



Scottsdale Cultural Council  
Board of Trustees Meeting  
April 22, 2008

MINUTES

**CALL TO ORDER**

Chair Linda Milhaven called the meeting to order at 3:05 p.m.

**ROLL CALL**

Trustees

Milhaven, Linda, Chair	Present
Felder, Richard, Vice Chair	Present
Wittmer, Karen, Treasurer	Absent
Reinstein, Marilyn, Secretary	Present
Andres-Schneider, Ellen	Present
Beer, Geoff	Present
Berry, John	Absent
Cogman, Don	Present
Cohen, Marvin	Present
Dashew, Leslie	Present
Giancola, Paul	Present
Hayslip, Richard	Present
Horne, Audrey	Present
Irvin, Carol	Present
Kidder, Rick	Present
Lovett, Clara	Present
Miller, Mike	Absent
Roman, Louise	Present
Stern, Phyllis	Present
Weithorn, Stanley	Present

**Staff:**

Banchs, Bill, President and CEO	Present
Baker, Cory, Director of Performing Arts	Present
Green, Jim, VP and CFO	Present
Hotchner, Kathy VP and SCCP Director	Present
James, Valerie, Human Resources Manager	Present
Krane, Susan, VP and SMOCA Director	Present
Nydahl, Jack, Controller	Present
Suttle, Cyndi, SCPA Director of Marketing	Present
Thompson, Bill, SCPA PR Manager	Present
Vadala Homer, Valerie, VP and SPA Director	Present
Wilson, Eileen, Director of Development	Present

Guests

Michelle Korf, City of Scottsdale

## **WELCOME AND INTRODUCTIONS**

Chair Milhaven welcomed attendees and guests.

## **CONSENT AGENDA ITEMS**

- 1. Approve Minutes of March 25, 2008 Board of Trustees meeting**  
Copy of January 22, 2008 Board of Trustees meeting is included in this Board Packet.
- 2. Approve SCC Nominating Committee's recommendation to change its name to "Governance Committee" and adopt proposed "SCC Board of Trustees Mission and Responsibilities."**
- 3. Approve motion authorizing FY2008 endowment draws as recommended by Investment Committee.**
- 4. Report from Scottsdale Center for the Performing Arts**  
SCPA report is included in this Board Packet.
- 5. Report from Scottsdale Museum of Contemporary Art**  
SMoCa report and annotated 10th-anniversary exhibition list are included in this Board Packet.
- 6. Report from Scottsdale Public Art**  
SPA report is included in this Board Packet.

Item 2. was removed from the Consent Agenda and deferred to the May 27<sup>th</sup> Board of Trustees meeting as a regular agenda item at the request of Phyllis Stern, who suggested that this one agenda item be divided into two; 1. Approve SCC Nominating Committee's recommendation to change its name to "Governance Committee" and 2. Adopt proposed "SCC Board of Trustees Mission and Responsibilities."

By a single motion made by Marilyn Reinstein and seconded by Rick Kidder, the Scottsdale Cultural Council Board of Trustees unanimously approved consent agenda items 1. through 6. as amended.

## **Regular Agenda**

- 7. Approval of Preliminary FY2009 Operating Budget to be presented to City Council**  
In Treasurer Karen Wittmer's absence, CFO Jim Green announced that the Finance Committee determined the necessity of the Board of Trustees' approval of the framework budget being presented at the City Council meeting this evening, April 22, 2008. After the Council Meeting the budget will be adjusted appropriately and brought back to the Board of Trustees for final approval.

CFO Green described the framework budget as being "cash neutral" and said it would be incorporated into CEO Banchs' report to the City Council this evening. He explained that the framework budget is predicated on the SCC's getting the 3% (\$97,000) additional funding that is not presently included in the City Budget and proceeded to give an overview of the budget details.

Marilyn Reinstein requested that, for the next budget submitted, additional detail be presented regarding SCPA's operating plans during the renovation period.

Moved by Carol Fehring-Irvin and seconded by Ellen Andres-Schneider, the Scottsdale Cultural Council Board of Trustees unanimously approved the Preliminary FY2009 Operating Budget as presented.

#### **8. Treasurer's Report**

CFO Green reviewed the details of the Balance Sheet and reported that the SCC will draw on its cash reserves until the City's contribution begins again.

In reviewing the Income Statement, CFO Green reported that the SCC total reflects the updated year-end projection. He discussed highlights of the Income Statement, which included a significant shortfall on ticket sales and continuing below budget on salary expense. The final projection shows \$60,000 to \$70,000 behind the budgeted amount.

CFO Green will distribute a more concise financial report to the Board of Trustees.

Moved by Clara Lovett and seconded by Dick Hayslip, the Scottsdale Cultural Council Board of Trustees unanimously approved the Treasurer's Report as presented.

#### **9. Nominating Committee**

Nominating Committee Chair Rich Felder reported frequent meetings of the committee in anticipation of its members' annual relocation and said that the next scheduled meeting will be on April 28.

Committee Chair Felder described the committee's examination of bylaws and various documents created over time that speak to the Board of Trustees and individual Trustees' responsibilities.

He said that the committee is reviewing names of potential nominees for the review of both the Board of Trustees and, moreover, he added that the Division Boards are welcome to review the same list for possible additions to their boards. A few of these potential nominees are being approached to determine their level of interest in joining the Board of Trustees.

Board terms will be discussed at a later Board of Trustees meeting.

Committee Chair Felder discussed the value of the Board Matrix as a tool for making sure the Board is at full strength in the Fall. The nature of the document was discussed in that it would reflect changes from year to year. It was suggested that a copy of the Board Matrix be provided to Strategic Planning Consultant Tom Wolf, and this will be done after the revisions to the document are completed and approved.

Phyllis Stern's inquiry as to the membership of the Nominating Committee prompted the raising of hands of this committee, which consists of Richard Felder, Ellen Andres-Schneider, Don Cogman, Carol Fehring Irvin, Rick Kidder, Linda Milhaven, and Marilyn Reinstein.

Further discussion included statements that the composition of the Board influences the function of the Board and that modern practice is to utilize governance committees instead of nominating committees.

**10. Renovation Update**

Kathy Hotchner reported that the renovation is progressing as planned.

**11. Theater Feasibility Study**

This project is temporarily on hold.

**12. Strategic Planning Status**

Kathy Hotchner announced that the SCPA Strategic Plan should be in final draft form and ready for review and approval by the Board of Trustees.

CEO Banchs discussed the mid-May visit of Strategic Planning Consultant Tom Wolf, stating that Tom Wolf intends to attend the SMOCA board meeting. Although the SCPA Board can't change their schedule to accommodate Wolf's visit, arrangements for his interface with some of the board members from both SCPA and Public Art are being made.

Other events on the Strategic Planning timetable are the first draft of the mission, vision and goals to be presented at the May 27<sup>th</sup> Board of Trustees meeting, with the presentation to the Board of Trustees for approval at the September meeting. CEO Banchs announced that the minutes from the Strategic Task Force meetings are forthcoming.

**13. Chair's Report**

Chair Linda Milhaven suggested that, although no calendar has yet been created for next year's Board of Trustees meetings, July 22<sup>nd</sup> at 4:00 p.m. be scheduled if a quorum is available.

Regarding this evening's City Council meeting, Chair Milhaven reported that she, Vice-Chair Felder and CEO Banchs have been calling on City Councilmembers to present SCC's case for reinstating the 3% increase and the special budget request. The majority of Councilmembers, as well as Mayor Manross, have expressed support.

Chair Milhaven announced that she has been invited to sit on the Desert Discovery Committee.

**14. President's Report**

President and CEO Bill Banchs began his remarks by reporting on ongoing and growing urgency regarding the organization's IT system and pointing out that the phones and software, including accounting software, are out of date. He announced that SCC is considering going to the Virginia G. Piper Charitable Trust for a major grant to update our infrastructure and that SCC will be eligible for such a grant after June 1, 2008. CEO Banchs has scheduled a phone conference with Judy Mohraz, President and CEO of the Virginia G. Piper Charitable Trust, to begin the dialogue preliminary to such a grant application.

Discussion of IT system needs led to wiring issues, and CEO Banchs indicated the renovation as a possible opportunity to gain visibility into the wall interiors, as presently Boyue Tip, IT Coordinator, has no way of anticipating wiring needs. He described the IT Department as a 1 ½ person department and said that upwards of \$60,000 has been budgeted next year for improvements that are primarily IT items.

CEO Banchs thanked those Board members who are participating in the SMOCA Gala, and encouraged the rest to consider providing underwriting.

### **Executive Session**

- ES1. Draft of Master Agreement
- ES2. Special Appropriation Request
- ES3. External Communication

### **Regular Agenda**

**15. Motion to Authorize the President and CEO to execute the new Management Services Agreement Contract with the City of Scottsdale**

Moved by Ellen Andres-Schneider and seconded by Audrey Horne, the Scottsdale Cultural Council authorized the SCC Executive Committee to grant final approval of the new Management Services Agreement Contract with the City of Scottsdale after the SCC Board of Trustees have reviewed the existing document and referred any concerns and/or ideas to Shelley Cohn, who will work with attorney Bill Hicks and the City Attorney for resolution of said concerns and/or ideas.

**16. Announcements from Committees**

Ellen Andres-Schneider discussed the progress made by the Banchs Reception Committee and encouraged all to RSVP for the April 30<sup>th</sup> occasion. CEO Banchs referred to the event as a great opportunity for providing awareness of our organization and encouraged the use of the evening to promote our organization. He invited all to attend, announcing that Mayor Manross will be speaking, as will he, and that the reception will be over by 7:00 or 7:15 p.m.

Ellen Andres-Schneider announced plans to arrange for the architect to have the renovation rendering available the night of the reception, providing an opportunity to communicate with the community about the changes that are coming.

**17. Announcements from the Floor**

Audrey Horne discussed the Soleri Bridge issue coming before the City Council at tonight's meeting.

There being no further business, the meeting was adjourned at 4:40 p.m.

Respectfully submitted,  
Marilyn Williams, Recording Secretary