

SCFD BOARD OF DIRECTORS MEETING
June 26, 2014
1:00 pm
Parker Arts Culture and Events (PACE) Center
Meeting Minutes

SCFD Board members present: Chair Dan Hopkins, Vice-Chair Kathy Kucsan, Elaine D. Torres, Rob Johnson, Bob Grant and Kathryn Spuhler

SCFD Board members not present: Treasurer Hal Logan, Secretary Councilwoman Peggy Lehmann, Shepard Nevel, Lynn Jeffers and Damon O. Barry

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

1. Introductions and Approval of Agenda

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

Elaine Mariner, Cultural Director, welcomed the Board to Parker Arts Culture and Events (PACE) Center. PACE recently upgraded a patio to the south west of the building. It is great new venue for programming, said Elaine. Once a month during the summer there is a PACE Patio Party. Residents can come to the Center to hear free live music out on the patio. 250 people attended the concert in June. Elaine highlighted a few other events taking place at the Center.

2. Approval of May 22, 2014 Board Minutes

Bob Grant motioned to approve the minutes. Kathy Kucsan seconded. Motion to accept the minutes passed.

3. Fiscal Year 2013 Audit Report

Dan Hopkins, Hal Logan, Peg Long and SCFD accountant Gloria Nedved met with the auditors, CliftonLarsonAllen on June 12th. 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 Mark Elmshouser with CliftonLarsonAllen. Mark reported financial highlights in comparison to the 2012 financial statements:

- Sales and use tax revenues for 2013 increased by \$1,769,525.
- 2013 interest earnings, and the related transfer from the Special Revenue Fund to the General Fund, decreased by \$32,113.
- \$100,000 was transferred from the Special Revenue Fund to the General Fund to reimburse the General Fund for previously expended 2004 election costs to restore the Board of Director's defined operating reserve.
- Administrative expenses for 2013 were \$490,671, which is an increase of \$25,395 or 5.5% over 2012. (This is due to increasing a part-time position to full time and purchasing new computers.)
- Total fund distributions for 2013 were \$46,906,731, up by \$1,656,254.
- Change in net position of governmental activities was \$30,953 in 2013 and \$(42,597) in 2012, a change of \$73,550.

The Board thanked Mark for his service to the District.

Kathryn Spuhler asked if SCFD could be required to return tax collections based on the pending lawsuit, how would that work and whether the Board needs to set aside money in case it becomes necessary to return funds. Peg reported when the State revenue department has had to refund taxes collected in the past they took the amount off the top of the collection. Therefore setting aside funds for such an occurrence should not be necessary.

Resolution 14-05 Pertaining to Acceptance and Approval of the FY 2013 Audit

Dan Hopkins read the resolution. Elaine D. Torres motioned to approve Resolution 14-05 Pertaining to Acceptance and Approval of the FY 2013 Audit. Rob Johnson seconded. The motion to accept the resolution passed.

4. Reports

4.1 Treasurer

On Treasurer Hal Logan's behalf, Bob Grant reported the April 2014 SCFD sales and use tax revenue was \$4,167,823.99. The 2014 year-to-date (YTD) sales and use tax revenue is \$15,822,661.83. This compares to YTD 2013 revenue of \$14,324,292.91. The variance is \$1,498,368.92, a 10.46% increase in YTD 2014 over YTD 2013.

4.2 Chairman

Dan Hopkins recently attended a Citizens for Arts To Zoo (CATZ) meeting. Floyd Ciruli gave an update on recent polling he conducted. About half the people polled were aware of the SCFD. Many of them were sensitive to the costs involved to engage in SCFD funded organizations. Most were against the idea of making SCFD a permanent tax. An updated schedule of activities leading to the election was distributed. Research continues through 2014. A number of CATZ activities to occur in 2015 include lobbying the legislature. In 2016 the campaign headquarters will be set up. TV time is going to need to be reserved sooner than in past years so CATZ is working out a budget for that. Floyd will attend a future SCFD Board meeting to present all updates.

SCFD received five responses to the lobbying RFP, including one from the current lobbyist. Dan and Shepard will revenue the proposals to narrow them down to two or three. The full Board will have a chance to interview potential lobby firms at the July Board meeting. Dan asked Peg to change the start time of the July meeting to earlier than 1 p.m. so there would be enough time to get through the lobby interviews along with the Tier II interviews.

4.3 Executive Director

Peg Long reported the following.

- Tier II Qualification deadline was May 30th. 28 organizations submitted applications, and all met the qualification requirements. The PACE Center and Lone Tree Arts Center, both in Douglas County, are new to Tier II this year. Both formerly received funds as Tier III organizations. This is the largest group of Tier II organizations in SCFD history.
- Now that the 2013 audit has been completed, work on the 2013 annual report has begun. It will have a similar format to last year's report.
- On Wednesday Peg served on a panel at the American Public Gardens Association 2014 conference in Denver. She presented the SCFD model to attendees. The participants were a mixed crowd of people who have attempted a tax such as SCFD and people who would like such a fund revenue in their cities. Many of the participants were in awe of the spirit of collaboration that occurs among SCFD funded organizations. This conference had over 800 attendees from all 50 states and 21 countries.
- Last week VISIT DENVER released the Longwoods International Visitor Survey Study which reported a strong increase in business and leisure travel to the metro area in 2013. Total visitor spending on taxable food, beverage and retail items alone was \$1.4 billion, generating \$10,087,500 in SCFD sales taxes. That means visitors to our area generated approximately 21% of SCFD's total 2013 revenue of \$47,361,945. Our cultural amenities are an important aspect of drawing visitors to the metro area.

5. Reauthorization Update

Local Government and Tier II workgroups have concluded. Tier III, County Cultural Councils and Eligibility work groups are currently meeting. Tier I and Tier IV will meet in July and August.

6. Other Matters

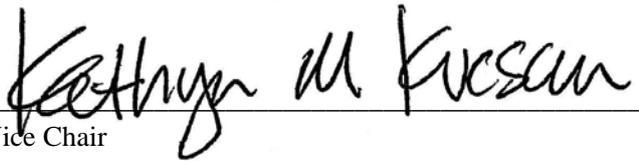
Kathryn Spuhler reported she met with Kate Lubotsky regarding the Teen Council. Kate is working up a plan for next year. Kathryn also wanted to know what, if anything, Board members had done to promote Clyfford Still's free day by county program. Bob said an email went out to Adams council members. Kathryn is trying to arrange an outing for the Douglas County Cultural Council.

7. Public Comment

A number of representatives from SCFD funded organizations gave updates on their programming.

8. Adjournment

The meeting was adjourned at 1:55 pm.



Kathryn M. Kucsan

Vice Chair