



Board Meeting Minutes

October 19, 2021

Attending: Greg Wessling, Bill Ward, Susan Wolff, Joshua Dobi, Denis Bilodeau, Bill Morgan, Pat Bechdol, Woody Washam, Ginger Griffin, Paul Newton, Jean Bock, Kate Gaither, Caroline Mullan, Donna Johnson, Troy Stafford, Justin Dionne, Megan King, Perry Mixer, Anita Overcash, Iris Wyatt

Not in attendance: Cynthia Bush

Greg Welcomed all board members to the meeting. The meeting was held via Zoom and a quorum was present.

Minutes from September Board Meeting – motion to approve by Ginger, second from Troy. September Board Meeting Minutes approved unanimously.

Program Update – Megan King

Fall B classes are more than 85% sold out. The watercolor class max size has been increased to 15 to accommodate demand. Originally, the class size was 12. A second class could be added to the schedule, but at the moment we do not have an available instructor.

On October 24, Simone will be teaching a private art class with several Girl Scout troops. It will be Halloween themed. Activities include sketching, canvas painting and fun craft activities with pumpkins. There is a possible December holiday event featuring workshops in ceramic ornaments and greeting cards.

Planning is complete for our Winter/Spring A and B classes. The schedule has been submitted to our marketing company so they can put together the marketing materials. We have some new classes and a handful of new teachers.

Megan shared with board members a summary of ticket sales for the upcoming concerts. Ticket sales for Seth Walker are going quite well.

For future planning, Justin and I are speaking to a number of our community partners such as the Davidson Community Players, Charlotte Symphony Orchestra, etc. – setting up meetings with them, coordinating their schedules and date preferences for the 2023 season and beyond. We recently returned from our first industry conference in Nashville (IEBA) where we were able to connect with agents, letting them know what we are doing, asking them to put us on their radar for potential opportunities for seasonal shows as well opportunities for possible subscription shows. Justin and I have talked about what the first half of the season will look like from a subscription vantage point.

Pat Bechdol wanted to confirm with Megan that he purchased tickets for the Seth Walker show. Megan confirmed he had in fact purchased those tickets.

Bill Morgan wanted to know about pricing versus cost. Megan informed members that ticket prices will vary depending on the show/production. We are trying to figure out the budget for each show, making sure each one makes money. Bill Morgan asked if this was the same process for classes. Megan said yes, it's the same process. Justin says we are moving into budget season now. Departments will be submitting first drafts of their budgets, so we are in the process of putting together the models. We will have more information soon. Greg reminded members that we have an agreement with the town that existing class prices remain the same for a year.

Megan informed board members that our vaccination policy is about to expire. Greg informed members that we've had no pushback. The board approved keeping the mask policy in place.

Construction Update – Justin Dionne

Good movement through September. A number of milestones have been met. Justin made sure members were aware of the revised contract value based on the change order which the board approved last month. The block walls are going up at an amazing pace. They should top out at about 48 feet. Concrete has been poured for the theater. A crane will be installed soon on the site and steel erection will begin. The top is expected to go on in January. Justin shared photos of the site, including drone photos and time-lapsed video. Paul Newton(s) gave his update: we are on schedule. The goal is to close the building before it gets too cold or too wet. Paul encouraged board members to visit the site.

Denis Bilodeau asked if we are having any supply chain issues? Paul says they are working very hard on lead times for getting materials. Justin also informed board members that they are trying to stay two steps ahead on everything. Decisions must be made quickly. Denis Bilodeau asked about the distance between the building and Pott's Barber Shop. Paul says the walls will be 12 inches apart. Greg assured the board it would not disturb the historic presence of the barber shop. Justin informed the members that he is in contact with Mr. Potts to make sure he and Micky are comfortable with the decisions. Paul informed the board members that it's only the front-facing wall that is 12 inches from the barber shop. There is actually a secret alley towards the back that is about 6-feet from the existing wall.

Financial Report – Bill Ward

Collections are ahead of schedule, however we still need to raise 1.5 million. Bill asked Justin to explain why there is only 1,828,467.77 under Restricted Capital Pledges. Justin informed the members that the grant from the city is conditional. We have to spend the money first and then the town pays it back. Auditors said we can't accept the full 4 mil this FY because we haven't spent that amount. We need to defer 1.3 mil to FY22 because that's when it will be spent. It's still on the balance sheet as 4 million. We should receive the rest of the funds around Spring. The audit will contain amendments to justify the adjustment. Bill assured the board that this was expected. Justin let the board know that the audit was fine.

Kate Gaither asked about the Aquesta Bank move to United Community Bank. Are we shopping around for an additional bank to split some funds for protection of assets. Greg informed the board that he and Justin are planning to meet with the CEO of United Community Bank. They will discuss their current state and also to talk about their philanthropic interests. Greg informed the board members that Aquesta paid their pledge in full before they completed the merger.

Executive Director Report – Justin Dionne

Things are going really well; people are signing up for classes. Our biggest challenge is how do we grow and keep the revenue growing. Greg concluded that we have made the transition and are officially in the arts business. He asked Denis and Woody for their opinions from the town's point of view. Woody expressed his satisfaction on the quality of the programming he'd seen so far but did ask if the town could be promoted a little better. Denis reminded members of his close relationship with the park director and some of the board members. Initially they were a little skeptical, but now they are very satisfied that the transition went well.

Justin informed the board member that we are working with Adam at Learn Music on our flagship community impact program, Learn Music. Last year we had a few students, but this year we have spots for 10 students. The students will take lessons for 1 year. At the end of this period, they can keep their instrument provided their attendance is good. They also have to maintain a practice log and take part in two public performances. Justin informed members that only five spots have been taken and that he has contacted multiple nonprofits about the program. Jean Bock asked Justin if he had reached out to the local schools. Justin said he hadn't but agreed to reach out to the local schools. Justin reminded the board that there are also scholarships available. He and Megan will work on filling open class slots with scholarship students.

We are still looking at a December 2022 to open the Cain Center, but we don't have an actual date yet. We are working with Paul, Steve, and the construction team for a completion date. We are hoping for a New Year's grand opening. Megan and I are working hard to lock in acts and performances for the upcoming season with the idea of having tickets available by the end of summer.

Deloitte IT consulting project is onboard, ticket office taskforce is close to having an RFP which you will have an opportunity to approve. Justin also let board members know that he just received his first draft Employee Handbook from the HR consultant – the members will hear more about this soon.

Pat asked about the type of down payments needed for performers to lock in their commitment. Megan informed members that when she submits an offer, she initially specifies no deposit. If a deposit is required, they are typically around 10 percent. She will push back hard on anything above that amount. Pat says from a cash point we need to be planning for this going forward. Justin says that will be taken care of in future budgets.

Development Report – Perry Mixer

Perry informed board members of a small glitch in their advertised donor list. They inadvertently missed a few donors in a list that was mailed. The list has been corrected and new letters sent.

Perry asked Greg to update board members on the 2.5 million dollars from the state. Greg was told the funds should be delivered on or around the first of December. This will coincide very nicely with the December 14th celebration at the Peninsula Club. This gives us something to really celebrate about.

Perry went on to inform board members that pledges are at 92% of 25-million-dollar goal. \$1.678, 450 remains to be raised. We are 2.1 million dollars ahead of total cash raised.

Pat asked Greg if the funds from the state would be delivered this calendar year. Greg said he wasn't certain they can do that, but we will have the paperwork around the first of December and will be able to report it.

Perry informed members that the LGC made a request to provide financial information to them about fundraising abilities which they were skeptical about. The report Perry provided showed that we overachieved by \$250,000. Andrew Grant was very happy with the report. Greg added that this will give the town the ok to sell the bonds in January.

Perry asked Susan to update board members on the Volunteer Committee. Susan says they have been able to define the mission, best practices and canvas the volunteers. Many of the volunteers have been reengaged. She informed the Board that Perry came up with the idea to name the volunteers 'Cain Center Champions.' Additionally, we charted out a communication process we will use in the future. We are addressing liability issues which the volunteers will sign off on. There will be some type of volunteer orientation process – hopefully once a month. Working on incentives that can be awarded to volunteers. I am having one on one conversations with volunteers to assess where they think they will be most valuable. Perry thanked Susan for her work with the committee.

Perry shared with members the upcoming events, including the Kathryn Keele party to seed the operating endowment. Perry asked Jean to talk a little more about the December 14 event. Jean is going to ask members for their input on who should be in this room – anyone who may want to be involved with the Cain Center for the Arts. Jean assures members that she will have more information for them as the event plans come together. Justin asked if this would double as the Cain Center Christmas party?

Perry let the board know that at the next meeting he will have the sponsorship package for their review. In January, we will have a complete presentation for our annual fund design. My concept is to create a 'Friend of the Cain Center' program. He feels that the language is very welcoming.

Jean asked the board members to put December 14 on their calendars. Perry says they will also receive a 'Save the Date' real soon also. Pat asked if the entire ballroom had been reserved. Jean answered that the entire ballroom has not been reserved for the event. We will have the dining room and the outside are of the dining room. Perry added that we will use the deposit from the gala to put towards the event.

Bill Morgan asked if we could say anything about the state funding announcement. Greg stated that we are not ready to make this public yet. We are not quite ready to make the announcement.

Wrap Up – Greg Wessling

Greg informed board members that it's time to formalize board member's commitment on an annual basis. Greg opened it up for discussion. Pat says that as a board member of the Charlotte Ballet, having this type of document helped him plan out his year. It also helps to evaluate board members. He feels this is more commonplace in high quality boards across the region. It helps board members understand what their responsibilities are and helps with their expectations. Greg asked for a motion to approve the board member commitment form. Approval from Bill Morgan, and a double second from Susan and Jean. The form is approved. Perry will formally send out the form for board members to complete and return.

The next board meeting will be on Tuesday November 23rd. This will be a Zoom meeting.

Woody reminded members of the upcoming election. Early voting starts this Thursday. Please vote, and please encourage others to vote. Complacency could be very bad for the Cain Center.

The meeting is adjourned.