

Cain Center for the Arts
Executive Committee Meeting
Feb. 7, 2019

Attending: Greg Wessling, Troy Stafford, Carroll Gray, Steve Brumm, Justin Dionne, Anita Overcash

Absent: Pat Bechdol

- I. Welcome & Approval of Executive Committee Minutes from Jan. 8 - Greg welcomed the group. Troy motioned to approve Minutes from the Executive Committee Meeting on Jan. 2, Carroll seconded. All approved of Executive Committee Minutes from Jan. 2.
- II. Travis In-Kind Gift - The committee discussed an in-kind gift from Chuck Travis. Greg, Beth Allen, Chuck and Janice Travis, and their CPA representatives talked to determine claiming it since it was submitted late and without knowledge from the board that the services would be considered in-kind. Greg said that there needs to be a set precedent for in-kind giving. **Action 1:** Troy, Justin, and Beth to create an amendment to the in-kind giving portion of the Accounting Policies & Procedures. Specifically, to add new language about the policy for in-kind giving. This will then be presented at Monday's board meeting.
- III. Executive Director Report - Justin is working on a new format for his Executive Director reports. He will add in some pictures from recent education outreach to his upcoming presentation. Recently he has presented to North Mecklenburg Rotary and North Mecklenburg Women's Club. He said that January has been slow for the campaign, but that we have moved forward on construction developments. Justin noted that David Goodman passed away.
- IV. Construction - Steve Brumm discussed the reconciliation report. The construction committee, along with architects and Rodgers Builders recently went to Booth Playhouse, Charlotte Ballet, and Charlotte Christian School. After accessing what exactly the Center wants for the future facility to look like (more along the lines of Booth Playhouse and Charlotte Ballet), it was determined that pricing for the design schematics would be as high as 20 percent over if not reconciled. Rodgers believes they need to reduce by 10 percent. A presentation of the original "dream scheme" was presented alongside of recommendations from architects, as well as CCA, and a final compromise version. The final proposed version will include the following: 1) 400 seat theater, 2) Two classrooms – increase size of one, 3) lobby & gallery blend, 4) Kitchen, 5) Eliminate

breakroom, 6) Two dressing rooms, 7) One star dressing rooms, 8) Grow bullpen office, 9) Board Room*, 10) Add ED Office, 11) Move HVAC to roof. This reduces the overall facility size from 35,332sf to 30,495sf, which is a reduction of 4,837. The board agreed to present the construction presentation and the recommended compromise to the board for approval at Monday's board meeting.

- V. Financial Report - January Financials - Troy said that the Statement of Activities for January reflected a total revenue of \$33,750.00. Most everything was flat, but Troy noted a \$3,500 fee under conferences and trade shows. Some of that has been reimbursed through an ASC grant. There was also a class expense for Charlotte Ballet classes that is listed as \$2,800. In total operating expenses were \$38,889.64, which projected a net loss of \$5,139.64.

Troy donated \$733.33 for operating and is challenging the board to match his donation for 2019. **Action 2:** Greg to respond to Troy's email and encourage the board to meet this request.

Troy also reviewed the Balance Sheet for January. It listed \$2,974,903.49 as being in the CCA escrow account. The total cash and cash equivalents was \$3,062,085.31. Justin said that Allen Tate will be sending the rest of the money donated from real estate commissions soon. The January Balance Sheet reflected total assets at \$6,357,053.84.

Troy also presented the Statement of Activities for the Capital Campaign. The total revenue for donations and grants was \$15,962.22 for January. This includes interest income of \$5,192.22. After credit card merchant fees were deducted, the total for January was \$15,895.06.

Budget 19/20 - The budget has been submitted. Justin and Greg plan to have two-on-two meetings with commissioners to discuss the budget. Justin plans to attend the budget retreat on March 7-8.

The audit will be conducted by C Dewitt Foard & Co.

- VI. Campaign Report

The pledge and cash update reflected that we are two month behind, which equals a total of \$353,030.00. This is likely because December was busy with the holidays and January is slow in general.

The committee discussed prospects that have been engaged.

Campaign Budget - The campaign budget from present to June 30, 2019 was presented to the committee. Out of the total administrative budget of \$600,000 for the next six months, it included a campaign cost summary sheet with marketing, events, cultivation meetings and a contingency. The total for these items was \$135, 500.00. This included a PR consultant that will be contracted to execute content, and costs for an upcoming prospect event on May 3. The committee approved of the campaign budget. It will be

taken to the board for approval at Monday's board meeting. Pending approval, a task force will then be set up to interview with selected PR firms.

It was recommended that a document be created that shows costs per event and how much is raised in money/pledges.

- VII. Marketing updates - We have received new materials from GGMD. This includes letterhead, campaign books, and swag. **Action 3:** Anita to add the PDF of GGMD created materials to the board packet.
- VIII. Reports for Education Outreach - The education outreach tours continue and we are continuing to update the list as new shows are added. We have received good feedback and Lakeside Charter Academy sent in a thank you letter.
Charlotte Ballet Pre-K classes at Lake Norman YMCA - Currently, Justin is waiting to hear back from Charlotte Ballet on if they have an instructor who could teach the classes which could begin in March. Justin is giving them until Friday. He has already been working with Chris and Honora at the Lake Norman YMCA to secure a room if the classes are held.
- IX. New Business
Deloitte Consulting Strategic Plan Creation - Justin will be working with Deloitte on a two to five year strategic plan. The Deloitte services will be an in-kind donation to be approved by the board.
Suggested changes to Master Services Agreement - The town has agreed to amend the Master Services Agreement to include a commitment that CCA will have the \$4 million in bonds money from the Town to be used for the project. It will be proposed at the next closed session town meeting.
Administrative Request - It has been recommended that staff begin using Egnyte for a cloud-based file storage system that can be shared in the office among staff. The Egnyte system will be \$45 per month. Executive Committee approved the use of Egnyte services. The Egnyte services will also be taken to the board for approval.
Next Executive Committee Meeting - The next executive committee will be held on Thursday, March 7. Justin may be attending the budget retreat at that time, but he may be able to call in.
- X. Adjournment - There being no further business to discuss, the meeting was adjourned.