

***ACTION ITEMS FROM EXECUTIVE COMMITTEE MEETING - AUGUST 8, 2019***

Allison Elrod	<b><i>Action 1:</i></b> Allison to provide changes in naming opportunities and costs in working document that the board can review.
Justin Dionne	<b><i>Action 2:</i></b> Justin to talk to Beth about how to account for raises so that there is no negative since the raises were used from the reserve.
Anita Overcash	<b><i>Action 3:</i></b> Anita to add the section on communicating electronically to the changes in the suggested amendments to Accounting Policies & Procedures.

**Cain Center for the Arts  
Executive Committee Meeting  
Thursday, August 8  
MINUTES**

Attending: Greg Wessling, Pat Bechdol, Cynthia Bush, Justin Dionne, Allison Elrod, Anita Overcash

Absent: Troy Stafford

- I. Introduction - Greg welcomed the committee and noted that there was a quorum.
- II. Approval of Minutes from the July 17 Board of Directors Meeting - Greg asked for a motion to approve the Minutes from the July 17 Board of Directors Meeting. Motion by Cynthia, second by Pat, all approved of the Minutes from the July 17 Board of Directors meeting.
- III. Campaign Update - Goal for pledges in July was \$2,300,000.00. Actual pledges made in July totalled \$1,775,500.00. Cash goal for July was \$766,666.67. Actual cash total was \$248,425.34.  
The recent event at Ginger Griffin's home went well. Allison and Penny met with Andrea Griffin who provided feedback and names of individuals that may be interested in the project and its capital campaign.  
Naming Opportunities - Allison presented a working document with Naming Opportunities. The education wing and the star dressing room were removed. New naming opportunities include concessions and the grand staircase. It was suggested that the cost for the Outdoor Patio be increased by \$500,000, which brings the total to \$1,000,000. ***Action 1:*** Allison to provide changes in naming opportunities and costs in working document that the board can review. The new suggested naming opportunities will be presented to the board at Monday's meeting, but will not be voted on.

IV. July Financials - Justin reviewed the Operating Finance Report, which showed in-kind income of \$44,740.06 and a total revenue of \$80,420.73. Under Payroll and Related Expenses, the raises for Justin and Anita are accounted for but this is causing a negative reflection. **Action 2:** Justin to talk to Beth about how to account for raises so that there is no negative since the raises were used from the reserve.

Justin reviewed the Capital Finance Report, which showed \$1,775,500.00 in restricted capital pledges and interest of \$9,833.87. Total revenue is \$1,785,333.87. There was a pledge write-off for \$2,500 and a market adjustment of \$2,604.22. The latter is from a donation of stock valuing \$200,000. The surplus for the end of July was \$1,767,034.07. The Balance Sheet shows \$112,319.89 in the operating account and \$5,609,633.10 in the escrow account. Total liabilities and assets are \$8,659,758.13.

Audit update - Justin said that Beth Allen from GreerWalker and the auditors will be at Cornelius Town Hall all day on Friday.

The group discussed uncollected pledges and how negative debt would be better accounted for and documented with different wording. The possibility of checking in with donors and making sure pledges are insured is also being researched, as a recent donor put her pledge in her will.

The following GreerWalker suggestions are being recommended by the Finance Committee - 1) It was recommended that Allison be the first approver of all invoices in Bill.com. This will allow for additional internal control and she will be able to code the bills as either operating or campaign expenses. Justin will still approve of all bills under \$500, as well as those over \$500 with final approval from Troy and/or Greg. 2) Since the frequency in bills over \$500 has increased, it was recommended that the amount requiring approval be increased to \$1,000. 3) It was also recommended that each department have a credit card. This would include credit cards for Justin, Allison, and Anita. \$500 was recommended for the maximum spending per transaction for Anita and Allison, and \$1,500 for Justin. One debit card will be kept for petty cash when needed. Because of the changes an amendment was made to the Accounting Policies & Procedures, as well as a resolution to the bylaws. It was recommended during the executive committee meeting that spending of \$500 by Allison or Anita be communicated electronically to Justin for tracking. **Action 3:** Anita to add the section on communicating electronically to the changes in the suggested amendments to Accounting Policies & Procedures. All unanimously agreed to the changes recommended.

V. Construction Update - The next Architect workshops are scheduled for September 4 and 5. The results of schematic design will be presented at the September board meeting. Justin recently visited theaters in Stowe, VT and Chicago, IL. He noted information he learned about a tension grid and upon his return he asked the architects about the possibility of incorporating this into the theater which would be more cost effective. He

has suggested cutting the star dressing room. The idea of a mobile bar vs. a standing bar for the outdoor area was also discussed. Justin will discuss further with Chris Boukedes, Andy, and Tim Henderson.

The Town has drafted a new Management Services Agreement Amendment that reflects that new numbers and timeline for construction. All approved of the new Management Services Agreement Amendment.

- VI. Strategic Plan - Justin reviewed the strategic plan with the committee. The plan detailed objectives for four time periods 2019-2020 (preparing), 2020-2021 (building), 2021-2022 (operating), and 2022-2023 (maturing). The plan established primary focuses for each period. This includes meeting/exceeding fundraising goals, developing an initial programming plan, establishing an outreach network, managing construction completion, creating arts awareness and education, implementing technology requirements, launching marketing and development initiatives, scaling up staffing, launching the center, program strategies, and more. The plan also included financial projections with details on expenses and revenue. The Strategic Plan will be presented to the board on Monday. It will not be voted on until September, so that board members can review and give feedback.
- VII. Other Business - The next executive committee meeting will be held on September 5, 2019.
- VIII. Adjournment - There being no further business to discuss, the meeting was adjourned.