

Minutes
PACRC Board
08/15/16

Present: Kristol McKie, Dennyce Korb, Mike Gould, Holly Godber, Angie McKie, Ross McKie, Steve Flanery, Anna Huntington. Also present Nick Johnson.

Absent: Lisa Modrick, Katharine Thomas/Ed McLaughlin, Patrick Goetzinger, Jeff Nelsen, Brad Berens, Ken Ketel.

Meeting called to order at 7:33 a.m. by President Kristol McKie.

Gould moved, R. McKie seconded approval of the June meeting minutes. Motion carried.

R. McKie presented the financial report. A. McKie raised a question regarding the fixed assets. This is a bookkeeping error for June. The projector was missed. Revenues were down for the last fiscal year. Expenses were also down a little because we were missing half a salary for part of the year which will not be the case this year. A. McKie moved the financials be approved on condition the error in fixed assets be corrected. Gould seconded. Motion carried.

R. McKie presented the July financial report. We had a good fundraiser, the pop-up party. Steve Flanery was gifted a contribution to an organization of his choice for his service on the Vucurevich Board, and he designated that contribution to us which is reported in our July financials. Dr. Gwinn also brought in a contribution for the PAC which will be reflected in the August financials. This is the second year in a row he has done this, and it's much appreciated. Huntington moved approval of July financials, A. McKie seconded. Motion carried.

R. McKie next presented the 2016-2017 Proposed Budget. Ticket sales, promoted events was discussed. We brought in \$0 in the past fiscal year on this but budgeted \$29,000 this year. It's not a big money maker, and has the potential to lose money, so we need to look at bringing in some grant money perhaps for that. Nick will be working on this area.

K. McKie led a discussion regarding City funding. Our mayor is trying to address the homeless population without raising taxes, and he stated he will be looking at "non-essential" items such as the Humane Society and the Arts. He needs to find \$350,000 in his budget. We have requested \$36,000. Last year we got \$16,000, and \$8,000 of that will come in this fiscal year (before December). Kristol urged board members to have individual meetings with the city council members to get their support, and Flanery agreed that is very important. Huntington emphasized that there is a connection between homelessness and a weak arts community. A healthy community includes a healthy arts community. She will look for some empirical data on that. The economic impact of the arts also needs to be emphasized. In the alternative, R. McKie discussed possibly meeting with the mayor and asking him what we can do to help him reach his goals, and that perhaps we try to decrease our dependency on City funding and instead seek to make up that funding through individual contributions. This plan then would be to make a case for why we need the funding we requested, but meet with the mayor and let him know we are willing to help him meet his budget goals in exchange for a guarantee of the \$16,000

we received last year, and then get to work on the City Council members to get them also to support that. Gould moved that the budget be approved, A. McKie seconded. Motion carried.

The next item for discussion was the Capital Campaign expenditure for new sound equipment in the historic theater. Gould led the discussion on this matter. We have bids from Haggerty's and Sound Pro. Haggerty's initially looked at the space and thought they could give us some better sound coverage for about \$15,000. We requested that they model the space, and we paid them \$1,200 to do that modeling. Once that modeling was completed, they realized we would need much more than they initially thought and came back with a bid just under \$32,000. They were able to trim some off of that and submitted a final bid of \$27,670. Sound Pro's bid was slightly higher at \$29,514. R. McKie moved that we accept Haggerty's bid, A. McKie seconded. There was further discussion of requesting that Haggerty's work with our people through the first event (Little Mermaid), and assure us that they will continue to work with the sound until it at least meets the modeling they have said it will do. Flanery called the question. Motion carried.

Johnson presented his Executive Director's report. A Technical Director and Assistant Technical Director have been hired. The Technical Director has the expertise to do set building for BHCT, but also the ability to work with the CMO and other clients as an events manager. The Assistant Technical Director has lighting experience, but will not be the sound engineer. BHCT will need to hire a sound engineer for its productions that need more complicated sound.

Johnson stated that although Alex Massa's band's concert was very good, it wasn't very successful financially. Part of that was due to the fact that the concert itself was a bit of a "moving target" in terms of exactly who and what it was going to be. Part of it may have been due to the time (4:00 p.m. Sunday). We didn't do an all-out marketing push, it was more dependent upon a local audience who knew Alex and Chris Massa. The event probably won't break even, but the loss will not be large.

The Green Acres pop-up party was very successful, and our net was over twice as much as last year. The Pop-up party committee has already met, there are suggestions for improvements/changes.

The Shrine of Democracy Chorus is still interested in coming in as a CMO organization. They would like to pay their obligation over seven years, but will pay the first two years up front and the remainder over the next five years. A. McKie moved accepting Shrine of Democracy as a CMO, Huntington seconded. Motion carried. A letter will be written to A Cappella Showcase terminating their CMO status as they have not made even one full payment toward their obligation to the PAC.

Upcoming events were discussed. R. McKie questioned whether we should perhaps be more proactive about sharing our calendar with organizations who have regularly rented our space in the past.

Nick is continuing to work on the employee handbook.

Nick discussed the Donors' Circle. He feels getting this going is dependent upon putting together a development committee. Huntington volunteered to take a role in messaging on that. R. McKie, Gould, Korb, and Flanery have agreed to be involved in that effort. A first meeting has been set for August

29th. Huntington recommended that Pat Goetzinger be added to the Donors' Circle meeting as it dovetails with the endowment committee.

The Endowment Fund committee needs to meet with Rich Hinseth as a next step regarding the investment policy. Nick will contact him regarding that. Flanery will provide Nick with a copy of an investment policy he has. That can be "tweaked" and sent to Rich Hinseth.

Don Montileaux has expressed a willingness to continue to supply art work for the revolving exhibit as long as he is able to. He has a special connection with Oscar Howe and this school.

Huntington asked whether it would be possible to find a sponsor for the sound system.

K. McKie reported that the Symphony has hired a new executive director, Kierstan Hollenbeck.

Flanery moved the meeting be adjourned, R. McKie seconded. Meeting adjourned at 9:10 a.m.

Respectfully submitted,

Dennyce Korb, Secretary