

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	Absent
Biddle, Steve	Present
Boyle, Peter	Absent
Brown, Kirsten	Present
Camuñez, Dino	Absent
Candelaria, Mark	Absent
Cecil, Paige	Present
Cohen, Liz	Absent
Coleman, Richard	Present
Dahdah, J.P.	Present
Duley, Kathy	Present
Fedewa, Mary	Present
Galbut, Keith	Present
Harman, Kristopher	Present
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, HR Manager & <i>Recording Secretary</i>
Masker, Angela, HR Assistant
Krivanek, Erin, Director of Development
Marsh, Natalie, Director, Learning & Innovation
McCabe, Jennifer, Director & Chief Curator, SMOCA
Reeves, Meribeth, Director SCPA
Ciaburri, Zach, Director of Production, SCPA
Messmer, Abbey, Director of Programming, SCPA
Ballares, Kati, Director of Public Art
Gill, Jennifer, Deputy Director of Canal Convergence
Boatright, Zac, Director of Marketing
Wuestemann, Gerd, President & CEO
Martin, Michael, CFO

Guests

None

OPEN MEETING

1. Call to Order & Announcements

Dennis Robbins

- a. Dennis Robbins called the meeting to order at 4:08pm
- b. Re-Introduction of new Board members; Brianna Johnson, Catherine Long, and Richard Coleman. Introduction of new Directors; Kati Ballares Director of Scottsdale Public Art, Jennifer Gill promotion to Deputy Director Canal Convergence.
- c. Public Comments – **No public comments made**

Note: correction to last months' attendance records, Tim Baughman was marked absent in error for Oct 2022

CONSENT AGENDA

2. Motion to Approve Consent Agenda Items

Action

Dennis Robbins

- a. October 2022, Board of Trustees meeting minutes

A motion was made by Rhonda Anderson and seconded by Paige Cecil, 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

3. Chairs Report

Dennis Robbins

Dennis began the meeting by thanking the Board for attending the last meeting and asked for Mission moments. He shared a quote from the spouse of a Scottsdale Philharmonic violinist regarding their experience with Scottsdale Arts. Gerd spoke about the grand opening of the Civic Center space and the first event held there Concours d'Elegance which was a resounding success for opening event. There were over 90 cars present on campus, over 1600 tickets sold which exceeded initial goals. Mayor Ortega was in attendance and gave a very proud speech during the event. Additional comments were received from participants regarding the caliber of the venue, and the smoothness of the event. Councilwoman Janick also remarked on the success of the event which was a great way to connect to the newly opened events space.

4. Finance Update

Michael Martin

Michael presented the following financials. The organization-wide surplus for the full year is projected to be approximately \$1.3 million. We have re-forecasted the full-year projects of operations budget to be a negative \$41,000. We are currently projecting to have \$192,000 in expense savings in the personnel area by the end of the fiscal year. Investments were down in December but are still up \$112,000 year to date. Market has been down, bonds hit us hard. In addition, we are currently estimating to end the year with \$320,000 cash. Our total net assets sit at \$10.7 million. Our 401k auditors at Baker Tilly which were formerly Henry & Horne, which was a name change only, completed the audit and advised it properly follows all ERISA guidelines. Copies of the draft of the auditor's report and governance letter were provided in the pre-read packet to all members. We have begun the audit process internally for next fiscal year and are targeting to have that presented in May meeting for approval. If approved, we will present to city in June.

Allison asked why the 401k audit documents still reflect name Scottsdale Cultural Council and not Scottsdale Arts. Michael clarified that Vanguard is our 401k custodian and that a name change takes a while to change on all documents as it needs to clear several barriers including City, State and IRS filings before we can update records like 401k plans and other items. Kathy Wills commented that the audit was smooth, the letter reflects no comments and that Michael and Gerd did a great job with the audit process. Gerd mentioned that we will continue to show a surplus due to the Ziegler gift but that is being reflected below the line for transparency.

A motion was made by Stephanie Lyon and seconded by Steve Biddle to approve the Finance Report. Motion passed unanimously.

5. Governance Committee Updates

Stephanie Lyon

We are revisiting the topic around learning more about Board member and question was asked what are some outcomes you would like to see? Gerd was charged with keeping time to 10 minutes for independent discussion at each table. There were 6 table discussions. Table 1 reported that they would like to get to know the head of each team and understand what happens behind the scenes which would allow Board members to connect pieces and better understand how all the people of the organization are connected and work with each other. Table 2 reported that from a planning perspective scheduling time either before or after the scheduled BoT meetings is easiest for members. They would like to see how we can better unite Board member skills to help with an increase in donations, Gala planning, cross marketing, etc. Table 3 reported a desire to increase social opportunities so that Board members could get to know each other better. Table 4 reported a desire to have an increase in field trips to see Public Art but reiterated previous comments that scheduling of these needs to be alongside scheduled Board meetings, and not additive to the already full calendar. In addition, they would like to see an increase discussion centered on mission and values. Table 5 reported agreement with other tables' ideas on call to action and a desire to utilize talents of Board members for upcoming events to see what resources can be generated, ways a Board member might be able to aid the team or supplement the event. Table 6 reported a desire to have stronger connections centered around engagement and major events like openings.

6. Special Invitations/upcoming events

Gerd Wuestemann

- a. NFL Players' Association Event on February 10th

- b. Upcoming shows, events and exhibits: Overview of upcoming Sippin Series, Civic Center Live events including Sun & Sounds free event series which was formerly our Sunday Affairs event. As well as our upcoming Gala on April 1st. Also call out for the Singer Collection exhibition in SMOCA which will close on February 12th

7. Gala Update

Erin Krivanek

Erin provided overview of event which will take place on site on Saturday April 1st. The theme of this year's Gala is Bloom which will highlight our campus and our Scottsdale Arts programs. We will be bringing back Quixotic and will also be partnering with Walter Productions to provide a total immersive experience. In addition, we have finalized our Awardees which are:

- Lifetime Award for Service – Oskar Knoblauch
- Corporate Trailblazer – SRP
- Herberger Award for the Arts – Dorothy Lincoln Smith

Kirsten Brown inquired who the Chair for the Gala will be. Gerd clarified that we would have 4 Co-Chairs to help us, and there will be a future announcement with their names.

8. CEO Report

Gerd Wuestemann

Gerd briefly updated the board on the FY24 City of Scottsdale Budget allocation process which typically begins in December and extends for several months. The budget will go to City Council in June for approval and Scottsdale Arts has been fortunate to be on the consent agenda for the last four years, each year receiving unanimous votes. For this upcoming year a request is being made for \$7.341 million and includes a one-time request for \$900,000 related to public art conservation and an appraisal fund. In addition, a 4.5% increase to address increase in raises, inflation, etc. This total also includes \$750,000 for Canal Convergence and a request for additional staff positions related to Civic Center tech needs and Public Art. The 2nd Street streetscape and Gateway will be delayed a year or two. Ziegler theater renovations are facing a possible setback. The city budget converts the established \$6.5 million budget to \$9.3 million due to the required 20% contingency and additional administrative fees. Currently we are 7 spots below the line on the City's building list to be able to start work on the theater but more will be needed to move us up the list. Scottsdale Arts is in discussions with world-class architecture firm Studio Libeskind to master plan potential future campus which will give us space to expand and make tangible connection to old town. The plan will take 10-15 years to bring to fruition but will provide a roadmap to bring that vision to reality. Over the next several months consultants will be present on our campus related to Cultural assessment and will have a presentation to City Council in May or June. This will allow us to leverage our needs and identify where funding stream can come from.

9. Other Business

Dennis Robbins

None

10. Adjourn

Dennis Robbins

Dennis ended the meeting by thanking all the board members for attending and inviting all to move to the reception space being hosted in the newly opened 360 Stage in Civic Center.

Meeting Adjourned at 5:00 pm.

11. Reception held at 360 Stage

Respectfully submitted,
Andria Sheridan
Recording Secretary