

**MINUTES**

**ROLL CALL**

**Trustees**

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

Nelson-Johnson, Priscilla	Absent
Peterson, Erik	Present
Peterson, Linda	Absent
Roskam, Merle	Present
Schenkein, Jaqueline	Present
Sutton, Melanie	Present
Weishaar, Mistie	Absent

Garcia, Suzie, HR Assistant
Gill, Jennifer, Dep Director Canal Convergence
Krivanek, Erin, Director of Development
Martin, Michael: CFO
McCabe, Jennifer, Director & Chief Curator, SMOCA
Messmer, Abbey, Director of Programming
Prins, Jamie
Reeves, Meribeth, Managing Director of SCPA
Roth, Summer, Director of Marketing
Sheridan, Andria, CAO & Recording Secretary
Wuestemann, Gerd, President & CEO

**Guests**

Chloe Brown
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**OPEN MEETING**

**1. Call to Order & Announcements**

**Dennis Robbins**

- a. Dennis Robbins called the meeting to order at 4:11 p.m.
- b. Public Comments – **No public comments made**

**CONSENT AGENDA**

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

**Action**

**Dennis Robbins**

- a. **February 2024, Board of Trustees meeting minutes**

**A motion was made by Dr. Jackie Schenkein and seconded by Tim Baughman to approve the consent agenda. Motion passed unanimously.**

**REGULAR AGENDA**

**3. Chairs Report**

**Dennis Robbins**

**a. Mission Moment**

This month's mission moment is related to a typical weekend at Scottsdale Arts and Civic Center. On Saturday,

March 9, 2024, all day, we hosted the Mercantile Market with a verified 12,800 visitors in attendance. In the afternoon, a Giants Spring Training game took place. Simultaneously, we hosted an artist talk at SMOCA and had a steady stream of visitors to the Randy Johnson Photography exhibition. At 8:00 p.m. that night, we had a full house for our first-ever collaboration with Phoenix Chorale for a Mozart Requiem inside the VGP Theater. On Sunday, March 10, 2024, we present our Sun and Sounds free community concert outside with 4,000 people in attendance over the course of the afternoon. We started with a proclamation for Women in the Arts during Women's month – read by Mayor Ortega. That afternoon, we also hosted a nearly sold-out matinee of the Phoenix Choral concert while another Giants Spring Training game took place at the stadium down the street. A steady stream of people walking to the game finds its way into our Civic Center, creating great synergy. Imagine three different audiences: classical music folks, baseball fans, and outdoor roots rock concert goers, plus modern art lovers all converging at the same time, and the same place.

paycheck.

#### **4. Finance Update: February 24 Financials and Investments**

**Michael Martin**

Michael reviewed the figures the finance committee reviewed, discussed, and approved in their meeting last week. We just finished February, the 8<sup>th</sup> month of the fiscal year. Overall, we are still on track for a hugely successful year, with net assets at record levels and a projected \$12 million surplus for the year. Investments are up, currently at 7.5% year to date, largely thanks to the stewardship of our investment advisors at Northern Trust. We have also added a new endowment from the estate gift of Wendy Sternberg, and it will be called the Sternberg Endowment. At \$557,000, we can draw 4.25% per year from this new endowment once it is fully vested at the Jewish Community Foundation. We also received \$29,000 straight away to execute some of the stipulations in the endowment contract. Altogether, our total investment balance is back above \$9 million, near its all-time high. In core operations, revenue is projected to come in about 3% better than budget, and expenses are about 4% over budget, combining for an approximate 1% deficit.

The city's renovation of the Civic Center and the construction of our new outdoor stages are propelling the business forward. We see this most clearly in the facility rental revenue, which is double what it was at this same time last year, and it is projected to earn a record \$500,000 for the entire year. We see this trend in total Operations as well. Year-to-date revenues are at 16% over this time last year, and year-to-date expenses were 21% over this time last year. However, This can strain cash flow, so we are carefully watching expenses, concentrating on contributed revenue, and managing cash. Some details in the full-year projection column show that earned revenue is 4% below budget, but only because of the postponement of the Scottsdale Arts Festival; without that postponement, we would be 13% above budget. Performance revenue is holding its own. Meanwhile, retail has been challenging. Interest income has been a bright spot and is projected to earn \$400,000 for the year. This diversity has been our strength as one area might lag for a while, but another area picks up the slack. In contributed revenue, estate gifts have dominated the category, but day-to-day operational fundraising is our main focus right now to push through to end of year. In expenses, we continue to be nearly fully staffed, but we do have some negative variance there compared to the budget. Other expenses are over budget as they have been chasing growing revenue. Our challenge here is to monitor cash flow and defer larger purchases to next year where we can. Next year's budget will be ready to be presented at the May meeting.

Dino Camuñez asked a question on the status of our pending endowed gift. Gerd stated that we have been very lucky with estate gifts from Ziegler, Sternberg, and Morof's pending estate. The bulk of the trust was invested by the spouse, who is currently pursuing it with the son. The son is currently making a claim that there was an administrative error. We have had a couple of hearings with the judge and are not going through probate. There are six named beneficiaries, of which we are one. Of the six, only three have pursued this process. Board member Keith Galbut has been assisting us with the process thus far, but as there will be additional legal implications, we will handle them accordingly going forward.

The motion to approve the budget was made by Stephanie Lyon and seconded by Cathy Long. Motion passed unanimously.

## 5. Governance Report

Gerd Wuestemann / Stephanie Lyon

Gerd provided an update on Cattletrack, stating that it is moving forward. He has recently crafted a draft business plan to operate a campus in conjunction with ArtSpark and will review it with Janie Ellis and the Cattletrack Board of Trustees. This is the opportunity of a lifetime, and once reviewed on that side, it will be brought back to our Board for review.

Stephanie gave an overview based on feedback from the last meeting to gather thoughts and voices on the structure of future Board of Trustees meetings. One interesting comment that came out was the idea that fundraising for Scottsdale Arts was perceived as a priority because of the recent estate gifts and endowments. We will want to refocus that conversation moving forward on the day-to-day and bread-and-butter fundraising efforts. We will also be asking Board members more about skills and interests to harness the power of our group better. There are two seats open for Board recruitment efforts.

## 6. Scottsdale Arts Youth Council

Chloe Brown

Chloe Brown presented on the proposed Youth Council for Scottsdale Arts. The presentation included the proposal for three events per year, goals for growing membership, managing funding for the program, and how to increase awareness of Scottsdale Arts programming to a younger demographic. Dino Camunez asked how many kids would be part of the proposed Youth Council. Chloe responded that five would be needed to start with roles to cover finance, events, and social media communications. Dino asked another question regarding how the council would interact with Gerd and the staff. Chloe clarified that Gerd committed to having a staff member act as a liaison to the council. Dr Jackie Scheinkein asked what inspired her to bring this proposal forward. Chloe responded that she has come to many events at Scottsdale Arts and noticed fewer kids in attendance. She identified that she has an idea of what kids enjoy and could provide feedback to help inspire kids to become more involved in the arts. Brianna Johnson asked what the selection process for the council would look like and what types of personalities or interests would be sought. Chloe indicated it is still being explored, but the target demographic will be 13-18. Gerd spoke about the printed proposal that Chloe assembled, which was provided to the Board, that further meetings would take place, and guard rails would be put in place to set all involved up for success.

The motion to approve Scottsdale Arts Youth Council was made by Kirsten Brown and seconded by Dino Camunez. Motion passed unanimously

## 7. Strategic Plan Development

Gerd Wuestemann

Gerd introduced the topic of the strategic plan and outlined that our current strategic plan is set to expire at the end of this fiscal year. The City of Scottsdale usually requests a new strategic plan set at the beginning of the fiscal year. The process will have a balance between staff and board contributions, but Gerd asked how the Board would like the process to unfold. Two breakout sessions in small groups at each table took place, asking the following questions:

Question 1: How do you envision the strategic plan process unfolding? How many joint sessions versus separate sessions? How can a facilitator play a helpful role in the process? How can we co-develop solid drafts and use them as discussion platforms?

Question 2: Is this plan an evolution, refinement, expansion, or complete reimagining of the current plan? Are our mission, vision, position, and core values still the same? What new goal areas should be proposed with this plan, and what current goals should remain the same? In the current plan, DEIA has anchored each goal post; how can we now integrate these into the plan? How many goals should we settle on?

## 8. CEO Report

Gerd Wuestemann

Gerd asked that the Board refer to the printed report submitted in their packet. The annual Gala on April 6, 2024, was highlighted, and all Board members were asked to share a video regarding the Gala with their networks and ask to join us for the event.

## 9. Other Business

None

Dennis Robbins

## 13. Adjourn

The motion to close the meeting was made by Tim Baughman and seconded by Bruce Beverly. Motion passed unanimously

Dennis Robbins

Meeting Adjourned at 5:38 p.m.

Respectfully submitted,  
Andria Sheridan  
Recording Secretary