

MINUTES

ROLL CALL

Trustees

Lewis, Alison, Chair	Present
Robbins, Dennis, Vice Chair	Phone
Lyon, Stephanie, Secretary	Present
Strieck, Patrick, Treasurer	Absent
Wills, Kathy, Past Chair	Present
Anderson, Rhonda	Phone
Baughman, Tim	Phone
Beverly, Bruce	Phone
Biddle, Steve	Phone
Boyle, Peter	Phone
Brown, Kirsten	Present
Cahill, Allison	Present
Camuñez, Dino	Phone
Candelaria, Mark	Present
Cecil, Paige	Present
Cohen, Liz	Present
Dahdah, J.P.	Phone
Duley, Kathy	Absent
Fedewa, Mary	Phone
Galbut, Keith	Phone
Harman, Kristopher	Present
Lawry, Aletheia	Absent

Miller, Mike	Present
Nelson-Johnson, Priscilla	Present
Peterson, Linda	Phone
Roskam, Merle	Phone
Schenkein, Jackie	Phone
Voris, John	Phone

Staff

Boatwright, Zac, Director of Marketing
Boganey, Kim, Director, Scottsdale Public Art
Buruato, Cassandra, <i>Recording Secretary</i>
Krivanek, Erin, Director of Development
Marsh, Natalie, Director, Learning & Innovation
Martin, Michael, CFO
McCabe, Jennifer, Director & Chief Curator, SMOCA
Messmer, Abbey, Director of Programming, SCPA
Prins, Jamie, Director of Events
Reeves, Meribeth, Managing Director, SCPA
Wuestemann, Gerd, President & CEO

OPEN MEETING

1. Call to Order & Announcements

Alison Lewis

- a. Alison Lewis called the meeting to order at 4:07 p.m.
- b. Public Comments – **Due to Covid-19, this meeting was held both in person and via Zoom and was held as an executive session to discuss and consider: (a) the employment, assignment, appointment, promotion, demotion, dismissal, compensation and benefits, discipline and/or resignation of a member or group of the SCC staff; and (b) discuss and consult with the SCC’s attorneys for legal advice regarding same; (b) names of existing and/or potential donors, sponsors or members and the amounts they contribute or might contribute; (c) confidential information about donors, sponsors or members or potential donors, sponsors or members; (d) existing or proposed fund-raising strategies, events, plans; (e) proposed short-term and/or long-term contributed revenue goals; (f) current or future programming plans, schedules, events, partnerships and strategies; (g) programming ideas; (h) and current potential speakers, artists, and performers.**

CONSENT AGENDA

2. Motion to Approve Consent Agenda Items

Action

- a. June 29, 2021, Board of Trustees meeting minutes

A motion was made by Jackie Schenkein, and seconded by Bruce Beverley, to approve the consent agenda. Motion passed unanimously.

REGULAR AGENDA

3. Chair's Report

Alison Lewis

Alison began the meeting by welcoming everyone to the first hybrid meeting of the new fiscal year and welcomed Kathy Duley, Liz Cohen, and Paige Cecil as our newest Associate Trustees. Kim Boganey shared a mission moment from Scottsdale Public Art, a patron thanked Scottsdale Arts for the collaboration with Scottsdale Public Library, the exhibition space brings joy and color to all patrons who visit. Alison asked Senior Management Team members to introduce themselves to the new Board members. Alison thanked Gerd for navigating through all the procedures and requirements with the new COVID protocols and his work on the new Civic Center renovations that will begin in October 2021.

4. Finance Update

Michael Martin

Michael presented the following financials, we transferred \$1.1M out of our cash accounts and into our investment accounts at Vanguard. This partially explains our sizable drop in cash from the previous month. Also, the city had wired our August payment to us in late July, so July's ending balance was unusually elevated. Our August ending balance of \$2.8M is still high by historical standards. Separately, the IRS sent us a \$275k check to cash out our accumulated ERTC refundable credits.

Investments are now at \$9.1M, and our Board Restricted portion is now \$2.2M. Total Assets are \$13M, up \$2.3M (22%) year over year, and the increase has been consolidated into the investments balance. Earned Revenue is under budget in August and year-to-Date. This is due to COVID's recent resurgence. Bright spots are stronger-than-expected SMOCA Exhibition Admissions and Box Office Service Fees that show some performance ticket pre-sales. Development had a strong month in August, particularly in the Individual line. All variances are currently expected to even out by year end except for Foundations which are currently reduced in the full-year Projection by \$28,000. Federal grants: Although it is not yet shown on the financial statements, we received an invitation from the Small Business Administration (SBA) to submit a new request for additional SVOG finds. The SVOG indicated we were eligible for another \$819,685. We completed the application and should hear back in the coming weeks about this new potential grant extension. We are still waiting for MidFirst's PPP2 forgiveness portal to open.

Michael presented the proposed FY22 amended budget, the finance committee has discussed and approved the budget to move forward to the Board of Trustees.

A motion was made by Priscilla Nelson-Johnson and seconded by Kathy Wills to approve the FY22 amended budget. Motion passed unanimously.

Michael presented that if Scottsdale Arts receives the full SVOG2 and PPP funding, we will be able to take \$800,000 of that and invest the money into the Vanguard investment account. J.P. Dahdah asked if there is a published investment policy for the Board to review and is there any restriction to invest the money only in the stock market or are we able to invest in real estate and other areas. Gerd mentioned that the finance committee will continue the discussion of how and where to invest. The finance committee will update and distribute the new investment policy to the Board by January 2022, the current policy is over 5 years old and will need to be updated accordingly. Gerd discussed that the Finance Committee has discussed the need to do an RFP at \$10 million investment mark. Keith

Galbut asked if there is a way to take that \$800,000 investment and move it into cash or cash equivalence rather than investing it immediately. Keith mentioned that Vanguard will have some form of money market accounts that we can investigate for the short-term housing of the \$800,000.

A motion was made by Keith Galbut and seconded by J.P. Dahdah to move the \$800,000 into the Vanguard investment account, which will be placed into cash or cash equivalence. Motion passed unanimously.

5. Governance Committee Update

Stephanie Lyon

Stephanie reported that Alison Lewis can extend her term until the end of the fiscal year rather than the end of December. Stephanie also mentioned that we have two new Trustees who would like to join the finance committee, Allison Cahill, and Linda Peterson.

A motion was made by Rhonda Anderson and seconded by Jackie Schenkein to extend Alison Lewis' term as Chair of the Board of Trustees until the end of the Fiscal Year, June 2021. Motion passed unanimously.

A motion was made by Kathy Wills and seconded by Kirsten Brown to approve Allison Cahill and Linda Peterson as the newest members of the Finance Committee beginning October 2021. Motion passed unanimously.

Stephanie continued to discuss the new idea of created a Board 'scholarship'. This idea would help alleviate the give/get of sitting on the Board of Trustees for those who are unable to pay the full \$10,000 amount. Priscilla mentioned that she sits on various other Board who do something similar, and they use outside sources for this and suggests that Scottsdale Arts do the same. Peter Boyle mentioned that this is extremely aligned with several of the strategic goals we have involving diversification of the Board. Gerd mentioned that we have officially changed our name from Scottsdale Cultural Council dba Scottsdale Arts to Scottsdale Arts.

6. Director's Reports

Jennifer McCabe/Abbey Messmer

Jennifer McCabe shared a mission moment from the Museum. Jennifer gave a private tour to a French Algerian artist visiting Arizona, when the artist saw the current exhibition featuring Zineb Sedira, another French Algerian artist, the visitor was visually emotional to see the representation from her culture in a museum setting. Jennifer also mentioned that SMOCA will have 2 articles in ArtForum, an internationally recognized publication. As well as the current exhibitions featuring Mimi O'Chun and Forever Becoming, a group show highlighting 11 Phoenix-based Artists all under the age of 30. Abbey Messmer discussed the kickoff show of the season was Mavis Staples and set the tone for the rest of the season. Abbey mentioned the new safety protocol for the Center, which has been sent to all patrons. PPE remains in place and all staff are fully vaccinated. Signage has been placed all around campus encouraging patrons to continue to wear their masks. Moving forward if patrons are attending a ticketed event, they will have to show a negative covid test within the past two days prior to the event or in lieu can show their full vaccination card.

7. IDEA Task Force Update

Peter Boyle

Peter updated that the IDEA task force has met a few times over the summer on how to implement goals and metrics and ways that IDEA can move forward within the organization. There have been a few new trustees who are interested in joining the task force and will be meeting within the first few weeks October. Peter mentioned that we are still looking for Board members to join. Alison thanked Peter on leading the task force with such important items.

8. Strategic Plan/CEO Report

Gerd Wuestemann

Gerd mentioned that he has been working with Linda Peterson on creating multiple documents that highlight the new annual action steps for FY22. Gerd has broken down the documents to contain: Goal Pillars, objectives, staff responsible, results and corrective action for each step. Gerd then presented the newest updates on the civic center renovations. Gerd presented a few art pieces that will be in this year's Canal Convergence in November.

9. Other Business

Alison Lewis

Alison mentioned that we will be hosting a Mystery in the Museum on October 5th. Alison and Gerd thanked the Board for their participation and are happy to be able to meet in person again.

A motion was made by Kathy Wills and seconded by Priscilla Nelson-Johnson to adjourn the Board of Trustees meeting. Motion passed unanimously.

Meeting Adjourned at 5:45 pm.

Respectfully submitted,
Cassandra Buruato
Recording Secretary

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