

UTAH SYMPHONY | UTAH OPERA
FULL BOARD MEETING
AUGUST 4, 2020
MINUTES

Attended via video or teleconference: Julie Aiken Hansen, Jesselie B. Anderson, Doyle Arnold, Judith Billings, Steven Brosvik, John D’Arcy, David Dee, Julie Edwards (musician), Kem Gardner, Brian Greeff, Stephen Tanner Irish, Thomas Jacobson, G. Frank Joklik, Andrew Larson (musician), Tom Love, Robin Milne, Judy Moreton, Dinesh Patel, Dave Petersen, Frank Pignanelli, Nancy Pinto-Orton (Onstage Ogden), Gary Porter, Shari Quinney, Patricia A. Richards, Miguel Rovira, Joanne Shiebler, Naoma Tate, Astrid Tuminez, Kelly Ward, Kim Wilson, Thomas Wright, and Henry Wurts attended from the Elected, Ex-officio and Lifetime Boards.

Guests present included: Shane Stowell (board candidate) and Ken Verdoia (ZAP representative).

Staff members present included: Thierry Fischer, David Green, Steve Hogan, Christopher McBeth, Jon Miles, Leslie Peterson, and Toby Tolokan. Julie McBeth was present to record the minutes and Heather Weinstock was present for logistical support.

The meeting was live streamed to YouTube where donors, subscribers, and additional staff and musicians were invited to observe.

I. Welcome and Consent Agenda: Board of Trustees Chair Tom Love asked if there were any questions about or recommended changes to the May 19 and June 23 draft minutes or the proposed 2020-21 meeting scheduled sent in advance of the meeting as the Consent Agenda. Mr. Gardner moved to approve the Consent Agenda as submitted. Mr. Porter seconded the motion which passed by unanimous vote.

II. Nominating Committee recommendations: Nominating Committee Chair Thomas Wright thanked the committee members for their efficient work and presented their recommendations, which had been approved by the Executive Committee, for the 2020-21 fiscal year.

Mr. Wright moved to elect a proposed slate of officers including the following individuals to the positions specified beginning September 1, 2020 through August 31, 2021: Tom Love, Chair; Doyle Arnold, Vice Chair; Brian Greeff, Vice Chair, Joanne Shiebler, Vice Chair; Annette Jarvis, Secretary; and John D’Arcy, Treasurer. The motion was duly seconded and passed by unanimous vote.

Mr. Wright shared that two members had requested to retire or not renew membership for the 2020/21 fiscal year, Jesselie Anderson and Mitra Kashanchi. He moved to adopt the following resolution of appreciation for Ms. Anderson. Mr. Wilson suggested that all members of the board jointly second the motion, which passed by unanimous vote.

WHEREAS Jesselie Anderson has been a long-time supporter of Utah’s great civic institutions and faithfully served on the Utah Symphony | Utah Opera Board of Trustees since September 2013, and

WHEREAS she provided exemplary leadership as Vice Chair of the Board of Trustees, Chair of the Government Relations Committee, and Co-Chair of the Campaign for Perpetual Motion, and

WHEREAS she provided guidance and keen community insight as a member of the Executive, Nominating, Government Relations, and 2015 CEO Search Committees, and

WHEREAS she has agreed to continue serving as an Honorary Board member and through advocacy as a civic influencer and believer in the power of great live music to connect our community,

THEREFORE, BE IT RESOLVED:

That Utah Symphony | Utah Opera extends its most sincere gratitude to Jesselie B. Anderson for her faithful service to our organization and impact on the cultural opportunities available to the citizens of Utah.

Mr. Wright moved to adopt the following resolution of appreciation for Ms. Kashanchi. Mr. D’Arcy seconded the motion, which passed by unanimous vote.

WHEREAS Mitra Kashanchi has been an advocate for arts education and a believer in the power of great live music to connect our community, and

WHEREAS she effectively garnered support for arts education to help Utah’s students develop creative thinking and determination as well as openness to new ideas and diverse points of view, and

WHEREAS she provided guidance and insight as a member of the USUO Board of Trustees since September 2017, and

WHEREAS she has agreed to continue serving the organization through advocacy as a civic influencer,

THEREFORE, BE IT RESOLVED:

That Utah Symphony | Utah Opera extends its most sincere gratitude to Mitra Kashanchi for her faithful service to our organization and impact on the cultural opportunities available to the citizens of Utah

Mr. Wright relayed that twelve current Elected Trustees whose term would end August 31, 2020 had expressed willingness to serve an additional three-year term, those individuals included Doyle Arnold, Judith M. Billings, Gary L. Crocker, Brian Greeff, Thomas N. Jacobson, Thomas M. Love, Brad W. Merrill, Dr. Dinesh C. Patel, Gary B. Porter, Naoma Tate, Thomas Thatcher, and David Utrilla. Mr. Gardner moved to approve election of the listed individuals for a three-year term beginning September 1, 2020. Ms. Richards seconded the motion which passed by unanimous vote.

Ms. Richards provided brief biographical sketches of two individuals proposed to serve an initial three-year term of service on the Board of Trustees beginning September 1, 2020: Dr. Stewart Barlow, an otolaryngologist and member of the Utah House of Representatives, and Dr. Shane Stowell, a leadership and organizational consultant. Mr. Wright moved to elect the two candidates to serve three-year terms on the USUO Board of Trustees beginning September 1, 2020. Mr. D’Arcy seconded the motion, which passed by unanimous vote. Mr. Love invited the return of Dr. Stowell from the waiting room of the meeting and welcomed him as a new member of the board.

Mr. Wright noted that the By-laws allowed for election of non-voting Honorary Board members in numbers as the Board of Trustees deemed appropriate. He moved that, in recognition of her board service and anticipated continued engagement with the organization, Jesselie B. Anderson be elected to the Honorary Board bringing its membership to a total of 18 members. Mr. Gardner seconded the motion which passed by unanimous vote.

Mr. Love thanked Mr. Wright and the members of the Nominating Committee for their work and expressed excitement for the quality of intelligence and thinking represented to guide the future of USUO.

III. Finance Committee report: Finance Committee Chair John D’Arcy noted a projected close for the current fiscal year ending August 31, 2020 of a small surplus of \$160,000 (reflected in Column B of a report on page 16 of the meeting materials which was shared onscreen for all meeting participants). He highlighted that if not for the unfortunate furlough of the orchestra members and many staff along with the approximately \$2.5 million in forgiven Paycheck Protection Plan loans from the federal government, this figure would have been a considerable deficit. He then talked through the assumptions of two projections for the 2020-21 fiscal year located in columns D and E of the report, both of which would result in large deficits. He noted additional efforts and discussions underway to reduce expenses and increase revenues that would need to be realized before asking the board to approve a budget. Ms. Richards commented that the nature of USUO’s business was to create music through skilled personnel, making salaries the largest cost with very personal implications when cuts were made. To a question regarding what data USUO would use to track return of business, Mr. D’Arcy replied ticket sales, which would be difficult to quantify due to unknown final audience size allowable in venues, and donations, which were difficult to predict in advance during an uncertain economic time.

IV. Endowment matters: Investment Committee Chair Doyle Arnold reminded board members of actions taken at the December 3, 2019 and March 24, 2020 board meetings to respond to anticipated financial challenges. He noted that, subsequent to those actions, the suspension of symphony and opera performances due to Covid-19 induced restrictions, the USUO’s receipt of the PPP loan, the furlough of musicians and staff, and other events significantly altered the organization’s financial position to the positive as shared in the Finance Committee report.

Mr. Arnold further informed the board that the Executive Committee expected to authorize management to create an “internal line of credit” of \$1 million, as envisioned in changes to the endowment Investment Policy Statement, which were approved by the Board at the December 3, 2019 meeting. He noted no action by the board was required and that an exact amount or timing was unknown, but anticipated during the 2020/21 fiscal year. Mr. D’Arcy clarified that the intention of such an action would be for short term liquidity only, to save interest paid to a bank for use of a line of credit.

Mr. Arnold moved that the Board acknowledge repayment of the \$1 million loan previously made from the Board Restricted endowment; rescind the prior authorization for a special draw from the Price bequest in the amount of \$248,500 for current fiscal year 2019/20; and approve a special draw from the Price Bequest of \$248,500 to be made September 1, 2020, or later, to support operations for FY 2020/21.


Mr. Wright seconded the motion which passed by unanimous vote.

V. Authorize Executive Committee to act on behalf of the Board of Trustees through December 31, 2020: Board of Trustees Vice Chair Joanne Shiebler moved that the Board extend its authorization of the Executive Committee through December 31, the end of the calendar year, to take necessary actions to preserve and sustain the Utah Symphony | Utah Opera organization. Mr. D’Arcy seconded the motion and Ms. Shiebler clarified that this was an extension of the authorizations made at the March 24, 2020 and May 19, 2020 meetings intended to provide adaptability while uncertainty remained surrounding the pandemic and economy. The motion passed by unanimous vote.

VI. Other Business / Executive Session: Mr. Love asked if there was any additional business to discuss before adjourning to an executive session to discuss personnel matters. ZAP Tier I Advisory Board representative Ken Verdoia, who was observing the meeting as a guest, commended the board and organization, noting that it took a deep level of commitment to guide a nonprofit arts organization in a good year. He continued that, when the going gets tough, it calls upon the better angels of our nature, which he had witnessed in play during the meeting.

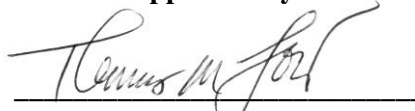
There being no additional business, staff members (with the exception of Mr. Green), guests, and musician representatives left the video conference, then the board members continued meeting in an executive session to discuss personnel matters.

Minutes Recorded By:



Julie McBeth

Minutes Approved By:



Thomas M. Love, Chair