

SCFD BOARD OF DIRECTORS MEETING

September 22, 2016

1:00 p.m.

Denver Botanic Gardens

Meeting Minutes

SCFD Board members present: Chair Dan Hopkins, Vice-Chair Kathy Kucsan, Treasurer Hal Logan, Councilwoman Kendra Black, Peggy Lehmann, Elaine D. Torres, Damon O. Barry, Rob Johnson, Ann Speer and Kathy Imel.

SCFD Board members not present: Secretary Lynn Jeffers.

SCFD staff present: Executive Director Peg Long, Senior Program Manager Nancy Sarka, Senior Program Manager Jessica Kato, Program Manager Iris Gregg, Program Assistant Clara Nulty, and Office Manager Kendal Zimmermann.

1. Introductions and Approval of Agenda

Dan Hopkins called the meeting to order at 1:04 p.m. followed by introductions. A quorum was present.

2. Welcome by Denver Botanic Gardens

Brian Vogt, CEO, welcomed the Board to Denver Botanic Gardens. He spoke of their year of accomplishments including the opening of three new gardens that flourished and the success of their continued partnerships and building of new relationships. He thanked the SCFD Board and staff and was honored to have the Sheila E. Mieger Memorial Bench located at Denver Botanic Gardens.

3. Approval of Agenda

Peggy Lehmann motioned to approve the agenda, Rob Johnson seconded. Motion to accept the agenda passed.

4. Approval of August 25, 2016 Board Meeting Minutes

Rob Johnson motioned to approve the minutes. Elaine D. Torres seconded. Motion to accept the minutes passed.

5. 2017 SCFD Budget

Treasurer Hal Logan introduced the 2017 SCFD Budget and reported revenues are slightly up, reflecting continued growth in our economy. The administrative allocation increased to 1.5% when the governor's signed Senate Bill 16-16 in April. Interest rates are above 2015 rates. Mr. Logan stated that the budget demonstrates reinvesting in the organization through restoring staff, ensuring competitive salaries, and making sure SCFD has the proper capacity to serve constituents and recipients now and in the future. He stated that the proposed budget indicates that SCFD should end the year with a surplus.

Executive Director Peg Long reminded everyone that as a government entity, SCFD is required to have a balanced budget. She reported that the budget she presented to the Board with input from Chairman Dan Hopkins and Treasurer Hal Logan is based on:

- Projected flat revenue of ~\$54,000,000 for 2017.
- 7.9% increase in administrative funds allocated over forecasted 2016.
- 14.5% increase in expenditures over forecasted 2016.

She reported that operating on three-fourths of one percent for an extended period of time has drawn down our reserves. The increase allows for addressing some deferred maintenance, rebuilding operating and cash reserves, restoring pre-recession staffing levels, upgrading IT security, supporting leadership transition and staff retention, facilitating a process to assist the Board in developing definitions driven by statutory changes, and other strategic aspects of operation. After her summary, Peg answered questions from the Board. The proposed budget is available for public inspection at the SCFD office until the October 27th SCFD board meeting. Public comment may be submitted to scfd@scfd.org or at the October board meeting.

Chairman Dan Hopkins reported one goal of the Board is to replenish the six-month reserve and that is set to be accomplished in the latter part of 2017.

6. Resolution 16-11: Pertaining to Support for Ballot Measure 4B

Chairman Dan Hopkins read Resolution 16-11: Pertaining to Support for Ballot Measure 4B. Damon O. Barry motioned to approve the resolution. Elaine D. Torres seconded. Motion to accept the resolution passed unanimously.

7. Reports

7.1 Treasurer

The July 2016 SCFD sales and use tax revenue was \$4,281,448.70. The 2016 year-to-date (YTD) revenue is \$31,474,257.92. This compares to YTD 2015 revenue of \$31,004,962.86. The variance is \$469,295.06 a 1.51% increase in YTD 2016 over YTD 2015. SCFD continues to receive 10 basis points above the Colotrust Plus 30-day trailing average yield on deposits at Colorado Business Bank.

7.2 Chairman

Chairman Dan Hopkins announced the members of the 2017 nominating committee: Peggy Lehmann, chair, Damon Barry and Lynn Jeffers. He encouraged any board member who is interested in serving as an officer to let the committee know. Mr. Hopkins then invited several Tier III organizations to share their organizations' plans for investing in capital projects and growing programs. Presenters were Wendy Littlepage, Executive Director, Denver Museum of Miniatures, Dolls & Toys, and James Holmes, Executive Director, Cherokee Ranch and Castle. Susan Jenson, Executive Director of Downtown Aurora Visual Arts was unable to attend, but Mr. Hopkins shared a current Your Hub article featuring the youth-serving organization.

Councilwoman Kendra Black announced that Denver City Council will approve a proclamation honoring Peg Long for her service to SCFD when the City Council meets on November 21, 2016 at 5:30 p.m.

Kathy Imel distributed a new Executive Director Search schedule and updated the Board on the Executive Director search process. Due to the number of qualified applicants and the additional time required to fully vet the candidates, the dates for the public reception with the finalists and the regular November Board meeting at which finalists will be interviewed, have been moved to Wednesday, November 16th at the Children's Museum of Denver at Marsico Campus, 5:30-7:30 p.m., and to November 17th at the Butterfly Pavilion, respectively. The Board will announce the finalists no later than November 3rd.

Rob Johnson reported the SCFD Teen Council had a meeting on September 11 at the Denver Zoo. They recently lost one member to other obligations and are in the process of bringing on more members. He asked for help recruiting teens in Boulder and Douglas counties. Their next scheduled meeting is in October and will be at Denver Center for the Performing Arts. They plan to post the Teen Council application on the SCFD website.

7.3 Executive Director

Executive Director Peg Long shared that the new grants management system will be available for the 2017 grant cycle. She also reported that eight organizations participated in the eligibility open house and received individual assistance. SCFD staff assisted 11 additional organizations with completing their submissions. A total of 28 organizations submitted eligibility applications for the 2017 grant cycle.

8. Tier III 2016 Distributions

8.1 Tier III Statistics and Council Funding Plans

Jessica Kato presented a Power Point highlighting Tier III 2016 funding statistics.

- 250 organizations submitted applications that were accepted, compared to 247 accepted in 2015
- 5 applications were not accepted due to being late or incomplete (3 less than 2015)
- 571 total grant requests (both GOS & Project) were submitted– 33 more than 2015
- A total of 246 different organizations were funded in 2016 (6 more than 2015)
- 63% of applicants applied in a single county- 37% applied in multiple counties (basically same as 2015)

8.2 County Cultural Council Presentations

County Cultural Council members presented highlights from their county and guidelines for approximately five minutes followed by Board questions.

Adams County Cultural Council	Clarence Colburn, Member
Arapahoe County Cultural Council	Nancy Lindsey, Chair
Boulder County Cultural Council	Ann Obenchain, Chair
Broomfield County Cultural Council	Melissa Islam, Member
Denver County Cultural Council	Will Chan, Vice Chair

Douglas County Cultural Council
Jefferson County Cultural Council

Dan Dertz, Douglas County Staff Liaison
John Bunting, Chair

Board members asked each Council member specific questions regarding his/her county. All councils reported how they arrived at their funding decisions and if they were anticipating any changes to their guidelines in the next year. If a Council did not fund organizations, the Board asked the reasoning. The Board thanked Council members for their time and dedication.

8.3 Resolution 16-12: Pertaining to Distribution of 2016 Tier III Funds

Chairman Dan Hopkins read Resolution 16-12: Pertaining to Distribution of 2016 Tier III Funds. Councilwoman Kendra Black motioned to approve the resolution. Rob Johnson seconded. Motion to accept the resolution passed.

9. Public Comment

Kristy Bassuener, Denver Art Museum, announced the Women of Abstract Expressionism exhibit closes Sunday, September 25th and Thursday, October 6th is the VIP night for the Glory of Venice exhibit. After her announcements, she passed out SCFD buttons.

Peggy Day, Denver Museum of Nature and Science, announced Monday, September 26th is SCFD Educators Night.

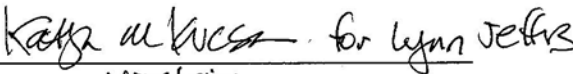
10. Other Matters

There were no other matters discussed.

11. Adjournment

The meeting was adjourned at 3:02 p.m.

ATTEST:


Secretary Vicechair