

SCFD BOARD OF DIRECTORS MEETING

September 27, 2012

1:00 pm

Colorado Chautauqua Association

Meeting Minutes

SCFD Board members present: Chair Kathryn Spuhler, Vice Chair Joseph Arcese, Treasurer Bob Grant, Secretary Kathleen Stapleton, Dan Hopkins, Khadija Haynes and Kathy Kucsan

SCFD Board members absent: Councilwoman Peggy Lehmann, Shepard Nevel, and Dave Montez

SCFD staff present: Executive Director Peg Long, Program Manager Nancy McCamey, Program Manager Jessica Clare, Office Administrator Sheila Mieger, Program Assistant Erica Barclay, Intern Emily Hall and Intern Rachael Enright

1. Introductions and Approval of Agenda

Kathryn Spuhler called the meeting to order at 1:05pm followed by introductions. A quorum was present and the agenda was approved.

Susan Connelly, Executive Director of Colorado Chautauqua Association welcomed everyone. Susan was pleased the SCFD could meet at the Community House. The Community House was built in 1918 with the intent of using it for community meetings.

2. Approval of August 23, 2012 Board Minutes

Bob Grant motioned to approve the minutes. Joseph Arcese seconded. The motion to accept the minutes passed.

3. Tier III 2012 Distributions

Nancy McCamey and Jessica Clare presented statistics outlining the Tier III funding landscape.

- The total Tier III recommendations per funding plans across the seven counties is \$5,929,234.52
- During the 2012 Tier III grant cycle there were 522 grant requests (GOS & Projects); 506 were funded
- Grants were submitted by 263 accepted applicants, 257 were funded.
- The number of organizations applying varied by county. Broomfield County received the fewest applicants with 32 while Boulder County received the most applicant organizations with 86.
- Even though Tier III organizations are closely tied to the communities where they originate, many have regional impact. Two organizations, Denver Municipal Band and Dawson Wallace Dance Project, applied and were funded in all seven counties. An additional nine organizations were funded in six counties.
- 80 of the 263 applicants applied in multiple counties. 78 of those were funded in multiple counties. 39 multi-county organizations were funded in two or three counties while 39 were funded in four or more counties. Even with fewer applicant organizations overall, more organizations are applying and being funded in multiple counties.

County Cultural Council members presented highlights from their county and guidelines.

1. Deborah Malden – Boulder County
2. Michael Uhlenkamp – Denver County
3. Kirsty Lockhart – Broomfield County
4. Ann Speer – Douglas County
5. Kathy Imel – Adams County
6. Rob Johnson – Jefferson County
7. Roy M. Bartee, II, MD – Arapahoe County

Following each presentation the Board asked questions of each presenter.

Boulder - Kathryn Spuhler asked when the Council established its funding cap? Deborah Malden said the caps have been in place for many years. Kathy Kucsan asked if the Council has discussed adjusting, changing, or doing away with cap? They discuss it every year, replied Debbie, but haven't decided to do away with it. Bob Grant asked about the Council policy for GOS vs. Projects and if they had considered raising the cap for projects. Debbie said they have considered it.

Denver – Kathy Kucsan asked Michael Uhlenkamp to speak about Denver's discretionary grants. He reported that the Council accepts capacity building grants twice a year for conferences, board development, technology, accounting, etc. Khadija Haynes asked why they only offer the grants twice a year and not more. They have become very popular, replied Michael, and therefore the Council has had to tighten the rules around capacity and collaboration grants. Khadija Haynes asked about the diversity of the Council. Michael explained that the Council had recently created a diversity matrix and takes diversity very seriously. Khadija asked what is the Denver Council's relationship with the Tier I organizations. Michael stated that they are completely separate. Some Tier III organizations partner with the Tier I organizations, but the council doesn't interact with them much. Bob Grant asked why they were holding discretionary money. It is being held for the capacity and collaboration grants. Bob commented that the Council gave some organizations more funds than they requested and asked Michael how they came to their decision. Michael shared the Council has a rubric scoring process on which they base all their funding. The organizations that scored 90% and above received the largest bonus and those scoring 80% and above received a lesser bonus. Joseph Arcese asked if organizations based outside of Denver ask for project grants. No, the Denver Council only funds GOS. Organizations have to do more than 50% of their programming in Denver to ask the Denver Council for funds. Kathryn Spuhler asked if the Council has a policy on the total SCFD funds organizations may receive. Michael said they don't have a policy but they consider it and look at prior year funding when scoring an organization. They also encourage them at the interviews to diversify their funding streams. Personally he would like to see organizations stay under 20% from SCFD.

Broomfield – Kathryn Spuhler asked what the Council's comfort level is for organizations' relying on SCFD funds. Kirsty Lockhart said their comfort zone is around 25%. Kathleen Stapleton asked how many people are on the Broomfield Council. There are six. Bob Grant asked what the Broomfield Cultural Affairs Division does. They put on programming at the auditorium, replied Kirsty. Bob asked if the programming is mainly free. It varies. Khadija Haynes asked if the funded projects centered in Denver are drawing residents from Broomfield. Yes. They draw audience from Broomfield, replied Kristy.

Douglas – Bob Grant commented the Council gave some organizations more than they requested. He asked Ann Speer if they have a policy to fund GOS requests heavily. Ann reported they don't have a policy. This year based on the requests and the amount of money they had to distribute, it worked to greater fund GOS grants. Kathryn Spuhler asked if the Council has an opinion on the maximum total percentage of SCFD funds an organization should receive. Ann feels around 25% percent is reasonable but the current Douglas guidelines do say they will fund up to 50% of a Douglas project.

Adams – Kathryn Spuhler asked if the Council has an opinion on the total SCFD funds organizations should receive. Kathy Imel reported the Adams Council doesn't have a cap on how much SCFD funds an organization may receive. They don't like to see organizations funded for more than 50%. Kathy Kucsan asked why Commerce City Cultural Council was funded \$4. Kathy Imel replied that the organization didn't really understand the GOS matching guidelines and opted not to accept the \$4 grant, which would have required the filing of a final grant report.

Jefferson – Bob Grant asked why organizations not based in Jefferson County received GOS funding. Rob Johnson shared that organizations don't have to be home based in Jefferson County but have to do more than 50% of their activities in Jefferson County. Bob also asked why the Council doesn't use a score sheet. Rob said they talk about it every year but they like their process averaging each council member's recommendation ensuring that every member's voice is heard.

Arapahoe – Roy M. Bartee, II, MD addressed Kathryn's dependency question by reporting the Arapahoe Council does consider the financial health of organizations, and anyone receiving between 25-30% overall funds from SCFD causes a red flag. Dan Hopkins asked how rigid the Council is regarding attendance guidelines. They do take that on faith, some are very good at showing impact. Organizations are getting better at tracking said Roy.

Bob Grant asked if there was a reason for the \$25,000 hold over this year. Roy said there was an error on the spreadsheet. The funds will rollover. This generally doesn't happen.

The Board read the resolution. Bob Grant motioned to approve Resolution 12-06: Pertaining to Distribution of 2012 Tier III Formula & Discretionary Funds. Kathleen Stapleton seconded. The motion to accept the resolution passed.

4. Proposed 2013 SCFD Budget

Peg Long reported the budget has a 5.8% increase mainly due to moving the program assistant position to full time and computer expenses. Dan Hopkins, Joseph Arcese and Bob Grant serve on the operations and revenue committee. Dan outlined their findings. The committee is recommending that SCFD recover \$100,000 in election costs starting in 2013. They approached this decision reluctantly. SCFD administration's reliance on interest income for operating expenses will need to be addressed in the future. Bob Grant added that low revenue and no interest income has driven the budget shortfall problem. They are projecting flat sales tax revenue. If the interest rates go up, the need for the election recovery might not be as great but the board can't count on it. Peg Long has sent the required legal notice to the Denver Post. The budget can be reviewed by the public at the SCFD office during the next 30 days. The budget can't be voted on until it has been available to the public for one month. Peg will work with the committee on drafting a resolution to recover election costs.

5. Rex Morgan Award

Erica Barclay reported the nominees for the 2012 Rex Morgan Award are Patricia Braden, Jeremy Shamos, Vicki Sterling, Councilman Greg Stokes and PK Worley. Kathryn Spuhler opened the floor for discussion of the nominees. There was no discussion. While the Board voted, Erica highlighted updates about the Rex Morgan Award Ceremony, which will take place Wednesday, November 14, 2012 - 5:30-7:00 pm at the Studio Loft at the Denver Performing Arts Complex. After votes were counted, Kathy Spuhler announced Vicki Sterling as the 2012 Rex Morgan Award recipient.

6. Reports

6.1 Treasurer

Bob Grant reported the July 2012 SCFD sales and use tax revenue was \$3,736,606.30. This compares to July 2011 tax revenue of \$3,450,017.16. The variance is \$286,589.14, an 8.30% month-to-date (MTD) increase over MTD 2011. The total 2012 year-to-date (YTD) sales and use tax revenue is \$25,801,718.45. This compares to YTD 2011 revenue of \$23,807,131.60. The variance is \$1,994,586.85, an 8.38% increase over YTD 2011.

6.2 Chairman

Kathryn Spuhler reported she is continuing to work with staff and others on an arts education survey process. She has also asked Kathleen Stapleton, Kathy Kucsan and Peggy Lehman to serve on a Nomination Committee to make recommendations for the Board officer positions.

6.3 Executive Director

Peg Long reported:

- PERA Letter: pending the outcome of litigation over this matter, the potential impact on SCFD is that as a local government employer, SCFD might be required by statute to increase its contribution to PERA and employees might potentially be required to increase their contributions as well.
- Tier I phase of the stakeholder input process has commenced: Chris Adams is scheduling individual interviews with each CEO; in early November he will compile the responses and will facilitate a discussion on these and any additional issues or thoughts raised.
- Denver Museum of Nature and Science (DMNS) received an Institute for Museum and Library Science collaborative grant, for which SCFD had provided a letter of support. 14 of the 15 participating museums are SCFD recipients; the only non-SCFD organization is History Colorado which is a state-funded museum.
- Annual Report: The 2011 SCFD Annual Report designed by Erica Barclay is now available. The Report is in digital format only this year and can be found on the SCFD website. DMNS designed page turning software for the report.

7. Other Matters
7.1 CAST3 Presentation

Tony Garcia, co-chair of CAST3 thanked the Board for welcoming their presentation. CAST3 was formed in late 2011 with a mission to increase the value, impact and visibility of Tier III organizations. They currently have more than 70 organizations participating. They have had meetings throughout the district and will be filing for a 501c3 status shortly. Tony asked the Board to consider them a resource and they would like to participate in all matters regarding reauthorization. They are eager to mobilize their organizations.

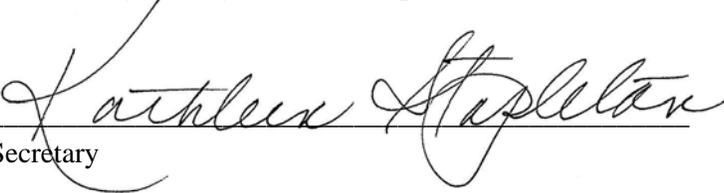
Khadija Haynes asked if there are membership fees. Not at this time but after they gain their 501c3 it might change. Currently Board members financially contribute. Bob Grant asked if they are reaching out to the smaller organizations. Yes, replied Tony. Organizations of all sizes and disciplines have been engaged. Bob asked if they had website. Not yet. They are on their way. How do you see CAST3 working in the long term? We are working on figuring that out, replied Tony. For now it is creating dialogue. Kathy Kucsan asked where the attendance numbers came from. Tony replied the figures were from a public information request submitted to SCFD. Bob Grant commented he and the Board are glad to get all the help they can get. Bob Grant mentioned there is concern about attendance figures. Bob said, Tier III attendance verification process isn't as strong as Tier I and Tier II. Tony said this was not an unfair concern. The organizations are able and ready to prove their impact. Kathryn Spuhler mentioned how wonderful it is that SCFD brings opportunities to all.

8. Public Comment

Jane Potts asked the Board to consider a resolution honoring Dave Misner for everything he had done for the art community and specifically helping to get SCFD reauthorized. Kathryn Spuhler thanked her for her suggestion and said a resolution is under way.

9. Adjournment

The meeting was adjourned at 3:30pm.


Secretary