

SCFD BOARD OF DIRECTORS MEETING

June 27, 2013

1:00 pm

Redline

Meeting Minutes

SCFD Board members present: Chair Kathryn Spuhler, Vice Chair Kathy Kucsan, Treasurer Dan Hopkins, Secretary Councilwoman Peggy Lehmann, Joseph Arcese, Bob Grant, Rob Johnson, Elaine D. Torres, Hal Logan and Damon O. Barry

SCFD Board members not present: Shepard Nevel

SCFD staff present: Executive Director Peg Long, Program Manager Nancy McCamey, Program Manager Jessica Clare, Program Associate Erica Barclay, Office Systems Administrator Sheila Mieger

1. Introductions and Approval of Agenda

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

PJ D'Amico - Executive Director, welcomed the Board to Redline. The gallery has been open for six years. 2013 will be the first year the organization will receive SCFD money. Redline's current exhibit is *Not Exactly*. It speaks to the distinction between lack of shelter and the denial of social recognition that leads to an experience of homelessness.

2. Approval of May 23, 2013 Board Minutes

Damon O. Barry motioned to approve the minutes. Joseph Arcese seconded. Motion to accept the minutes passed.

3. Fiscal Year 2012 Audit Report

Dan Hopkins, Kathryn Spuhler, Peg Long and SCFD accountant Gloria Nedved met with the auditors, CliftonLarsonAllen on June 4th. Dan reported the meeting went well. The auditors reported the SCFD audit was clean and that SCFD's financials are well-organized. Staff was easy to work with. Dan introduced Paul Neidermuller, partner with CliftonLarsonAllen. Paul reported SCFD has a clean audit and no adjustments were needed. He walked the Board through the audit documents. Sales and use taxes were up; interest was up; administration costs increased. He explained where TABOR committed funds appear in the audit. The Board asked Paul if he had any concerns. Paul mentioned the lack of funds for administration. The Board thanked Paul for presenting and his staff for their work.

Resolution 13-06 Pertaining to Acceptance and Approval of the FY 2012 Audit

Dan Hopkins read the resolution and motioned to approve Resolution 13-06 Pertaining to Acceptance and Approval of the FY 2012 Audit. Elaine D. Torres seconded. The motion to accept the resolution passed.

4. Reports

4.1 Treasurer

Dan Hopkins reported the April 2013 SCFD sales and use tax revenue was \$3,659,804.26. This compares to April 2012 tax revenue of \$4,113,458.64. The variance is (\$453,654.38). This is an 11% decrease in 2013 over month-to-date (MTD) 2012. The 2013 year-to-date (YTD) sales and use tax revenue is \$14,324,292.91. This compares to YTD 2012 revenue of \$14,195,682.09. The variance is \$128,610.82, a .9% increase in YTD 2013 over YTD 2012. Colotrust Plus rates have dropped since the end of last year. The .8% SCFD has received on our analysis interest accounts with Colorado Business Bank will end June 30, 2013. Effective July 1, 2013, the rate will be 10 basis points above the Colotrust Plus rate. This translates to a monthly decrease of approximately \$4,500 in interest income. Staff will need to start using reserves in about two months. Due to the adoption of Resolution 12-10 in 2012, no further Board action will need to take place to release the funds.

4.2 Chairman

Kathryn Spuhler reported she attended a CATZ meeting. Their Board has added two Tier III representatives, a County Cultural member and a representative from a multi-county organization.

The STEPS committee met to review the results of two surveys conducted to gain response to a possible matrix website. The matrix would allow educators to connect with arts and science programs and activities offered by SCFD organizations. Both organizations and educators were interested in the idea.

4.3 Executive Director

Peg Long reported the following.

- 26 organizations applied for Tier II Qualification. They all made the threshold.
- September 26th Board meeting study session: Technology 101, noon- 1 p.m., Koven Smith, from the Denver Art Museum. Bob Grant can't make that date and asked if it could be rescheduled. Peg will contact Koven to reschedule.
- 2013 Rex Morgan Update:
 - The 2013 Rex Morgan Award Reception will be held Wednesday, November 20, 5:30pm - 7pm at Ponti Hall, located in the Denver Art Museum. The Museum has generously donated the space.
 - Nomination forms are due by Friday, September 6, 2013.
 - The event will include a visual presentation to accompany the award presentation, like last year.
 - Over the summer, SCFD staff will be working on securing vibrant entertainment that represents the diversity of SCFD organizations.
 - SCFD will be seeking in-kind support from organizations to make this year's event possible and stay within the allotted budget.

5. Other Matters

5.1 CATZ Report on Focus Groups

Floyd Ciruli gave each Board member a packet containing research concerning focus groups conducted with participants from the Millennial and X generations. He then went through a power point presentation highlighting the results:

- Gen Xers and Millennials are overwhelmingly supportive of Denver's cultural organizations and the "concept" of the SCFD, even if they didn't know of the District, specifically.
- "It is painlessly giving to organizations..."
- "It would be a huge disservice if any had to close their doors..."
- They view the cultural community as a great value to the metro area even if they don't regularly attend/participate in cultural events/exhibits, etc.
- The biggest value stated by both groups was the educational role the cultural organizations offer to children, especially underprivileged.
- "Let's give them this to make it better. Some kid will go to the ballet and realize they like that."
- "It is important to keep funding for the education [value]."
- "They provide a lot of services to schools and low-income people."
- "These organizations provide interest and a fun way for kids to learn about these topics."
- The longevity of the District (20+ years) seemed to offer credibility that the program is working.
- Those who had children took their kids to kid-related cultural events and those who didn't yet have children expressed a desire to do that in the future, especially those who said when they were young they did not have the same opportunity for cultural exposure.
- All said they would be inclined to support renewal of the District with a few caveats.

5.2 Public Awareness Committee Update

Katie Maltais, Director of Marketing at Lone Tree Arts Center, Dan Hopkins and Rob Johnson presented the Public Awareness Committee Update. There are currently 15 committee members, three Board members, one SCFD staff person and 11 people representing organizations at all tier levels and several counties. In August the committee plans to roll out the tool kit to SCFD funded organizations. The tool kit will include:

- Elevator Speech
- Key Messages
- SCFD Boilerplate
- Social Media Tips
- Interview Tips
- Fun Facts
- Infographic
- New SCFD Logo Formats

The Board thanked fellow Board members and the committee for all the time and effort. The Board discussed how the rollout would work. Organizations will be asked to start using the new logo. The Board/Committee will not require organizations to replace items on which the current logo exists. They will be asked to use the updated logo as they replace brochures, banners, etc. The updated logo policy will continue to require that organizations wishing to make modifications to the SCFD logo submit the proposed changes to SCFD for approval. Use of the modified logo shall only occur with written permission from the SCFD board.

Resolution 13-07 Pertaining to the Logo Policy and Usage Guidelines for the Scientific and Cultural Facilities District Trademark Logo

Kathryn Spuhler read the resolution. Joseph Arcese motioned to approve Resolution 13-07 Pertaining to the Logo Policy and Usage Guidelines for the Scientific and Cultural Facilities District Trademark Logo as amended. Hal Logan seconded. The motion to accept the resolution passed.

5.3 Discussion: County Cultural Council Delegation Policy

Peg Long reported at the executive session during the May board meeting, SCFD's legal counsel Alan Pogue outlined the broad statutory nature of the Tier III county cultural council's authority, whether in the context of the delegation of grant application compliance or other matters such as funding plan development. Due to the late hour at the close of the executive session the Board postponed its policy discussion to this meeting.

At the SCFD Board chairman's request, staff sent all council members a survey to obtain anonymous feedback on the current arrangement and potential changes to it. Peg gave a summary of the survey feedback to each Board member. Kathryn Spuhler opened the floor to County Cultural Council members who wished to speak. John Bunting, Jefferson County, gave each member a letter outlining the process and work council members go through. He said the support the staff gives the councils is essential. Susan Beyda, Adams County, mentioned organizations are given plenty of notice of the rules. Barry Knapp, Boulder County, shared that prior to the policy the rules regarding completeness of applications was different every year and different from county to county. He also stated the grant process is more professional if there are rules and they are upheld. Donna Wilson, Douglas County applicant, said she felt the process works very well. The staff tells organizations at workshops what the requirements are and offers to check grants for completeness before each deadline. Rachael Cain, Denver County, said one way organizations can show they are professional and can expend tax payer money is by meeting grant deadlines and requirements.

The Board thanked the council members for speaking and for the work they do. The board expressed the need to modify the current agreement between staff and councils to make it clearer as to what staff is checking. They also expressed concern as to staff making decisions that are ultimately council decisions. They acknowledged a need for consistency from year to year and county to county. Kathryn asked the Board if they were in favor of

continuing the agreement between staff and councils regarding acceptance of grants if the language of the agreement is modified to be clearer. Nine were in favor. One abstained.

6. Public Comment

Tony Garcia, Chair of CAST3 and Steve Wilson, Co-Chair of Scientific and Cultural Collaborative presented an option to the Board as to a possible model for engaging all stakeholders in reauthorization discussions. They suggested:

- a. Two part process: SCFD Advisory Committee/ 2016 Reauthorization Task Force
- b. SCFD Advisory Committee Tier Liaisons
 - i. Either a single representative to meet individually with Tier representatives or entire committee meets with Tier reps
 - ii. Might need to be a series of meetings depending on the issues
 - iii. Identify & educate about any Tier specific concerns
 - iv. Create recommendations for Tier specific changes that would go to next stages
- c. A single group late [2016 Reauthorization Task Force] in the process that would convene over 5-6 months (similar to the 2008 Task Force) that would include:
 - i. Peg Long & appropriate SCFD staff
 - ii. 2 reps from each Tier
 - iii. 2 reps from County Cultural Council
 - iv. 2 reps from SCFD Board
 - v. All Advisory Committee members (or 3 liaisons)
- d. Assess work of the 2008 Task Force
- e. Identify all possible change recommendations
- f. Discuss impact on each Tier of possible changes
- g. Review changes with lobbyists/ CATZ for election & political advice

The Board thanked Tony and Steve.

Peggy Lehmann mentioned Denver's Biennial of the Americas will take place July 16-19. She also mentioned Denver Public School's Summer Scholar after school enrichment program.

7. Adjournment

The meeting was adjourned at 3:40 pm.


Secretary