



Minutes of the Regular Meeting of the Board of Trustees
Monday, December 14, 2015

A meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 3:31 pm in the Miller Classroom at the Idea Center at Playhouse Square, 1375 Euclid Avenue, Cleveland.

The roll call showed that Trustees Matt Charboneau, Joe Gibbons, Steve Minter and Charna Sherman were present. It was determined that there was a quorum.

Motion by Trustee Gibbons, seconded by Trustee Charboneau, to adjourn into executive session to discuss personnel matters and staff compensation. No discussion. Vote: Charboneau: aye; Gibbons: aye; Minter: aye; Sherman: aye. The motion carried.

Executive session ensued.

At 4:05 pm, a motion was put forward by Trustee Gibbons, seconded by Trustee Charboneau, to adjourn executive session and resume the public meeting. No discussion. Vote: all ayes. The motion carried.

Trustee Gibbons called the public session to order at 4:05 pm in the Miller Classroom at the Idea Center.

Also in attendance were: CAC staff: Karen Gahl-Mills, executive director; Jill Paulsen, deputy director; Roshi Ahmadian, Meg Harris, Stacey Hoffman, Jake Sinatra and Nicole Thomas.

1. APPROVAL OF MINUTES

Motion by Trustee Minter, seconded by Trustee Gibbons, to approve the minutes from the November 23, 2015 Board meeting. Discussion: None. Vote: all ayes. The motion carried.

2. PUBLIC COMMENT ON MEETING AGENDA ITEMS

There were no registered requests for public comment relating to items on the meeting agenda.

3. EXECUTIVE DIRECTOR'S REPORT

Ms. Gahl-Mills welcomed guests to CAC's last Board meeting of 2015 and made a report to the Board. She noted that the Board and others in the audience have had the opportunity to look at the staff's roundup of 2015 and their accomplishments throughout the year.

She expressed her appreciation of the team's efforts for continuous improvement and experimentation, which she believed led to conditions for success for Issue 8 and created a whole ecosystem of arts and culture organizations with an emphasis on public value.

Trustee Minter asked whether CAC defines public value and public benefit differently. Ms. Gahl-Mills explained that for the most part, CAC uses the two terms interchangeably, and is striving for building common language around the topic for its cultural partners in order to close the gap between their work and its public value in the community.

Ms. Gahl-Mills continued by giving an update on the agency's planning work, which was the topic of the previous meeting's work session. She explained that CAC is pressing forward with the next phase of the process, which is about listening to stakeholders, namely cultural partner organizations, community organizations, and most importantly, area residents. She further noted that The Osgood Group will help with the data-related parts of this listening, and Holly Sidford and Nick Rabkin, authors of CAC's public value study, will design the large, public listening sessions that will take place in the New Year. Ms. Gahl-Mills explained that CAC is also talking with other local and national experts – staff at Strategy Design Partners and the Center for Performance and Civic Practice – about helping the agency carry out its plans. She noted that CAC staff will have contracts for the Board's review and approval at the February meeting, and that based on the discussion at the last work session, CAC's intention is to have a final product ready for the Board's approval at the September 2016 meeting.

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 \$14,462,627 in revenue through November 30, which is \$1,016,048 or 7.56% ahead of forecast and 0.51% below revenue for the same period in 2014. Ms. Harris stated that CAC's investment income through November was \$111,958 which exceeded the year-to-date forecast by \$38,625. Ms. Harris stated that cash expenditures through November were \$13,722,018 which is slightly under budget for the period due to a combination of the timing of payments and the deferment of some organizational planning expenses to 2016.

Ms. Harris added that the year-end outlook is positive and that it is anticipated that CAC will use \$550,000 from the cash reserve rather than the budgeted \$1.6 million.

5. CONNECT WITH CULTURE

Ms. Hoffman, program manager of the Project Support grant program, introduced Dr. Annemarie Grassi, executive director of [Open Doors Academy](#). Dr. Grassi provided an overview of the organization and the impact of CAC funding on its arts programming.

6. BOARD ACTION

Approval of CAC Operating Budget for 2016

Ms. Gahl-Mills provided a summary of the proposed operating budget for Cuyahoga Arts & Culture in 2016 (see [2016 Operating Budget Memo](#)).

Ms. Gahl-Mills stated that revenue projects are conservative for 2016. While there are no major adjustment to cigarette taxes anticipated at the state level in 2016 there are policy changes at the local level that may impact tax receipts. The City of Cleveland is looking to increase the legal age for cigarette purchases from 18 to 21 years of age. If approved, it will likely not only impact our revenue but also spur other municipalities to follow this policy change as well.

She stated that on the expense side much will stay the same as the 2015 budget. More than 90% of expenditures are allocated for operating and project support grants that have already been approved by the Board. CAC will again fund Neighborhood Connections, the Creative Workforce Fellowship (year 2), and

The Cleveland Orchestra concert on Public Square. Also included are modest increases for staff and funds for professional development. Different this year are limited discretionary funds for responsive grantmaking based on community need; increased investments in marketing and communications to better tell CAC's story and to connect area residents with arts and culture organizations and events; and additional investment in CAC's strategic planning work. Finally, beginning in 2016 staff will pay an additional 5% toward medical and dental coverage.

Trustee Gibbons asked how CAC makes sure that different organizations are aware of the grants available. Ms. Paulsen explained that based on the results of surveys, many noted that they hear directly from CAC or its partner Neighborhood Connections. Trustee Gibbons concluded that this fact shows the importance of the agency's communications work.

Trustee Minter asked what the difference will be between the staff raises in salary and the extra 5% they will each contribute to their health plans. Ms. Harris replied that the increase in insurance contribution would depend upon the benefits each person has and would range from an additional \$300 to \$1,100 annually.

Motion by Trustee Minter, seconded by Trustee Gibbons, to approve the appropriation of Cuyahoga Arts & Culture's 2016 Operating Budget. Discussion: None. Vote: all ayes. The motion carried.

7. ADMINISTRATIVE MATTERS

Approval of Personnel Report

Ms. Harris stated that the Board had received a Personnel Report related to staff compensation.

Motion by Trustee Sherman, seconded by Trustee Charboneau, to approve the Personnel Report. No discussion. Vote: all ayes. The motion carried.

Approval of Investment Policy

Ms. Harris stated that, at the Audit and Finance Advisory Committee meeting held in October, the committee reviewed CAC's Investment Policy. She stated that there was one minor recommended revision to the policy – to change the word "elimination" to "minimization" of risk in regards to the investment objective related to risk.

Motion by Trustee Minter, seconded by Trustee Sherman, to approve the updated Investment Policy. No discussion. Vote: all ayes. The motion carried.

Approval to Amend Paid Time Off Policy

Ms. Harris stated that CAC would like to amend its Paid Time Off policy in order to allow a limited amount of PTO to be paid out at the end of a year, as detailed in the staff report on page 17. She stated that the current policy only allows time to be carried over at the end of the year and thus the liability stays on CAC's balance sheet.

Motion by Trustee Gibbons, seconded by Trustee Charboneau, to approve the changes to the Paid Time Off policy. No discussion. Vote: all ayes. The motion carried.

9. PUBLIC COMMENT

There were no public comments.

Next meeting: The next meeting will be held at 4 pm on February 8, 2016 in the Miller Classroom at the Idea Center at Playhouse Square.

10. ADJOURNMENT

Motion by Trustee Gibbons, seconded by Trustee Charboneau, to adjourn the meeting. No discussion. Vote: all ayes. The motion carried. The meeting was adjourned at 4:50 pm.

Joe Gibbons, President, Board of Trustees

Attest:

Matthew Charboneau, Secretary, Board of Trustees