

UTAH SYMPHONY | UTAH OPERA
FULL BOARD MEETING
MAY 25, 2021
MINUTES

Attended via video or teleconference: Doyle Arnold, Austin Bankhead, Judy Billings, Steven Brosvik, George Cardon-Bystry (following election in item II), John D’Arcy, David Dee, Kathryn Eberle (musician), Julie Edwards (musician), Luz Escamilla (following election in item II), Kem Gardner, Stephen Tanner Irish, Annette Jarvis, Tom Love, Abbie Magrane, Robin Milne, Judy Moreton, Dinesh Patel, Dave Petersen, Frank Pignanelli, Shari Quinney, Pat Richards, Miguel Rovira, Joanne Shiebler, Stan Sorensen, Naoma Tate, Jim Tozer, Kelly Ward, Jennifer Webb (Onstage Ogden), Richard Williams (following election in item II), and Henry Wurts attended from the Elected, Ex-officio, and Lifetime Boards.

Guests and USUO staff members present included: Carol Anderson, Cassandra Dozet, Thierry Fischer, Paula Fowler, Melanie Giles, David Green, Steve Hogan, Kyleene Johnson, Annie Farnbach Jones, Christopher McBeth, Jon Miles, Tyson Montoya, Leslie Peterson, Michelle Peterson, Jessica Proctor, Talia Ricci, Toby Tolokan, Gregory Walz, and Heather Weinstock. Julie McBeth was present to record the minutes and facilitate the video conference.

I. Welcome and Consent Agenda: Board of Trustees Chair Tom Love welcomed the members of the Board of Trustees, staff, and guests participating in the meeting. He asked if there were any questions about or recommended changes to the Consent Agenda. A small revision was suggested for clarity to the wording of the finance report of the March meeting minutes. Upon a motion duly made and seconded, the Consent Agenda, which included the Form 990 Tax Return for the year ended 2019-20 and the draft minutes from the March 23, 2021 Full Board meeting was adopted with the suggested revision to the minutes by unanimous vote.

II. Board of Trustees election recommendations: USUO President & CEO Steve Brosvik relayed information about three candidates that the Nominating and Executive Committees recommended for election to the Board of Trustees: George Cardon-Bystry, the CEO at Edison House—a new social club opening in downtown Salt Lake City; Utah State Senator Luz Escamilla, representing District 1 and serving as COO of MiCARE Group; and Dr. Richard Williams, president of Dixie State University in St. George. Mr. Love reported that the Nominating Committee additionally recommended inviting the ten Elected Trustees whose current term would end August 31, 2021 to consider serving an additional 3-year term, and that all ten had agreed to be put forward for election to an additional term. Following a motion duly made and seconded, George Cardon-Bystry, Senator Luz Escamilla, Dr. Richard Williams, John D’Arcy, Stephen Tanner Irish, Abigail Magrane, Robin Milne, Judy Moreton, Shari Quinney, Miguel Rovira, Joanne Shiebler, Thomas Wright, and Henry Wurts were unanimously elected to each serve a new or additional three-year term on the USUO Board of Trustees. Mr. Cardon-Bystry, Senator Escamilla, and Dr. Williams were invited to join the meeting from the waiting room to introduce themselves and participate in the remainder of the meeting.

III. Conflict of Interest and Ethics Statement: Governance Committee Chair Annette Jarvis referenced the Conflict of Interest and Ethics Statement forwarded by Ms. McBeth with the meeting materials. She noted the importance from a governance point of view that each Trustee annually read and understand the ethical obligations of serving on the Board of Trustees, disclose any potential conflicts of interest, and sign and return the statement for the organization to keep on file.

IV. Employee Recognition: USUO President and CEO Steve Brosvik reported that each year the organization recognized employee milestone anniversaries and outstanding work with the help of beautiful awards provided by the OC Tanner Company. He relayed that these had been announced at a recent staff meeting and noted the desire to also share the accomplishments that warranted the top awards with the Board Members. Mr. Brosvik and Senior VP & COO David Green then presented the President's Award to Director of Orchestra Operations Cassandra Dozet and the Above and Beyond Awards to Education team members Paula Fowler, Kyleene Johnson, and Annie Farnbach Jones.

V. Finance Committee report: Finance Committee Chair John D'Arcy reviewed changes since the March Board meeting to the current fiscal year projection. He shared that the Finance Committee was confident in a surplus thanks to prudent savings and extraordinary one-time contributions and grants.

Vice President of Finance and CFO Steve Hogan presented the following Finance and Executive Committee recommended resolution related to the projected surplus for FY2020-21.

Resolved that, effective June 1, the organization segregate cash from ticket sales for future performances until such time when the performance occurs, or an expense directly related to the performance was incurred.

Mr. Hogan noted the three primary benefits to the action proposed by the resolution that had been discussed by the Finance and Executive Committee members. First, the ability to stop spending cash from the next year's ticket sales on the current year's expenses. Second, the retention of increased working capital so that the organization would be less likely than previous years to run out of cash near calendar year end, which would result in less interest incurred from borrowing on the line of credit and less need to ask donors to advance gifts. Third, the possibility of reduced need for short-term investments earning less than 1% to support the line of credit. Following discussion and upon a motion duly made and seconded, the Board of Trustees members unanimously voted to adopt the resolution, as proposed.

Mr. Love announced that he would like to call a Special Meeting of the Board on August 4 for the purpose of reviewing and asking approval of a FY22 budget.

Vice President of Marketing and Public Relations Jon Miles reported ticket sales results, which were meeting goals. He noted that capacity for the Deer Valley Resort Snow Park Amphitheater had increased to 75% allowable (3500 patrons per performance) which could result in exceeded goals for the summer. He lauded the great work and flexibility of the ticket office staff to adjust to changing venue capacities and serve the increasing demand of audiences to experience live music.

Vice President of Development Leslie Peterson relayed that the organization had raised a little over \$7.1 million from private sources to date, exceeding the \$6.6 million goal for the fiscal year. She noted additional contributions were expected, particularly related to the DVMF VIP program. Development Committee Chair David Dee reported that the \$500,000 Challenge Grant from the George S. and Dolores Doré Eccles Foundation had been achieved through contributions in the three prescribed categories, new, resumption of lapsed, and increased. He congratulated the development team and thanked the board members for their assistance in achieving the challenge. He shared a personal anecdote of writing to a friend about the challenge, who not only participated, but expressed gratitude for the opportunity to meaningfully support a valued community institution.

VI. Investment Committee report: Investment Committee Chair Doyle Arnold explained recommended changes to the Investment Policy Statement detailed in a cover memo sent with the redlined proposed changes in advance of the meeting. He noted that the recommendations were intended to accomplish several things: 1) give the Investment Committee greater flexibility to invest up to the

entire \$4 million of Endowment Liquidity Funds in any mixture of cash, cash equivalents, or short-term bond funds; (2) provide discretion to change the amount and type of collateral pledged against a line of credit; and (3) more clearly authorize the Investment Committee and management to accumulate cash for the next fiscal year draw in addition to the \$4 million Liquidity Fund. Following clarification regarding the existence of separate Investment Advisor Guidelines and upon a motion duly made and seconded, the Board of Trustees members voted to adopt the proposed changes to the Investment Policy Statement.

VII. Artistic updates: Musician Representative Kathryn Eberle expressed appreciation for the Board’s unwavering commitment during the unique and challenging previous months to ensure that the organization could continue to achieve its mission to connect the community through great live music when many other performing arts companies had simply ceased operations during the pandemic. Musician Representative Julie Edwards, Utah Opera Artistic Director Christopher McBeth, and Utah Symphony Music Director Thierry Fischer echoed her sentiments and expressed optimism for the future afforded by the creative and collaborative work of the board, staff, and musicians during the 2020-21 season. Examples of two programs created for streaming on *USUO: On Demand* were played for meeting participants.

VIII. Deer Valley Music Festival 2021: Mr. Green shared that the orchestra would be voting later in the week on a proposed agreement to govern safety procedures from June through August 2021. He noted continued productive planning discussions with Deer Valley Resort with the biggest obstacle of increased capacity in a way that met safety measures achieved, as noted in Mr. Miles’ report. VP of Symphony Artistic Planning Toby Tolokan shared programming for the festival, highlighting orchestra members who would be soloists at the Wednesday Chamber concerts.

IX. Forever Mighty Tour: Mr. Green and Mr. Fischer shared confirmed dates, locations, and programming for the *Forever Mighty* Tour that would take place in great outdoor spaces throughout the state of Utah from August 10-14, 2021.

X. Other Business / Executive Session: Lifetime Board member Pat Richards reminded trustees of the services provided by OPERA America and the League of American Orchestras, particularly highlighting their advocacy for non-profits to have access to PPP loans and CARES funding during the pandemic. She encouraged trustees to consider contributions to the organizations as a demonstration of gratitude for the great support they had provided to orchestras and opera companies throughout the United States of America.

Mr. Love asked if there was any additional business to discuss. There being none, Mr. Love thanked the board members for their service and the meeting was adjourned at 5:28pm.

Minutes Recorded By:

Julie McBeth

Minutes Approved By:

Board vote at August 4, 2021 meeting