan.

*As Scottsdale continues to evolve, Scottsdale Arts is at a pivotal moment and poised to reinvigorate our history as a thought leader in the arts. We need to build trust, develop the courage to innovate with confidence, and create renewed excitement within our internal and external constituencies. Leveraging the resources, talent and vision of each branch allows Scottsdale Arts to create enriching human experiences. Connections deepen when we celebrate the broad cultural and artistic experiences that exist within and beyond our community. Diversity is our greatest strength and we strive to cultivate compassion and creativity in authentic ways to shape our future.*

Suzanne noted that the question she receives most is, "Where is it?" IT is the best kept secret and a secret treasure hidden in the Civic Center district, apart from the Arts District of Old Town Scottsdale. Gerd noted that this will be addressed with the capital improvement project, a \$30M package for wayfinding, parking, amphitheater, and marquees. Gerd will share a development plan from his former organization at the next board meeting.

Aspects of fundraising that are necessary include: individual (sponsorships/underwriting of programs), corporate, planned gifts, in-kind, memberships (a staff driven function), board dues (for operational revenue), and events.

David suggested tapping into Scottsdale Area Chamber of Commerce member organizations. Suzanne noted that Gala could new twice as much if we raise the table price and start selling earlier. She noted that it's the best party of the year and table prices could be increased to \$10k, commenting that it deserves a higher level of appreciation for its exclusivity. Gerd noted that Gala should be the exclamation point to 9 months of fundraising efforts and stated that it needs to be reinvented.

Tim commented that the board needs to introduce individuals to Scottsdale Arts, monetize Canal Convergence with corporate sponsor tents, and sell bus tours of Scottsdale Public Art for \$5K. Sue noted that she brings people, but doesn't know what next steps are taken. Merle commented that residents in the far NE valley are monetarily wealthy and we are not reaching past Silverleaf, suggesting we get into the clubs with talks and membership drives. Bruce noted we need to do a better job educating corporations on what we can bring to them and their employees and clients. "What's in it for them?" "What can they put on their materials about their philanthropy?"

Gerd reported that we have two fabulous candidates for Director of Development and an internally promoted operations manager to keep the train on track. The key is follow up, follow through, and database utilization. He noted that staff should and will deepen relationships with new patrons/potential donors introduced by board members and will bring people along until they are passionate and want to give to us. The building of a new iconic structure on the plaza will help people find us.

Kathy closed the meeting by calling for trustees to attend the Violins of Hope events, bring people to Scottsdale Arts, and please complete the board meeting survey which will be sent out later this week.

**ADJOURNMENT – The meeting was adjourned at 5:36pm.**

Respectfully submitted,  
Kelly Hicks  
Recording Secretary