

## MINUTES

### ROLL CALL

#### Trustees

|                            |         |
|----------------------------|---------|
| Robbins, Dennis, Chair     | Present |
| Lewis, Alison, Past Chair  | Present |
| Lyon, Stephanie, Secretary | Absent  |
| Wills, Kathy, Treasurer    | Present |
| Anderson, Rhonda           | Absent  |
| Baughman, Tim              | Absent  |
| Bennett, Julie             | Present |
| Beverly, Bruce             | Present |
| Biddle, Steve              | Present |
| Boyle, Peter               | Present |
| Brown, Kirsten             | Present |
| Camuñez, Dino              | Absent  |
| Candelaria, Mark           | Present |
| Cecil, Paige               | Absent  |
| Coleman, Richard           | Absent  |
| Dahdah, J.P.               | Present |
| Duley, Kathy               | Present |
| Fedewa, Mary               | Absent  |
| Galbut, Keith              | Present |
| Harman, Kristopher         | Present |
| Johnson, Brianna           | Present |
| Kovach, Christine          | Present |
| Long, Catherine            | Present |
| Martinez, Cristobal        | Present |
| Nelson-Johnson, Priscilla  | Present |
| Peterson, Erik             | Present |
| Peterson, Linda            | Absent  |

|                      |         |
|----------------------|---------|
| Roskam, Merle        | Absent  |
| Schenkein, Jaqueline | Present |
| Sutton, Melanie      | Absent  |
| Weishaar, Mistie     | Present |

#### Staff

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| Arnold, Brittany, Community Engagement Manager     |
| Harthun, Chris, Residency & Curriculum Coordinator |
| Hinds, Tammy, Professional Learning Coordinator    |
| Krivanek, Erin, Director of Development            |
| Martin, Michael: CFO                               |
| Marsh, Natalie, Director of Learning & Innovation  |
| McCabe, Jennifer, Director & Chief Curator, SMOCA  |
| Messmer, Abbey, Director of Programming            |
| Reeves, Meribeth, Managing Director of SCPA        |
| Sheridan, Andria, CAO & Recording Secretary        |
| Wilson, Annie, WolfTrap Coordinator                |
| Wuestemann, Gerd, President & CEO                  |

#### Guests

None

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### OPEN MEETING

#### 1. Call to Order & Announcements

Dennis Robbins

- a. Dennis Robbins called the meeting to order at 4:09 p.m.
- b. Public Comments – **No public comments were made.**

### CONSENT AGENDA

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

Action

Dennis Robbins

- a. January 2024, Board of Trustees meeting minutes

Correction to January minutes noted that Dr. Jacqueline Schenkein and Christine Kovach were marked absent in error. A motion was made by Kristopher Harman and seconded by Priscilla Nelson-Johnson to approve the consent agenda with corrections. The motion passed unanimously.

Jennifer McCabe introduced Cristobal Martinez, a new member, to our Board of Trustees. Cristobal spoke briefly about his background and shared that while he has been active on the SMOCA Advisory Council, he hadn't been able to attend the Board of Trustees meetings yet as it conflicted with his teaching schedule at ASU which has been changed for this semester, so he can attend.

## **REGULAR AGENDA**

### **3. Chairs Report**

**Dennis Robbins**

#### **a. Mission Moment**

The mission moment for this month is centered around the 25<sup>th</sup> Anniversary SMOCA celebration, which had over 1000 people in attendance, including City of Scottsdale Mayor David Ortega. The observation of guests was that everyone was engaged, enjoying themselves with a deep appreciation for the newly opened exhibitions. The last 25 years went fast, and there is hope that we are all together for the next 25 years. Gerd provided huge kudos to the SMOCA team for all their work leading up to this moment. Following the opening, there was Delfeayo Marsalis and the Uptown Jazz Orchestra, which was also a huge triumph. Dennis also highlighted the Randy Johnson Exhibition "Storytelling with Photographs" opening, which had a great variety of people in attendance. The artist was here for 3 hours, spoke with all guests, was inexhaustible when speaking with his guests, and was humble in his speech.

### **4. Finance Update**

**Michael Martin / Kathy Wills**

#### **a. January 2024 Financials & Investments**

The January financials were reviewed by the Finance committee last week. We just finished January and are on track for a hugely successful year with a projected surplus of \$12 million. In addition to a banner year, seeing a growth spurt in core operations. Year-to-date revenues are 16% higher than last year, and expenses are 21% higher than last year. Looking at the overall year, we see 3%, which is a bit of caution because some of our revenue for this year is not repeatable in future years. Sustainability needs to be our focus. Earned revenue due to added shows is seeing an increase. Facility rentals are very strong this year, with exponential growth since Civic Center opened. We are watching retail closely as it is currently underperforming. January had higher expenses than budget, but some of this is timing as many of these expenses are pre-paying for future shows and booking extra shows. The negative variance of Canal Convergence is also timing, as is the conservation of public art. We had an unbudgeted co-production, which caused us to require outsourcing resources and equipment costs to rise. Our goal is to build up a contingency to address these types of situations in the future. No questions were asked regarding the review of the Income Statement.

The balance sheet ended at \$1.4 million, which is lower than we would like it to be. Some of this is due to the purchase of a new audio console, which was replacing our previous console, which was over 20 years old. We are projecting to end the year with sufficient cash to make our payroll. End of Year is the lowest part of our cash flow until the start of the next fiscal year with a renewal of funds from the city. The January receivable balance is a healthy \$3.3 million, which we will receive in the next 3 months. Our total net assets are currently at \$22 million. No questions were asked regarding the review of the Balance Sheet.

Gerd mentioned that Michael worked to outline our assets and how they are structured. We want to clarify that a portion of that is endowed, meaning that a donor gave us this money and restricted us to using only the earnings. We have shifted our reporting to reflect that. The gold standard for non-profits like ours is to have a reserve of 25% of operating costs. That would be \$3.1 million, and one of our goals is always to maintain a reserve of operating cash. Michael added a section called capital funds to reflect the start of a capital campaign in the next few months. J.P. Dahdah asked a question regarding the specific goals of the capital campaign. In addition, is there a goal we are looking for with the Gala? Gerd responded that Gala is looking to raise \$400,000. We want to supplement the funds from the Ziegler gift towards a capital expense.

Jackie Schenkein made a motion to approve January's financials. Seconded by Bruce Beverly. The motion passed unanimously.

## 5. Governance Report

**Gerd Wuestemann**

Gerd reported on behalf of Stephanie Lyon, who was not able to be here. Pauline Scott has tendered her resignation from the Board. She had been with us for 2 years, but her life is shifting, and she travels more frequently. If you see her, please thank her for her service to Scottsdale Arts. This means we now have 2 open-board positions.

Cattle Track now has a liaison in Christine Kovach. We hope to build a relationship and have a contract in place in future months. In the Governance committee, we have discussed potential pitfalls. Cattle Track is its own entity and has its own Board. Dennis pointed out that it is similar to our relationship with the City of Scottsdale, and we could approach it similarly. We will not need to fold another Board into our or conduct a Board merger.

Chloe Brown, related to Board member Kristen Brown, has proposed adding a youth council, and we will invite Chloe to present to the Board in March. The Governance Committee has discussed the proposal and wants to ensure we set her up for success.

Alison Lewis suggested we might need to rethink our Board of Trustees meeting schedule. We used to have limited meetings only in the fall and spring. We are proposing to introduce a December meeting. However, it will be out of sync with our scheduled meetings that are the fourth Tuesday of the month, instead on the first Tuesday in December. This will bridge between November and December and get us to 8 meetings per year, which is appropriate for an organization this size. Christine Kovah and Priscilla Nelson-Johnson both agreed this was a good idea. J.P. Dahdah suggested that we tie that meeting into the more social aspect, curating the agenda. Gerd confirmed we will present a motion for approval at the next Board meeting.

## 6. IDEA Committee Report

**Peter Boyle**

Peter shared that a member of our Board, Paige Cecil has recently given birth to her son Rhett. Peter highlighted the collaboration with Teniqua Broughton with VerveSimone, whom we met through Piper Trust. One constant in our review of other arts organizations to move forward in this work was the concept of professional listening and learning sessions with both the board and staff. Teniqua has continued to work with staff learning opportunities, but we would like to invite the members of the Board along on this journey. You can expect to receive invitations to the remaining workshop sessions shortly. The IDEA committee is simultaneously working with her on the Meyers Memorial Trust instrument to look at where we need to stand as a board regarding DEIA. We have received staff feedback, and she is walking us through those aspects through the lens of the Meyers Memorial Trust instrument.

## 7. Strategic Plan Timeline

**Gerd Wuestemann**

Gerd introduced the timeline for the drafting of our next strategic plan. He stated that we want to identify how the board would like to engage and where along the timeline. We would like to begin with a brainstorming and engagement session to ensure that key ideas are represented. Then, we will have a second session where we come back and look at the plan together. We are strategizing to look at these planning sessions in April and May. Kathy Wills suggested a separate board session and then a joint session with staff. A discussion was had about the appropriate amount of time to set aside. A suggestion of 3 hours was made, and Mistie Weishaar confirmed that 3 hours is the maximum when doing this kind of work. Mistie also suggested scheduling the sessions for earlier in the day. Gerd confirmed that he would put some dates together and send them out later.

## 8. Breakout Sessions

**Gerd Wuestemann & Andria Sheridan**

Gerd and Andria lead 2 concurrent breakout sessions, asking each table to form a small group and discuss the following questions:

- a. Board Culture: Culture is the way people, purpose, and place show up in the structure, environment, and atmosphere of your group or board. What is the Current Board Culture? What would you like to see the Board culture become?
- b. Board Engagement: A perennial challenge for any staff/board relationship is balancing reporting, governance, and actual engagement. Organizations also have different life cycles that require different types of board engagement. Scottsdale Arts has five core trustee responsibilities: Mission & Strategy, Hire/Fire of Executive, Governance of organization, Fiduciary responsibility, and Fundraising. Within this framework, how can we better engage the board and utilize its talent?

**9. SALI Overview & Update**

**Natalie Marsh**

Natalie Marsh, Director of Scottsdale Arts Learning & Innovation (SALI), introduced her team: Chris Harthun, Brittany Arnold, Annie Wilson, Tammy Hinds, and Laura Hales. Each member of the team spoke briefly about their area of expertise. Natalie shared that SALI fosters intentional programming to ensure we are making an impact on the people in the community. Schools and educators make up the largest stream of our programs; we go into the schools following an arts integration mandate and bring students here to our campus. Overall, SALI has charted 30,000+ hours of instruction, with the focus not on the number of people we stand in front of but rather the impact that is being made on people.

Annie Wilson is a puppeteer and storyteller and leads our Wolf Trap program. Chris Harthun leads cultural connection through the arts, working with teaching artists and classroom educators to develop a curriculum to support what they are already learning in the classrooms while teaching to academic standards through the arts. In addition, we have artist residency programs and education kits like Hope Chest, which supports Holocaust education. Tammy Hinds works on professional development with teachers to give them skills to teach to the curriculum through the arts, focusing on STEAM but also using ELA and math as well. We participate in a national program through the Kennedy Center and partner with Scottsdale Unified School District (SUSD) and Paradise Valley School District (PVSD). Brittany Arnold oversees our Visions Program, which is celebrating our 25<sup>th</sup> anniversary. This program centers around advanced art students across the valley to provide hands-on workshops, as well as a week-long retreat, studio visits, and university visits to show them what the career of a professional artist is like and how those skills can transfer to almost any career. Laura Hales has a focus on arts and wellness programming. Memory Lounge provides an opportunity for people with memory loss and their care partners. These programs are research-based and have been shown to reduce anxiety and depression in this community group. In addition, 2 shows are curated each year in the Center Space. Natalie also highlighted that SALI collaborates alongside the entire organization, including SMOCA and Canal Convergence, and we will be hosting ArtFest at Skysong at the end of March.

J.P. Dahdah asked a question about a possible list of schools that SALI serves and whether these schools are public, private, or charter schools. Natalie responded that she has a list if that is needed. Brianna Johnson stated that she has had the programming in her classrooms and her students love it.

**10. Other Business**

**Dennis Robbins**

None

**11. Adjourn**

**Dennis Robbins**

Motion to close meeting made by Steve Biddle, seconded by J.P. Dahdah. Motion passed unanimously  
Meeting Adjourned at 5:39 p.m.

Respectfully submitted,  
Andria Sheridan  
Recording Secretary