



Minutes of the Regular Meeting of the Board of Trustees - Draft

Wednesday, December 13, 2023

A regular meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 3:32 pm at Cleveland Public Library, Main Branch, Louis Stokes Wing, 2nd Floor.

The roll call showed that Trustees Blakemore, Isenhart, Mendez, Scott Taylor, and Sherman were present. It was determined that there was a quorum.

Also in attendance were Executive Director Jill Paulsen and CAC staff.

Trustee Mendez welcomed guests and read a statement regarding the support for artists programs.

1. APPROVAL OF MINUTES

Motion by Trustee Isenhart, seconded by Trustee Scott Taylor to approve the minutes of the November 15, 2023 Board of Trustees meeting.

Discussion: Trustee Sherman stated that she believes CAC needs better technology to stream and record the meetings. She encouraged the Board to make the minutes of the meeting the recording.

Motion by Trustee Sherman to change the language on the second page of the minutes related to changing the February meeting date to “a new date that every Board member could attend.” There was no second to the motion.

Motion by Trustee Sherman to change the language on the fourth page of the minutes from “this November” to “the December.” Seconded by Trustee Scott Taylor. Vote – all ayes. The motion carried.

Motion by Trustee Sherman to change the summary of the discussion around General Operating Support (GOS) grants, on page 3 of the minutes, attributed to Trustee Sherman to “take increases from GOS grantees recommended for increases, and to give that money to GOS grantees receiving decreased amounts.” Seconded by Trustee Scott Taylor. Vote – all ayes. The motion carried.

Motion by Trustee Sherman to include in the Board action that she had “made the point that no disclosure that the staff had increased total amount of grants by approximately \$200k was made. That increase was only reflected on a screen behind the Board and not disclosed as to what grant the \$200k found is going to, and what category those amounts were going toward.” There was no second.

Vote to approve minutes of the November 15, 2023 meeting as amended by the motions above: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Nays: Sherman. The motion carried.

February Board Meeting Date

At the recommendation of the Board President, and upon receiving a motion and second, the Board of CAC voted to approve the February meeting date as February 15, 2024.

Motion by Trustee Scott Taylor, second by Trustee Blakemore.

Discussion: None

Vote: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor, Sherman. The Motion carried.

2. EXECUTIVE SESSION

At 3:56 pm, there was a motion by Trustee Scott Taylor, seconded by Trustee Isenhart, to adjourn to executive session to consider the compensation and performance of public employees.

Motion by Trustee Sherman to amend the motion to move the executive session to the end of the meeting. There was no second.

Roll Call Vote: Ayes: Isenhart, aye; Mendez, aye; Blakemore, aye; Scott Taylor. Nays: Sherman. The motion carried.

Motion by Trustee Scott Taylor to adjourn executive session, seconded by Trustee Isenhart.

Discussion: None

Vote: all Ayes. The motion carried.

At 4:41 pm executive session adjourned, and the Board resumed the public meeting.

Approval of Personnel Report

At the recommendation of the Board President, and upon receiving a motion and second, the Board of CAC voted to approve the Personnel Report dated December 13, 2023.

Motion Trustee Blakemore, second by Trustee Isenhart.

Discussion: Trustee Sherman made a friendly amendment, accepted by Trustee Blakemore, to amend the motion and to move the vote on the personnel report until after the discussion of the 2024 annual budget.

Ayes: Sherman, Blakemore. Nays: Isenhart, Mendez, Scott Taylor. The motion failed.

Motion by Trustee Sherman to move the vote on the personnel report until after the discussion of the 2024 annual budget. No second.

Vote on original motion: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Nays: Sherman.

The original motion carried.

3. PUBLIC COMMENT ON MEETING AGENDA ITEMS

Leonard DiCosimo, Local 4 Music Fund and North Shore AFL-CIO
Liz Maugans, artist

Sean Waterson, Happy Dog
Cindy Barber, Cleveland Rocks: Past Present and Future

4. EXECUTIVE DIRECTOR'S REPORT

Ms. Paulsen thanked everyone for joining her and the Board. Ms. Paulsen's remarks can be found in the meeting materials.

5. FINANCE REPORT

Ms. Harris provided a financial update through November 2023, included in the meeting materials.

Revenue. Tax revenue through November 30 was \$9,166,573. This is \$686,927 (7%) below budget year-to-date and \$917,406 (9.1%) below revenue for the same period in 2022. Interest revenue through November was \$429,756 which is 53,365 (14.2%) above forecast.

Trustee Sherman asked where, in the finance report, the additional \$200k that was included for 2024 grantmaking could be seen. Ms. Harris responded that when initial estimates were made in August they were made on revenue to-date and forecasts moving forward. She added that the long-term budget forecast varies from the actual, which included increased revenue from interest, which was higher than expected. Additionally, tax receipts in October were higher than forecast. Ms. Harris said the increase in grant dollars was in response to the desire to put more money into the community, via grantmaking, now.

Expenditure. Non-grant expenditures through November were \$871,243 and are tracking under budget by \$54,661 due to timing of payments and year-end adjustments and accruals.

Trustee Sherman asked if the grant funding that the Board voted on last month (November 13, 2023) requires the use of \$2.6m from general fund to break even by end of next year. Ms. Harris responded that was correct. Trustee Sherman asked if the unencumbered amount at the end of this year would be \$1.64m. Ms. Harris responded it is estimated it will be that amount. Trustee Sherman asked if there would be a shortfall absent a successful levy. Ms. Harris said that there may be a shortfall in terms of funds at the end of 2024, but that would not impact the plan to make consistent grants over two years; it may mean the need to delay entering into some contracts effective January 2025. She added, regardless of a successful levy, CAC normally collects approximately \$800k in tax revenue per month, so CAC could therefore enter into contracts in February or March for the year (2025). In terms of funds from a successful levy increase, at a rate still to be determined, it would take many months to accumulate an additional \$4-5M.

6. BOARD ACTION - GRANTMAKING

Trustee Mendez stated that after the November 15, 2023 Board meeting Assembly for the Arts requested that CAC increase grant amounts. In the spirit of collaboration, she proposed the Board discuss Assembly for the Arts' request.

Ms. Paulsen read the first request proposed by Assembly for the Arts.

“Currently CAC is budgeting grantmaking for the next two years at \$11.3M each year (2024 and 2025). Why not budget for 1.5 years since the levy will start kicking in in latter half of 2025? Take that “unused” half-year (\$5.65mil) and apply it toward 2024. The money could be used to make less stringent cuts to general operating support groups and add funding for individual artists.”

Discussion on this topic ensued.

Motion by Trustee Mendez to increase granting to a 1.5-year (18 month) timeline and to have additional \$5.65M go toward GOS and SFA grants now. There was no second.

Motion by Trustee Sherman to add an additional 400k to 2024 artist funding. There was no second.

Trustee Mendez recommended considering a smaller dollar amount (than the proposed \$5.65M), specifically for Support for Artist funding; she suggested at minimum \$100k in addition to the recommended \$400k. The Board discussed and considered budget implications and how to fund this addition, including the discussion of decreasing grant amounts in particular to Project Support 2025, cutting \$100k from the largest GOS grantees, delaying grant payments starting in 2024, changing guidelines in February, and cutting the CAC administrative budget.

Motion by Trustee Sherman to add an additional \$400k to Assembly for the Arts' Support for Artists grant. There was no second.

Trustee Scott Taylor submitted a friendly amendment to add only \$100k, it was not accepted. Trustee Scott Taylor seconded the original motion.

Discussion: Trustee Sherman recommended cutting a number of line items from the CAC administrative budget to fund her motion.

Vote: Ayes: Sherman; Nays: Blakemore, Isenhart, Mendez, Scott Taylor. The motion failed.

Trustee Mendez clarified that the Board is adding a motion to increase funding to Support for Artist program by \$100k (for a total grant of \$500k).

Trustee Isenhart said the \$100k should be distributed to a different organization than those currently listed in Assembly's proposal, or for it to be restricted as funds to support artists, not be used for overhead.

Action: Support for Artist Funding 2024

Motion by Trustee Mendez to approve a grant to Assembly for the Arts in the amount of \$400,000 to design and manage a program in 2024 to provide support for artists. The grant will include creation of an artist advisory cohort to inform Assembly's artist programming and that CAC will work with Assembly to establish key benchmarks and deliverables for the grant, as well as ensure compliance with State and Federal law. Seconded by Isenhart.

Trustee Scott Taylor made a friendly amendment to add \$100k, to make the grant \$500k.

Trustee Sherman made a friendly amendment to remove any language beyond granting the money to Assembly. Trustee Scott Taylor did not accept the friendly amendment.

Trustee Sherman moved to amend and remove all language beyond granting money to Assembly to distribute to artists. There was no second.

Vote: On the motion to approve a grant to Assembly for the Arts in the amount of \$500,000 to design and manage a program in 2024 to provide support for artists. The grant will include creation of an artist advisory

cohort to inform Assembly's artist programming and that CAC will work with Assembly to establish key benchmarks and deliverables for the grant, as well as ensure compliance with State and Federal law.

Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Abstain: Trustee Sherman. The motion carried.

Action: 2024 Resident-led Arts and Culture Grants

Mr. Sinatra provided background on the recommendation for grants to ioby and Neighborhood Connections, which was included in the board materials.

Motion by Trustee Mendez, seconded by Trustee Isenhart, to approve grants to Neighborhood Connections, in the amount of \$60,500 for 2024, and to ioby, in the amount of \$100,000 for 2024.

Discussion: None

Vote: all Ayes. The motion carried.

2024 Budget

Motion by Trustee Mendez, seconded by Trustee Scott Taylor, to approve Cuyahoga Arts & Culture's 2024 budget in the amount of \$12,490,000 (inclusive of the additional \$100k approved for artists funding.)

Discussion: Trustee Sherman made a friendly amendment to cut administrative expenses by \$400k. The friendly amendment was not accepted.

Motion by Trustee Sherman to cut administrative expenses by \$400k. There was no second.

Trustee Scott Taylor stated that drastically cutting the CAC administrative budget is not something the Board should consider, and that Assembly for the Arts was not created to replace CAC. The organization needs to look through the budget.

Vote: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Nays: Sherman. The motion carried.

7. APPROVAL OF CONTRACTS

SMU DataArts

Motion by Trustee Mendez, seconded by Trustee Scott Taylor to approve a grant to SMU DataArts for the use of the Cultural Data Project (CDP) platform for 2024, in the amount of \$14,500.

Discussion: Trustee Sherman suggested skipping this contract this year. Ms. Harris explained that there is a lag in collection of data because of fiscal year end dates. The most current data collected is from 2021 and CAC will need 2022 and 2023 to provide meaningful data, especially if there is a levy in 2024.

Vote: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Nays: Sherman. The motion carried.

R Strategy Group

Motion by Trustee Scott Taylor, seconded by Trustee Blakemore, to enter into a contract from January 1 through December 31, 2024 in the amount of \$30,000.

Discussion: Trustee Sherman recommended that Assembly and the PAC should fund this in 2024. Trustee Scott Taylor stated that this contract is mission critical. CAC's Board makes decisions, not Assembly. As the entity, she stated that CAC takes a recommendation to County to start the levy process.

Vote: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Nays: Sherman. The motion carried.

The Cleveland Foundation

Motion by Trustee Blakemore, seconded by Trustee Scott Taylor, to accept a grant in the amount of \$41,000, for general operating support, from The Cleveland Foundation on behalf of the Educational Foundation of America (EFA).

Discussion: Trustee Scott Taylor asked if the grant had been factored into the budget that was presented earlier. Ms. Harris confirmed it was. Trustee Sherman asked what strings are attached to this grant. Ms. Paulsen said it was an operating support grant.

Vote: Ayes: Blakemore, Isenhart, Mendez, Scott Taylor. Abstain: Sherman. The motion carried.

8. ASSEMBLY FOR THE ARTS

Jeremy Johnson, executive director at Assembly for the Arts made remarks.

9. PUBLIC COMMENT ON CAC BUSINESS

Bellamy Printz, artist

10. ADJOURNMENT

Motion by Trustee Scott Taylor, seconded by Trustee Blakemore, to adjourn the meeting.

Discussion: None.

Vote: All Ayes. The motion carried. The meeting was adjourned at 6:59 pm.

The next meeting will be held at 4:00 pm on Thursday, February 15, 2024.

Attest: _____
Karolyn Isenhart
Secretary, Board of Trustees