



Minutes of the Regular Meeting of the Board of Trustees
Monday, June 10, 2013

A meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 4:01 p.m. at the Nature Center at Shaker Lakes, 2600 South Park Drive, Shaker Heights, Ohio.

The roll call showed that Trustees Vickie Eaton Johnson, Matt Charboneau, Sari Feldman and Steve Minter were present. It was determined that there was a quorum.

Also in attendance were: CAC staff: Karen Gahl-Mills, executive director; Jill Paulsen, director of grant programs; Meg Harris, director of administration; program managers Jesse Hernandez and Stacey Hoffman; and Jake Sinatra, program associate.

1. APPROVAL OF MINUTES

Motion by Trustee Minter, seconded by Trustee Charboneau, to approve the minutes from the April 18, 2013 special board meeting and the April 22, 2013 annual board meeting. No discussion. Vote: all ayes. The motion carried.

2. CONNECT WITH CULTURE

Ms. Gahl-Mills introduced Kay Carlson, executive director of the Nature Center at Shaker Lakes, who made a brief presentation on the Nature Center at Shaker Lakes.

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Gahl-Mills welcomed guests and made a report to the board. In her remarks, she stated that today's meeting would be mostly administrative in nature and would be followed by a work session for the board's annual retreat. She said that this is a period of activity and customer service for CAC staff, with the 2014 Project Support eligibility check open for organizations to begin. She stated the May revenue was strong and that CAC's draft audit for 2012 was complete and received the highest rating with no comments.

4. FINANCE REPORT

Ms. Harris gave a report on Cuyahoga Arts & Culture's finances. She provided an overview of the organization's financial results year-to-date, stating that CAC had \$8,458,234 in revenue through May 31, which was \$662,763 or 8.5% over forecast. Ms. Harris stated that CAC's investment income through May was \$25,763 which exceeded forecast by \$10,763 or nearly 72%. Ms. Harris stated that year-to-date cash expenditures were \$7,872,613 which was slightly under budget for the period and primarily related to the timing of payments.

Ms. Harris thanked Mr. Minter as well as audit committee members Tim Longville and Bryan Gillette for attending the post-audit meeting with the Ohio Auditor of State.

5. BOARD ACTION

Approval of Grant to The Cleveland Orchestra for Star-Spangled Spectacular concert on Public Square

Ms. Gahl-Mills provided an overview of the grant request submitted by The Cleveland Orchestra for the Star-Spangled Spectacular concert on Public Square. She stated that The Cleveland Orchestra was seeking a multi-year commitment for this concert. She added that this concert is a key community event, one that CAC has supported since CAC was founded. The Board reinforced the importance of the civic nature of the event when it decided to extend a special initiative grant to the Orchestra in February 2013 of \$150,000, specifically to support the 2013 event. Subsequent to that award, the Orchestra has continued to involve CAC in the planning for the event, specifically concentrating on how CAC will be credited for the public support that it is providing.

Ms. Gahl-Mills said she and Ms. Feldman met with Orchestra leadership in early March and among many issues that were discussed, the Orchestra asked if CAC would consider providing multi-year funding for the event. She stated that CAC has now received that formal request, which she put forward for the board's consideration. The request is for up to \$200,000 for each of three years, which represents an additional \$50,000 for 2013 and \$200,000 each year for 2014 and 2015.

Ms. Johnson asked if CAC offers multi-year funding to other organizations. Ms. Gahl-Mills responded that we do have multi-year funding with the General Operating Support program. She added that this request and grant are a bit different because CAC started with a multi-year grant to the Orchestra for this program in 2007.

Ms. Johnson asked where the additional \$50,000 would come from in this year's budget. Ms. Gahl-Mills responded that while the additional expenditure is not in the budget, generally there are grants that do not get paid out in full each year. If necessary, the Board could reallocate the budget later in the year to cover this additional expense.

Mr. Charboneau asked about the implications of approving this \$200,000 grant for 2014 and 2015 too. Where would this money come from? Ms. Gahl-Mills responded that there will need to be an offset from another program.

Ms. Johnson asked if other organizations were able to compete or put in requests for this type of funding, or whether CAC might create another grant program, in the future, to fund civic projects. Ms. Feldman stated that the Orchestra wants to make sure this program can continue on. She also added that CAC did attempt to create a large civic type grant program with Creative Culture Grants.

Ms. Johnson said that if she were not on CAC's board, she would think this event, the concert on Public Square, was one put on by Cuyahoga County or the City of Cleveland. Mr. Minter replied that prior to the passage of Issue 18, Cuyahoga County provided annual funding for this concert in the area of \$275,000. The concert was presented as being funded by the citizens of Cuyahoga County. He continued, when Issue 18 passed, the County Commissioners asked that CAC take on their arts and culture obligations. While CAC did not take on all of the obligations, it did continue the funding for the Public Square concert. Mr. Minter added that he feels strongly that this is a legacy project, a major event in the County and should continue to receive funding.

Mr. Charboneau asked if there might be a time in the future where the funding for 2014 and 2015 may be discussed, a time where CAC will have a better idea of future revenues and allocations. Ms. Feldman stated that the Orchestra has some special plans for next year and would like to know that the commitment is firm now as they move forward in their planning. Ms. Gahl-Mills added that the continued multi-year funding allows for predictability; for CAC, we know what we will need to plan for with our future budgets. CAC will have to look for offsets for this future expenditure. Ms. Feldman added that approving a grant through 2015 will get us to the end of the 10-year levy cycle.

Trustee Minter motioned to approve a grant to The Cleveland Orchestra for up to an additional \$50,000 for 2013 and \$200,000 for each year, 2014 and 2015. There was no second to the motion.

Trustee Johnson motioned to approve a grant to The Cleveland Orchestra for an additional \$50,000 for 2013 and \$200,000 for 2014. There was no second to the motion.

Mr. Minter stated that he does not agree with the adjustment put forth by Ms. Johnson; he supports the legacy of this program and wants to see it funded through 2015.

Trustee Minter again motioned to approve a multi-year grant to fund the Star-Spangled Spectacular concert on Public Square for up to an additional \$50,000 for 2013 and \$200,000 for each year, 2014 and 2015. The motion was seconded by Trustee Feldman. Discussion: Above. Vote: Minter and Feldman: Aye: Johnson: Nay: Charboneau: Abstain. The motion carried.

Approval of preliminary panelist roster for 2014 Project Support

Ms. Paulsen gave a brief presentation outlining the panelist selection process. She stated that the staff have built this preliminary pool of 10 people, 4 of whom are returning panelists. The panelist selection process is done through personalized outreach, interviews and phone calls. Ms. Paulsen reminded the Board that the panel roster will remain confidential until the day of the panels. Ms. Paulsen also recommended that daily per diem for panel service be increased from \$250 per day to \$275 per day due to changes to policies that will be recommend shortly by Meg Harris.

A motion was made by Trustee Johnson, seconded by Trustee Charboneau, to approve the preliminary roster of panelists for the 2014 Project Support panels and the per diem honorarium at \$275 per day of panel service. Discussion: None. Vote: all ayes. The motion carried.

Approval of Employee Travel and Panelist Compensation Policies

Ms. Harris stated that the Board had received a memo summarizing recommended changes to two policies: Employee Travel and Panelist Compensation. The changes made to these policies mirror each other so that travel expectations for staff and panelists remain the same. Ms. Harris stated that several of the changes serve to clarify the existing the policies by providing more detail such as the requirement of 21-day advance purchase of airline tickets whenever possible or expenses that are not reimbursable such as paying for seating or boarding preference. The revised policies also change the standard for mileage reimbursement from the federal rate to the rate used by the State of Ohio and Cuyahoga County. Finally, itemized meal reimbursement has been eliminated from the Panelist Compensation Policy in favor of including a fixed dollar amount in the daily panelist compensation.

A motion was made by Trustee Minter, seconded by Trustee Charboneau to approve the Employee Travel and Panelist Compensation policies. Discussion: None. Vote: all ayes. The motion carried.

6. ADMINISTRATIVE MATTERS

Ms. Harris stated that she had recently attended a public records training led by the Ohio Auditor of State. She stated that annually the Board is required to designate a Public Records Manager for CAC. She asked that the Board reapprove her to this role for the next year.

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

Ms. Harris stated that she had two contracts for the Board to consider for approval. The first is a one year extension to the contract with Van Meter Ashbrook & Associates for public affairs consulting in an amount not to exceed \$48,000.

Mr. Minter asked if the Board could receive a report from Van Meter Ashbrook on the work they have been doing. Ms. Gahl-Mills said she would look into having Bob Klaffky here to provide a report to the Board.

Motion by Trustee Charboneau, seconded by Trustee Johnson, to approve a one-year extension of the contract with Van Meter Ashbrook & Associates in an annual amount not to exceed \$48,000. Discussion: None. Vote: all ayes. The motion carried.

Ms. Harris stated that the second contract is with Strategy Design Partners for the period of June through November in the amount of \$17,100. CAC worked with SDP earlier in the year on the refinement of CAC's key messaging, the Report to the Community and revised advertisements. Ms. Harris stated that the new contract with SDP will augment Cuyahoga Arts & Culture's work to increase its overall awareness before residents and stakeholders, and educate residents of the importance of its funding to the community. To do this, SDP will assist staff in integrating our key messages into all communications vehicles and build a marketing platform that actively targets, engages and measures our efforts to reach those audiences.

Motion by Trustee Johnson, seconded by Trustee Charboneau, to approve a contract with Strategy Design Partners for the period of June through November 2013 in an amount not to exceed \$17,100. Discussion: None. Vote: all ayes. The motion carried.

Ms. Harris stated that with Chris Coburn's departure from the Board, CAC needs someone from the Board to chair the Audit and Finance Committee. She asked for a volunteer to assume this role. Mr. Minter said that he would gladly fill the role.

Ms. Harris said she would like to state for the record that while the Board of Trustees has four members rather than five, a quorum will be considered three members of the Board.

7. PUBLIC COMMENT

Three individuals requested to make public comment: Kathy Schaefer, Mark Flanders and Fran Mentch. At the end of the public comments Mr. Minter requested that the comments be provided to CAC in writing. The comments are available by request.

Next meeting: The next meeting will be held at 4:00 pm on September 16, 2013 at SPACES.

8. BOARD RETREAT

Randy McShepard facilitated the board retreat.

9. ADJOURNMENT

Motion by Trustee Feldman, seconded by Trustee Charboneau to adjourn the meeting. No discussion. Vote: all ayes. The motion carried. The meeting was adjourned at 8:30 p.m.

Sari Feldman, President, Board of Trustees

Attest:

Matthew Charboneau, Secretary, Board of Trustees