

UTAH SYMPHONY | UTAH OPERA
FULL BOARD MEETING
SEPTEMBER 25, 2018
MINUTES

Attended: Jesselie Anderson, Doyle Arnold, Elizabeth Beilman (musician), Judith Billings, John D’Arcy, Mark Davidson (musician), Robert Fudge (Ogden Symphony Ballet Association), Kem Gardner, Stephen Tanner Irish, Frank Joklik, Mitra Kashanchi, Herbert Livsey, Tom Love, Abigail Magrane, Paul Meecham, Brad Merrill, Robin Milne, Henriette Mohebbi (Utah Symphony Guild), Dave Mortensen, Dinesh Patel, Patricia Richards, Joanne Shiebler, Thomas Thatcher, David Utrilla, Kim Wilson, and Henry Wurts attended in person from the Elected, Ex-officio and Lifetime Boards.

Alex Dunn, Annette Jarvis, Dinesh Patel, and Naoma Tate, all members of the Elected Board attended via teleconference.

USUO VP of Finance and CFO Steve Hogan was present for the entire meeting, including the Executive Session held as agenda item I.

Guests and staff members present for agenda items II through IX included: Carol Anderson, Melanie Ashkar, Olivia Custodio, Thierry Fischer, Paula Fowler, David Green, Lance Jensen, Grace Kahl, Christopher McBeth, Rachel McNassor, Elizabeth Mitchell (representing ZAP), Jon Miles, Leslie Peterson, Jessica Proctor, Toby Tolokan, and Greg Walz. Julie McBeth was present to record the minutes

I. Executive Session: Voting members of the board began with an Executive Session.

II. Welcome and Consent Agenda: Board of Trustees Chair Kem Gardner welcomed all attending and conducted the meeting. He introduced new trustees attending their first meeting as board members, Stephen Tanner Irish, Abigail Magrane, Robin Milne, and Henry Wurts. USUO President & CEO introduced new development staff members: Director of Major Gifts Rachel McNassor, Director of Individual Giving Olivia Custodio, and Director of Government and Foundation Giving Jessica Proctor. Mr. Meecham introduced meeting guest Elizabeth Mitchell, who is assigned to review USUO for ZAP during the current fiscal year. Ms. Mitchell noted she is a long-time Salt Lake resident and a symphony subscriber and thanked the board members for their support of USUO. Mr. Gardner asked if there were any questions about or changes suggested for the meeting minutes forwarded for review. Upon a motion duly made and seconded, the May 2018 Annual General Meeting and Full Board Meeting minutes attached as the consent agenda were approved by unanimous vote.

III. Musical Selection: Utah Opera Resident Artists Melanie Ashkar and Grace Kahl introduced themselves noting that they represent the company in schools throughout the state—annually 200-250 from September to May—to teach kids about opera and music. They shared an anecdote from a recent school performance where a young man who had been practicing the ‘pah’ sound was particularly excited to hear a duet where the sound is repeated frequently and then performed the “We are Women” duet from Bernstein’s *Candide* accompanied by Utah Opera Principal Coach Carol Anderson.

IV. 2018-19 Committee Chairs Ratification: Mr. Gardner presented the following list of proposed individuals to serve a one year term as committee chairs: David Dee, Development Committee; John D’Arcy, Finance Committee; Bill Nelson, Audit Committee; Annette Jarvis, Governance Committee; Jesselie Anderson, Government Relations Committee; Doyle Arnold, Investment Committee; Tom Love, Nominating Committee; Ted Newlin, Strategic Planning Committee and Deer Valley® Music Festival Council; Joanne Shiebler, President’s Roundtable; Mike Poulter, Planned Giving Advisory Council; David Utrilla, Hispanic and Latino Communities Outreach Task Force, and Alex Dunn, Utah County

Committee. He noted the Utah County Committee was created to connect USUO with businesses and individuals who can help build a network of supporters for concerts at the new Noorda Performing Arts Center at UVU, scheduled to open in March 2019. Kim Wilson moved to ratify the list of committee chairs, as presented, to serve a one year term. The motion was duly seconded by Pat Richards and passed by unanimous vote. Mr. Gardner expressed appreciation for the great leadership of the committee chairs.

V. 2019/20 Season Programming: Utah Opera Artistic Director Christopher McBeth and Utah Symphony Music Director Thierry Fischer shared presentations outlining their artistic plans for the 2019/20 opera and masterworks seasons.

VI. Finance Report: USUO VP of Finance and CFO Steve Hogan noted that he working with department heads to compile a preliminary budget for 2019/20 (Fiscal Year 20) based upon the artistic programming planned with a goal for the budget to be approved before any tickets are sold.

Mr. Hogan directed board members to page 10 of the meeting materials and reported the current projection for the fiscal year ended August 31, 2018 (FY18) is a deficit of \$177,533. He proposed that a motion be made to the board to allow release of a portion of the \$350,000 cash reserve to bring the final audited result to zero. Finance Committee Chair John D'Arcy moved to approve use of up to \$177,000 of the cash reserve to balance the Fiscal 18 budget and to defer approval of any amounts more than \$177,000 to the finance committee, if needed. Ms. Richards seconded the motion which passed by unanimous vote.

Mr. Hogan then referenced the proposed FY19 budget located in the first column of numbers on page 7 of the meeting materials, which is balanced before depreciation or capital expenses. He noted the narrative on page 9 of the materials which summarizes areas of risk. VP of Development Leslie Peterson described the new funding opportunities outlined in the narrative as well as strategies to maximize the challenge grant from the George S. and Dolores Doré Eccles foundation outlined on p. 10 of the materials. Mr. D'Arcy moved to approve the Fiscal 19 budget as presented in the meeting materials. Dr. Fudge seconded the motion which passed by unanimous vote.

Mr. Gardner expressed confidence in meeting the budget goal with hard work and participation by all. Mr. Meecham added that staff members are more mindful than ever to keep expenses at a manageable level and shared that the finance committee has been discussing a new multi-year financial stability plan aligned with the artistic visions shared by Thierry and Christopher.

VII. Investment Committee Report: Investment Committee Chairman Doyle Arnold noted the written report sent in advance of the meeting and located on pages 11 and 12 of the meeting materials. He highlighted that the endowment has grown by \$10 million since 2008, but is still just under \$5million below where it was before the recession. He added that gains over the last few years have been flattening out and noted the opinion of the financial advisor to scale back the current 5% draw to 4% to preserve the value of the endowment. Board members asked clarifying questions about ideal endowment size and efforts to secure additional contributions.

VIII. CEO Report: Mr. Meecham shared highlights of Utah Opera's season opening production of *Romeo & Juliet* as well as the November 9 & 10 performances of *Candide*. He encouraged board members to attend performances and participate in the fundraising soirée to be held after the Saturday performance of *Candide*.

Mr. Meecham noted accusations of harassment coming to light in very public ways throughout the country and multiple industries, including the performing arts. He shared that USUO has a no tolerance policy regarding harassment and discrimination and is being proactive in establishing clear expectations for compliance with visiting artists.

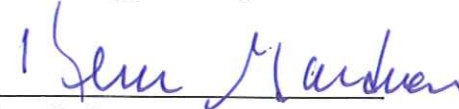
IX. Other Business: Mr. Gardner noted that this meeting would be Mark Davidson's final meeting as a board representative from the musicians expressed appreciation for Mark's thoughtful service over the past two years. He asked if there were any additional topics for discussion before adjourning the meeting. There being no additional business, the meeting was adjourned at 6:00pm.

Minutes Recorded By:

Minutes Approved By:



Julie McBeth



Kem C. Gardner, Chair