

## MINUTES

### ROLL CALL

#### Trustees

Robbins, Dennis, Chair	Present
Lewis, Alison, Past Chair	Present
Lyon, Stephanie, Secretary	Present
Wills, Kathy, Treasurer	Present
Anderson, Rhonda	Present
Baughman, Tim	Absent
Beverly, Bruce	Present
Biddle, Steve	Present
Boyle, Peter	Present
Brown, Kirsten	Present
Camuñez, Dino	Present
Candelaria, Mark	Present
Cecil, Paige	Present
Cohen, Liz	Present
Coleman, Richard	Absent
Dahdah, J.P.	Present
Duley, Kathy	Absent
Fedewa, Mary	Present
Galbut, Keith	Present
Harman, Kristopher	Absent
Johnson, Brianna	Present

Long, Catherine	Present
Nelson-Johnson, Priscilla	Present
Peterson, Linda	Absent
Roskam, Merle	Present
Schenkein, Jaqueline	Present
Scott, Pauline	Present

#### Staff

Sheridan, Andria, *Recording Secretary*  
 Krivanek, Erin, Director of Development  
 Marsh, Natalie, Director, Learning & Innovation  
 McCabe, Jennifer, Director & Chief Curator, SMOCA  
 Messmer, Abbey, Director of Programming, SCPA  
 Dickey, Martin, Director of Operations  
 Wuestemann, Gerd, President & CEO

#### Guests

Colette Kamps: Henry + Horne

### OPEN MEETING

#### 1. Tour of Civic Center

- a. Tour of construction site 4:00pm – 4:30pm

**Gerd Wuestemann**  
**Dennis Robbins**

#### 2. Call to Order & Announcements

- a. Dennis Robbins called the meeting to order at 4:40pm
- b. Public Comments – **No public comments made**

**Dennis Robbins**

#### 3. Introduction of new Trustees

- a. Brianna Johnson
- b. Pauline Scott
- c. Catherine Long

### CONSENT AGENDA

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

**Action**

**Dennis Robbins**

- a. September 27, 2022, Board of Trustees meeting minutes

A motion was made by Priscilla Nelson-Johnson and seconded by Allison Lewis, to approve the consent agenda. Motion passed unanimously. A motion was made by Stephanie Lyon and seconded by Mary Fedewa to approve the minutes. Motion passed unanimously.

## **REGULAR AGENDA**

### **5. DEIA Update**

**Peter Boyle**

Peter overviewed work in this area, as part of alignment with the strategic plan, which remains a priority. There will be a dashboard of sorts to come. One area of focus, which we saw on our tour of Civic Center is the accessibility efforts on our campus. Partnerships opportunities available as we work with the City in their Gap analysis which will also give us an opportunity to access our own partnership opportunities. The study with the City began several months ago, and will be completed in the March/April of next year. On our campus we want to focus on programming in this area. In terms of identity, we think in terms of brand identity in our strategic plan which we will need some training on in. We will also need to look at internal culture and have opportunities to improve, and to celebrate. Governance committee wants to recognize the perspectives of spaces not always represented and something we need to prioritize. At least 25% of governing board members self-identify as members or people of color which is an opportunity for us, not so we can tick of boxes, but so that we can represent our community.

### **6. Chairs Report**

**Dennis Robbins**

Dennis began the meeting by thanking the Board for attending the last meeting and for participating in the tour of Civic Center. Natalie Marsh and Jennifer McCabe gave mission moments from the months of October. Natalie Marsh offered invitations to upcoming SALI events and highlighted items in SALI brochure for fall events. Abbey Messmer offered invitations to upcoming SCPA events including Soweto Gospel Choir which takes place immediately after the Board meeting. Jennifer McCabe offered invitation to SMOCA opening on October 28<sup>th</sup> for Phillip K Smith, Singer Collection and Inside Job Exhibitions. Gerd Wuestemann offered invitation to Canal Convergence events November 4<sup>th</sup> - 13<sup>th</sup> and to Sterling Awards Luncheon on November 18<sup>th</sup>.

### **5. Special Presentation: Audit Report FY22**

**Colette Kamps**

Colette offered a high level overview of the audit results including information shared in slide presentation. Presentation included audit summary, financial statement highlights, significant disclosures and a review of the single audit. Management's responsibility is in the preparation and fair presentation of the financial statements in accordance with GAAP and evaluation of potential on-going concerns. Auditor's responsibility is to obtain reasonable assurance that the financial statements are free from material misstatement as well as to identify risks and design procedures to address those risks. In addition, auditor's should obtain understanding of internal control and evaluate appropriateness of accounting polices. There was only one audit adjustment which was a reversal of \$638,000 included in both receivables and deferred revenue related to the July 2022 expenses. There were no disagreements with management and no difficulties in completing the audit. A single audit is required when we spend more than \$750,000 in federal funding. There were no significant deficiencies or material weakness to report. A question was asked about the interaction with the staff. Colette confirmed that working with the staff was a positive experience.

**A motion was made by Dino Camuñez and seconded by Priscilla Nelson-Johnson to accept the Audit as presented. Motion passed unanimously.**

### **4. Finance Update**

**Michael Martin**

Michael presented the following financials. We received the Ziegler Trust's \$1.4M gift for Stage 2 renovations. We are buying 1-year treasury bills which will net 4% as we create the design. Q1 in the books. Revenue was within 1% of budget and expenses were better than budget by 8%. The above variances exclude the SPA Pass-Thru numbers which are large and skew our bottomline variances. As discussed last meeting, the income statement now shows alternate bottom lines that exclude SPA Pass-Thru. We have been accumulating savings in personnel lines due to vacancies. We now regard this savings as temporary. Continued inflation is driving us to consider mid-year salary reevaluations. As budgeted, we distributed \$111k in community art grants Investments declined in September. Some individual endowments are now underwater, so they may impair our planned draw in May if the market doesn't improve. Cash flow remains our top priority. We are currently projected to end the year with \$573k cash after conservatively projecting a 50% impairment to the annual endowment draw.

A question was asked about salary for staff. Gerd overviewed the staffing issues, and challenges in the market with higher salaries, and how that is impacting the organization's ability to recruit and retain staff. We are currently refilling positions at a steady rate but we will need to increase wages to fill open seats with quality candidates and then we need to look at wages for existing staff for equitability. We will be looking at our banding again mid-year for these reasons. Another question was asked regarding the structure of our investments. Kathy Wills spoke about the types and diversity of our investments and that the organization has an investment policy which we follow. .

**A motion was made by Bruce Beverly and seconded by Pauline Scott to approve the Finance Report. Motion passed unanimously.**

#### **6. Governance Committee Updates**

**Stephanie Lyon**

Gerd recognized retiring trustee Mike Miller and a recruitment update looking at Macerich, Honor Health and Cox.

#### **7. CEO Report**

**Gerd Wuestemann**

Gerd briefly updated the board on the 2<sup>nd</sup> street gateway project and the Ziegler Theater using presentation of both design decks and project summaries. Design decks walk through visual placement of the 2<sup>nd</sup> street gateway including use of signage and visual projection mapping which can be seen from both sides of 2<sup>nd</sup> street. This visual projection mapping will not only highlight what is taking place in SCPA, SMOCA and Civic Center, but events at library and other communal spaces. The Ziegler Theater will take the place in the SCPA of our current Box Office space. Current Stage 2 will be converted to a Learning and Innovation space. This transformation will take place in four phases. Importance in design was to mirror the current and existing architectural design elements in the building. Phase 1 will include the building of the new theater including retractable seating, balcony seating and the ability to use the space in a number of ways. Phases 2 and 3 will address the Atrium and retail space. Phase 4 will address the expansion of the Learning and Innovation space in what is currently Stage 2 theater.

Dennis ended the meeting by thanking all the board members for attending. Clarification was given that next meeting will take place in January. Additional information will be sent out clarifying date and location.

**Meeting Adjourned at 5:24 pm.**

Respectfully submitted,  
Andria Sheridan  
Recording Secretary