

**Cain Center for the Arts
Executive Committee Meeting
September 16, 2021
MINUTES**

Attending: Greg Wessling, Cynthia Bush, Bill Ward, Justin Dionne, Anita Overcash, Perry Mixter, Megan King

Absent: Pat Bechdol

- I. Welcome - Greg welcomed the group and noted that there was quorum present.
- II. Minutes from August Executive Committee Meeting - Motion by Bill, second by Cynthia. All approved of the August Executive Committee Meeting Minutes as circulated.
- III. Construction Update - Steve presented a change order log and discussed money that has been used for construction. Recently approved change orders were discussed. There is also a list of A/V Alternates. Justin shared the Summary Sheet that was included in the preread. Steve said we are carrying a large contingency as required by the LGC. There are some change orders being requested: 1) Sound reflectors (\$419,538.00), 2) Terrazzo Flooring (\$148,083.00) totalling \$567,612.00. Potential funds for future change orders will be \$397,708.00. This brings the remaining contingency to \$1,139,550.11 and Steve said there is also more for contingency if needed. The Executive Committee unanimously agreed to the construction change order request and it will be presented to the board for approval next week.
- IV. August Financials - Bill reviewed the financials with the board. On the Balance Sheet he noted receivables are going down, as we are collecting pledges that were due. CIP numbers are growing as we incur construction costs. Unrestricted net assets are \$2,243,162.40. It was noted that these represent cash assets and potential cash assets. **Action 1:** Justin is going to check with GreerWalker about the unrestricted net assets which most likely include the CIP. On the Operating Report, Bill noted the Town income, and a negative in software costs because GW overestimated in previous months and they are correcting the statement. We were in the negative this month by \$3,759.74. Justin noted that payments for classes and concerts will be paid out in September so they would not show on the August Operating Report. Perry reviewed the Capital report and said there was nothing out of the ordinary on the report. Greg sent a note to the board about the closing of the loan.
- V. Executive Director Report - Justin shared a project flow sheet for September, October, and November. Justin noted that we have a new Office Administrator, Iris, who will start on Monday, Sept. 20. **Action 2:** Justin to send a copy of the project show flow to the Executive Committee.
Justin discussed rental rate benchmarking. This included comparable space models and comps. Justin provided recommendations for hourly educational/public spaces at the

center. Justin then discussed rental models and rates for the theater. There are three different rate structures to consider. He discussed pros and cons for each option. The team is making the recommendation for option 3 which includes a standard rate with community partner rates offered to apply to nonprofits, small businesses, etc. below a certain budget line. Greg suggested that Justin come to the board with the plan that he, Megan, and Deloitte approve of. Cynthia said she is not a fan of giving subsidies and she asked what he plans to share to the board on Tuesday. Cynthia thinks some things need to be fleshed out before being shared with the board and to wait until there are more definitive thoughts on where he wants to go. Justin to simplify the presentation down. Staff can build it all out and present it to the board. Greg suggested a staff plan with details on how he got there. Current 10-year pro forma budgets for \$100k/year in event records. This is how the rate would work with the budget: theater - 44 community partner rentals and 12 community rentals and education spaces at 3 hour rental blocks, which could result in 563 rentals total. Greg said to send Justin's revised rental rate presentation to everyone in the Executive Committee and then this will give Cynthia and Pat a chance to review prior to the board meeting.

- VI. Development Report - August pledges were \$23,772 on a goal of \$70,000 and cash brought in \$335,338 (Cashion and Aquesta pledge payments) came in early. Brick sales totaled \$8,858. We will be reforecasting monthly goals for bricks. Greg asked if we could show the board the sheet that is going to the LGC. We are expecting a pledge payment of \$200,000 which should put us ahead of the four month goal. **Action 3:** Perry to send one pager sent to LGC to the Executive Committee. We have completed our sponsorships for the year and \$53,151 was raised on a goal of \$50,000. We are planning a Morgan Stanley event called Ceramics and Cents and we will invite giving circle donors. At the event, Morgan Stanley advisors will explain how tax law changes may impact charitable giving decisions in 2021. This will not be a sales pitch. Perry shared current and upcoming development activities.
- VII. Programming Update -Classes have started and the opening reception for Mud at the Mill is on Sept. 17. Fall A registration is around 84 percent filled. There are three out of five adult classes sold out, and one out of four youth classes sold out. Tony Lucca is around 80 percent full as of today. Sip and Paint had no registrations so it has been canceled. The Sip and Paint instructor is fine to jump in when we are ready to have them do another event.
- VIII. Adjournment - There being no other business to discuss, the meeting was adjourned.