



Minutes of the Regular Meeting of the Board of Trustees
Monday, June 18, 2012

A meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 8:00 a.m. at the Warrensville Heights Branch of the Cleveland Public Library, at 4415 Northfield Road, Warrensville Heights, Ohio.

The roll call showed Trustees Vickie Eaton Johnson, Chris Coburn and Sari Feldman to be present. It was determined that there was a quorum.

Also present were: CAC Staff: Karen Gahl-Mills, executive director; Jill Paulsen, director of grant programs; Stacey Hoffman, program manager; Meg Harris, director of administration; Jennifer Schlosser, communications manager; and Jake Sinatra, program associate.

1. APPROVAL OF MINUTES

There was a motion by Trustee Johnson, seconded by Trustee Coburn, to approve the minutes of the April 9, 2012, Annual Meeting of the Board of Trustees. Discussion: None. Vote: all ayes. The motion carried.

2. OATH OF OFFICE

Trustee Coburn administered the oath of office to Sari Feldman and Vickie Eaton Johnson. Each trustee affirmed that she would honestly, faithfully, and impartially perform the duties of the office. Trustee Feldman and Trustee Johnson will serve terms through March 31, 2015.

Trustee Feldman stated a change in the agenda: to hold the executive director's report so that the board could vote on business first, since Trustee Coburn needed to leave at 8:30 a.m.

(Trustee Charboneau arrived at 8:05 a.m.)

3. FINANCE REPORT

Ms. Harris delivered a brief finance report, stating that year-to-date tax revenues through May were \$8,078,208. This figure is \$581,556 or 7.8% over forecast year-to-date. She added that this figure puts CAC 1.94% ahead of year-to-date tax collection over the same period last year, and that this is the first time CAC has seen revenues increase for a year-over-year period. Ms. Harris cautioned that while this is good news, this is also still just a point in time and that the next few months of revenue receipts will be telling as to the trend of the tax collection.

Ms. Harris continued that expenditures year-to-date are on-budget: \$7.83 million, of which \$7.43 million was for grants disbursements. She added that over the next two months, the second disbursement of \$5.6 million for General Operating Support grants will take place.

Ms. Harris concluded, stating that CAC continues to monitor its investment vehicles in order to determine the best way to maximize return while protecting principal. She stated that current investments are \$8

million managed by Baird Public Investment Advisors and approximately \$15 million invested in STAR Ohio, with yields of .5% and .08% respectively.

4. BOARD ACTION

a) Approval of preliminary panelist roster

Ms. Paulsen gave a brief presentation outlining the panelist selection process. She stated that, over the last few months, CAC staff have built this preliminary pool of 35 people through personalized outreach, interviews, and phone calls, to determine that they would be excellent, independent panelists. The panel roster will remain confidential until the day of the panels. She stated that CAC hopes that applicants will be pleased to see nationally recognized arts and culture experts on the panel.

Trustee Coburn asked staff to clarify whether or not panelists from Ohio could serve on the panels. Ms. Gahl-Mills reminded Trustee Coburn that the board had approved the use of panelists from other regions in Ohio in 2011. Trustee Coburn voiced a concern that panelists from inside Ohio may have knowledge of applicants to CAC's programs through statewide convenings by groups such as the Ohio Arts Council. Ms. Gahl-Mills stated that to her knowledge, no organization is convening arts or culture groups in this manner. She added that CAC staff has had no interactions with past Ohio panelists other than discussions around serving on CAC's panels since 2011.

Trustee Johnson asked whether there was an effort to balance returning panelists with new panelists. Ms. Gahl-Mills confirmed that staff made and will continue to make an effort to keep an appropriate balance between returning and new panelists.

Trustee Coburn stated that he felt it was of the utmost importance that panelists for the General Operating Support program be unbiased and independent, and that he supported the staff's preliminary recommendations.

A motion was made by Trustee Johnson, seconded by Trustee Charboneau, to approve the preliminary roster of panelists. Discussion: None. Vote: all ayes. The motion carried.

b) Approval of Nonprofit Finance Fund contract

Ms. Paulsen asked the board to approve a contract with Nonprofit Finance Fund to provide individual finance consultations for up to 45 organizations ([see NFF memo](#)). This would be an opportunity for General Operating Support applicants to receive personalized financial consultation as they prepare their applications for 2013-14. If approved, CAC staff would roll the program out this week. The funds that would be used for this program are grant dollars previously allocated to the GOS program, the result of Opera Cleveland and The Lit not receiving full awards in 2011.

Trustee Charboneau asked whether, if more than 45 organizations wanted to participate in this program, organizations could potentially be turned away, and whether or not there was a plan to accommodate more if needed? Ms. Paulsen stated that as the budget for this program stands now, there is a cap of 45 participants. Ms. Gahl-Mills stated that if more than 45 organizations wish to participate, CAC staff will return to the Board to reconsider how CAC could provide this service to more organizations. She stated that she believes that small- and mid-size organizations may wish to participate more than large organizations, but that they may be interested also. She stated that, if approved, the program would take place over the next few months so that organizations can use it as a resource as they prepare their applications. Trustee Feldman stated that, since CAC's next Board meeting is in September, the Board would like a status report on this matter, so that they can take action if needed.

A motion was made by Trustee Coburn, seconded by Trustee Johnson, to approve a contract of up to \$75,000 with Nonprofit Finance Fund to provide financial consulting services to GOS applicants. Discussion: None. Vote: all ayes. The motion carried.

c) Administrative Matters

Trustee Feldman called upon Ms. Harris to present administrative matters. Ms. Harris distributed a personnel report and asked the board to approve the personnel report.

A motion was made by Trustee Charboneau, seconded by Trustee Johnson, to approve the personnel report. Discussion: None. Vote: all ayes. The motion carried.

Ms. Harris informed the board that she had attended a public records training and asked for the Board to approve her as the designated person to serve as the public records manager for CAC.

A motion was made by Trustee Johnson, seconded by Trustee Charboneau, to reapprove Meg Harris as the Public Records Manager for CAC. Discussion: None. Vote: all ayes. The motion carried.

Ms. Harris informed the Board that CAC is going to contract with Cleveland State University's Levin College to create two different revenue models for CAC, a moving average model, similar to what CAC has been using, and a regression model which will include factors such as past values of tax revenue, population of individuals 16 and older, smoking rates, and the price of cigarettes. The purpose of this work is to create new models to more accurately project revenues over the next few years. The results of this project will be presented to the Board at its September 10th meeting.

5. EXECUTIVE DIRECTOR'S REPORT

Trustee Feldman called upon Karen Gahl-Mills to give the executive director's report. Ms. Gahl-Mills gave a brief recap of items of note in the staff reports. She introduced program associate Jake Sinatra to the board; stated that staff are working on next steps for the Community Venture Grants program; and stated that the board retreat would take place on October 15. She stated that demand continues to grow for the Project Support program: more than 130 people attended three Project Support workshops given by CAC in the past few weeks. Ms. Gahl-Mills asked Trustees to notify CAC of the nonprofit boards that they currently serve on. Since these organizations are ineligible to apply for CAC funding, staff wish to be proactive and let them know in case they intend to apply for 2013 funding. Trustee Coburn asked if this was a new rule. Ms. Gahl-Mills stated that this has been in place for three years, since Trustee Feldman began her service with CAC's board. Ms. Gahl-Mills stated that Northeast Shores has received a \$500,000 grant from the NEA and congratulated that organization on this success. She stated that CAC received a clean audit from the Auditor of State. And, she stated that, following mutual agreement, CPAC and CAC will bring their service agreement to an end. She stated that CPAC has expressed their intent to apply for a General Operating Support grant in 2013-14.

6. PUBLIC COMMENT

None.

7. ADJOURNMENT

Trustee Coburn moved that the meeting be adjourned; Trustee Charboneau seconded, and the motion carried unanimously. The meeting was adjourned at 8:27 a.m.

Next meeting: Monday, September 10, at 4:00 p.m., at Arts Collinwood.

Sari Feldman, President, Board of Trustees

Attest:

Matthew Charboneau, Secretary, Board of Trustees