



Minutes of the Regular Meeting of the Board of Trustees

Monday, December 13, 2010

A regular meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 3:06 p.m. in the Conference Room at the Idea Center at Playhouse Square, 1375 Euclid Avenue, Cleveland, Ohio.

The roll call showed Trustees Matt Charboneau, Chris Coburn, Sari Feldman, and Steven Minter to be present. It was determined that there was a quorum. Vicki Johnson was absent.

Also in attendance were: CAC Staff: Karen Gahl-Mills, executive director, Meg Harris, director of administration; Stacey Hoffman, program manager and Jonah Weinberg, CAC consultant for external affairs.

1. APPROVAL OF MINUTES

Motion by Trustee Coburn seconded by Trustee Feldman, to approve the minutes of the December 10th 2010 Special Meeting of the Board of Trustees. Discussion: None. Vote: All ayes. Motion carried.

Motion by Trustee Charboneau seconded by Trustee Minter, to approve the minutes of the October 25th 2010 Regular Meeting of the Board of Trustees. Discussion: None. Vote: All ayes. Motion carried.

2. EXECUTIVE DIRECTOR'S REPORT

Ms. Gahl-Mills welcomed all in attendance, including consultant Maureen Robinson, who facilitated the Board retreat last June. She referred to the packet of materials that included her full report as well as staff reports. She highlighted several items of information.

Ms. Gahl-Mills presented the tax receipts through November which were \$15,968,965 and continue to track slightly above budget for the year. Expenditures continue to be under budget. The current position includes just over \$20.7million cash on hand and \$1.3million in receivables. Investments in STAROhio have yielded interest of \$17,800 year-to-date.

Ms. Gahl-Mills summarized the progress of CAC's search for a Director of Grant Programs. Thirty-seven applications were received. Those thirty-seven were narrowed down to three candidates that were interviewed both by Ms. Gahl-Mills and by all members of CAC staff. She reported that Jill Paulsen, currently with the Cleveland Foundation, would be joining the CAC team on January 18, 2011.

Ms. Gahl-Mills stated that the Creative Workforce Fellowship, funded by CAC, has a new class of twenty fellows in the visual arts category and that Tom Schorgl from CPAC would provide a report on this process later in today's meeting.

Ms. Gahl-Mills concluded her report with an update on the work of Burges & Burges. A perceptual analysis study was completed for CAC. The analysis consisted of a series of 37 one-on-one interviews with CAC stakeholders aimed at determining the broader community's perspective on CAC. A draft of the Burges & Burges report is due in the coming days, prior to a meeting with Bill Burges and Galen Schuerlein on 12/16. The final report's findings will be shared with the board at its February 2011 meeting.

3. CPAC REPORT

Research

Tom Schorgl, President and CEO of Community Partnership for Arts and Culture (CPAC), stated that as part of the annual contracted services provided to CAC, CPAC has conducted assessments of the General Operating Support (GOS) and Project Support (PS) grant programs.

General Operating Support Program

CPAC has analyzed a database of CAC's GOS grantees that was generated through the Ohio Cultural Data Project (OCDP).

Kristin Tarajack-Puch, CPAC, presented the following findings from the analysis:

- Participation: CAC's grantees have experienced a rise in the total number of cultural visits since 2007
- Programs Offered: Despite the economic downturn, CAC's grantees have been able to not only sustain, but increase the total number of cultural activities they offer from 2007 to 2009
- Arts Education: CAC grantees continue to engage increasing numbers of school children.
- Employment: CAC grantees have experienced a modest decrease in full-time and part-time employees since 2007, however community involvement has increased. CAC grantees have engaged great numbers of volunteers and interns in 2009 than in 2007.
- Affordability: CAC grantees have maintained affordable venues/tickets.
- Areas to Monitor: Working capital and endowment figures have declined considerably over the 2007-2009 period. Undercapitalization of CAC grantee organizations remains an ongoing concern that should be closely monitored and kept at the forefront of discussions related to general operating support in the future.

Project Support Program

Ms. Tarajack-Puch informed the Board that work continued on the analysis of the Project Support (PS) grant program. The first report focused on the idea of typologies. The second report was a survey of 2011 PS applicants. The third report looks at the gaps in PS funding.

Mr. Minter asked if there were any surprises in the CDP data gathered and analyzed.

Mr. Schorgl replied that there was nothing significantly positive or negative. He shared a concern about the large draws being made on endowments.

Megan Van Voorhis, CPAC, pointed out that the organizations were able to sustain or grow in an economic downturn; that in itself is a success.

Mr. Minter asked what would be done with the information gathered.

Mr. Weinberg suggested that it would be used to show the impact of funding, to share stories. These stories would show that the grants are an investment, not just an expenditure of tax revenues.

Mr. Minter stated that it would be interesting to see how the information is translated.

Mr. Weinberg pointed out that there would now be a baseline of information to work from in the coming years.

Kathleen Cerveny, The Cleveland Foundation, shared her hope that there would be a heavy emphasis on what the impact has been to the people of the community (residents of Cuyahoga County).

Mr. Coburn agreed that that would be a great story; we just need to find that individual story to communicate.

Creative Workforce Fellowship

Seth Beattie, CPAC, presented a packet of materials for the 2011 Creative Workforce Fellowship (CWF) fellows. The packet contained information on the twenty fellows, a press release and a Plain Dealer article in addition to some mapping of where applicants and fellows came from.

Mr. Beattie thanked the CAC Board, on behalf of the fellows and the two Seth Rosenberg Prize recipients, for their support of this initiative.

Mr. Beattie stated that they would also be capturing and promoting the fellows' stories as they did for the 2009 and 2010 fellows. He proceeded to share a video of the 2009 and 2010 fellows.

Mr. Minter suggested that an introduction, explaining what the CWF was, would be helpful.

Mr. Coburn asked if the video would be used to penetrate an audience outside of the local community.

Mr. Schorgl responded that CPAC is designing a new website and continue promotion of the CWF program would be included. He also referenced a Crain's NY article that featured Cleveland as an affordable home for artists. He added that the stories are out there but it would be nice to see more community organizations telling these types of stories.

4. REVIEW AND DISCUSSION

Spending Policy Forums

Mr. Charboneau stated that two public forums were held to discuss the draft spending policy. The first was held on November 15 at the Lakewood Public Library and the second one was held on November 17 at the Shaker Heights Public Library. Approximately fifty people attended the two forums.

Mr. Charboneau suggested that the attendees were open and candid. Several themes emerged:

- GOS funding is the most important; general support for keeping GOS at 75% or higher
- Interest in infrastructure support for grantees, possibly including human resources, information technology, benefits, software licenses/box office, etc.
- Some interest in limited “Venture Capital” funding
- Some interest in Art/Performance in Public Spaces

Ms. Gahl-Mills pointed out that approximately eighty percent of the attendees were individuals from organizations already funded by CAC.

Mr. Charboneau stated that they would continue to gather information and keep the Board apprised of such information.

Mr. Minter stated that he had received a letter from Young Audiences of Northeast Ohio stating that they would like 85% or more of funding to be allocated to the GOS program as has been the allocation to date.

Planning Charrette

Maureen Robinson, consultant, stated that she was seeking input from Board members regarding the scheduled charrette to be held in late January. The conversation began in June as the Board and staff looked at ways to streamline their work.

Ms. Robinson continued, informing the Board that the participants for the charrette would come from a variety of perspectives to look at a set of issues. She asked the Board members to consider what they would like to get out of the charrette.

Ms. Feldman wanted to explore what CAC’s impact looked like in the arts community in three, five or even seven years.

Ms. Robinson added that she was interested in hearing more about the shared services theme heard at the public forums.

Board Workplan 2011

Ms. Gahl-Mills presented the Board work plan for 2011. The work plan outlines the work to be done for and at each meeting.

5. BOARD ACTIONS

Operating Budget 2011

Ms. Gahl-Mills shared the objectives in creating the 2011 operating budget:

1. Continue to invest in raising CAC’s public profile, building on external affairs construct approved by the Board of Trustees at its September meeting.
2. Invest appropriately in staff, to encourage employee retention.
3. Maintain level of non-grantmaking expense at less than 5% of total expenses.

4. Decrease expenses wherever possible, in light of anticipated decrease in excise tax revenue.

Ms. Gahl-Mills stated that the total proposed budget was \$16,870,055, a 2.7% (\$468k) decrease over the 2010 budget. She highlighted several key areas that represented changes from the 2010 operating budget:

- Addition of one FTE, Jonah Weinberg, director of external affairs.
- Continued invest in the external affairs framework by continuing CAC's consulting relationship with Burges & Burges, and formalizing a relationship with Liggett|Stashower for market research, external messaging and creative services.
- Reclassification of specific expenditures from one appropriated area to another, to better reflect the matching of expenses to the area that the expenses support.

Ms. Gahl-Mills further stated that 95.82% of the budget was appropriated to Arts and Cultural Programming, while the remaining 4.18% was appropriated to General and Administrative.

Ms. Harris presented the proposed amendment of CAC's PERS Salary Reduction Pick-Up Plan. Under the Fringe Benefit Method of Employer pick-up, salary is not modified, however, the employer will pay 100% (executive director), 40% (director) or 25% (manager) of the employees, statutorily required 10% contribution to PERS.

Motion by Trustee Feldman, seconded by Trustee Minter to approve the amendment of CAC's PERS Salary Reduction Pick-Up Plan to add the following job classifications and "pick-up" as specified: for employees with the title Director 40%; for employee with the title Manager 25%. Discussion: None. Vote: All ayes. Motion carried.

Motion by Trustee Minter, seconded by Trustee Coburn to approve CAC's 2011 operating budget as proposed. Discussion: None. Vote: All ayes. Motion carried.

Audit Committee

Mr. Coburn presented the new candidates for the audit committee, Bryan Gillette and Cynthia Hope. He suggested that it was a good team that fits the standard for knowledgeable oversight.

Motion by Trustee Coburn, seconded by Trustee Feldman to approve the appointment of Bryan Gillette and Cynthia Hope to the audit committee. Discussion: None. Vote: All ayes. Motion carried.

Grant Awards

Ms. Harris stated that he Board had received a memo providing an update on the status of the operations of Opera Cleveland in 2011. CAC has worked closely with Opera Cleveland, which was approved for a two year GOS grant in July, to determine an appropriate funding level, given the changes in programming planned for 2011. Opera Cleveland confirmed that they will continue to provide educational programming within Cuyahoga County during 2011. A revised budget for the organization was provided to CAC. Based on the income during this period, CAC applied the GOS

formula with Opera Cleveland included, in order to arrive at an appropriate grant award amount of \$81,900. It is recommended that a grant be awarded for a six month period in the amount of \$40,900. This grant is renewable for the second half of 2011, contingent upon proper reporting and the continuation of education programming within Cuyahoga County. .

Motion by Trustee Minter, seconded by Trustee Charboneau to approve a grant in the amount of \$40,900 for the period of January 1-June 30, 2011 to Opera Cleveland. Discussion: None. Vote: All ayes. Motion carried.

Ms. Harris informed the Board that The Musical Arts Association requested a special initiative grant of \$250,000 to underwrite the Orchestra's 2011 concert on Public Square. In 2011, the Orchestra proposes to shift its annual free performance from July to September to commemorate the 10th anniversary of 9/11. A full proposal was submitted to the Board members in advance of the meeting.

Motion by Trustee Coburn, seconded by Trustee Feldman to approve the special initiative grant to The Musical Arts Association as proposed. Discussion: None. Vote: All ayes. Motion carried.

6. PUBLIC COMMENT

None.

7. OTHER

Next Meeting

The next meeting of the CAC Board of Trustees is scheduled for Monday, February 7, 2011 at 4:00 p.m. at Idea Center.

Motion by Trustee Coburn, seconded by Trustee Minter to adjourn. Discussion: None. Vote: All ayes. Motion carried. Meeting adjourned at 4:20 p.m.

Steven A. Minter, President, Board of Trustees

Attest:

Vickie Eaton Johnson, Secretary, Board of Trustees