

UTAH SYMPHONY | UTAH OPERA
FULL BOARD MEETING
JANUARY 24, 2022
MINUTES

Attended via video or teleconference: Doyle Arnold, Austin Bankhead, Steven Brosvik, George Cardon-Bystry, Doyle Clayburn (Utah Symphony Guild), John D'Arcy, David Dee, Kathryn Eberle (musician), Barry Eden, Kem Gardner, Brian Greeff, Stephen Tanner Irish, Annette Jarvis, Frank Joklik, Tom Love, Abbie Magrane, Brad Merrill, Robin Milne, Judy Moreton, Frank Pignanelli, Gary Porter, Jason Price, Shar Quinney, Pat Richards, Miguel Rovira, Joanne Shiebler, Stan Sorensen, Shane Stowell, Naoma Tate, Tom Thatcher, Jim Tozer, David Utrilla, Jennifer Webb (Onstage Ogden), Richard Williams, Kim Wilson, Thomas Wright, and Henry Wurts attended from the Elected, Ex-officio, and Lifetime Boards.

Elected and Lifetime Board members not available to participate: Stewart Barlow, William Bailey, Judy Billings, Gary Crocker, Luz Escamilla, Julie Aiken Hansen, Dan Hemmert, Jon Huntsman Jr., Tom Jacobson, Clark Jones, Herb Livsey, David Mortensen, Hugh Palmer (musician), Scott Parker, Dinesh Patel, Dave Petersen, Harris Simmons, Verl Topham, Kelly Ward, and David Winder.

Guests and USUO staff members present via videoconference: Cassandra Dozet, Melanie Giles, David Green, Steve Hogan, Sitori Holbrook (Tanner Company, through agenda item II), Meredith Kimball Laing, Ellen Lewis, Christopher McBeth, Todd McKinnon (Tanner Company, through agenda item II), Jon Miles, Bob Neu, Leslie Peterson, Jessica Proctor, and Heather Weinstock. Julie McBeth was present to record the minutes

I. Welcome and Consent Agenda: Board of Trustees Chair Tom Love asked if there were any questions about or recommended changes to the Consent Agenda. Upon a motion duly made and seconded, the Consent Agenda, which included the draft minutes from the November 30, 2021 Board Meeting, was adopted by unanimous vote.

II. Approval of the Fiscal Year 2021 Audit: Audit Committee Chair Doyle Arnold introduced Todd McKinnon and Sitori Holbrook from Tanner Company LLC and asked USUO VP of Finance and CFO Steve Hogan to share the results of the fiscal year ended August 31, 2021. Mr. Hogan relayed that the financials for FY21 ended closely to the previously projected surplus of \$6.2 million and that \$3.25 million had been moved to the operating reserve account. Mr. McKinnon reported that he and his associates completed and issued a clean opinion on the audited financial statements prepared by the organization for the year ended August 31, 2021, included as pages 5-40 of the meeting materials. He noted that Tanner LLC was independent from the organization and did not encounter any difficulties working with the USUO finance team or Audit Committee, whose members they found to be thoughtful and diligent. He then highlighted areas for Board of Trustees member awareness which were detailed in the auditor's SAS 114 letter included as pages 41-44 of the meeting materials.

Mr. Arnold reported that the Audit Committee had met with Tanner Company LLC representatives to review the financials in detail and shared the recommendation of the committee that the board approve the audited financials for the Fiscal Year ended August 31, 2021. Upon a motion duly made and seconded, the Board of Trustees voted to adopt the following.

RESOLVED, that the proposed audited financial statements for the fiscal year ended August 31, 2021 be approved for issuance.

III. Annual disclosure / signature USUO Conflict of Interest and Ethics Policy: 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 read and understand the ethical obligations of serving on the Board of Trustees, disclose any potential conflicts of interest, and annually sign and return the statement for keeping in the organization's corporate files.

IV. Finance update: VP of Finance and CFO Steve Hogan shared that the most recent projection for the current fiscal year (FY22) was a \$2.3 million surplus, despite an anticipated shortfall in regular season ticket sales of \$350,000. Finance Committee Chair John D'Arcy noted that the FY23 budget was still being evaluated by the finance committee and not yet ready to present for approval.

V. Development update: Development Committee Chair David Dee reported that \$4.8 million in contributions from private sources (including corporations, foundations, and individuals) had been raised during the first 5.5 months of the fiscal year, reaching 55% of the total year goal. He highlighted 2021 calendar year-end funding campaign efforts and noted progress toward the George S. and Dolores Doré Eccles Foundation matching grant. VP of Development Leslie Peterson provided details for and responded to questions about the terms of the grant; then several Board members pledged additional support that would qualify for the match.

VI. Government Relations update: President & CEO Steve Brosvik and Director of Institutional Giving Jessica Proctor shared strategies identified by the committee for action, including pursuing a state government appropriation in support of statewide touring as well as some county and city funding opportunities. They noted a separate request planned for submission by Utah Cultural Alliance to the Utah Legislature that could benefit multiple arts organizations through additional ongoing funding to the Utah Division of Arts and Museums. They shared a video highlighting the positive results of the 2021 Forever Mighty Tour.

VII. Artistic updates: Utah Opera Artistic Director Christopher McBeth expressed gratitude to the cast, orchestra, and crew of *Flight* for diligently following safety practices that allowed the company to share four of the five originally-scheduled performances with audiences, even with the surge in Covid cases.

Musician Representative Kathryn Eberle previewed the current week's concert, which would include the return of Thierry Fischer, a concerto inspired by the nature of Utah with Madeline Adkins playing, and Rachmaninoff's Symphonic Dances.

VP of Artistic Planning Bob Neu relayed that a major focus of the artistic department was confirming programming for the 2022 Deer Valley Music Festival and the 2022-23 Season.

VIII. USUO Audience Development / Marketing: Mr. Brosvik noted that strategic planning discussions were underway in earnest with five key areas of focus: audience development, donor stewardship / campaign readiness, venues, business plans, and strategic investment. He shared that board members Austin Bankhead and George Cardon-Bystry had been working closely with VP of Marketing & Public Relations Jon Miles to gain an understanding of USUO's current audience composition and purchasing trends. Mr. Miles, Mr. Bankhead, and Mr. Cardon-Bystry presented their findings, noting the key points that: growth in traditional programming had plateaued; newer series were driving revenue and attendance growth—likely due to underlying audience demographic changes and increased competition; and the need to evolve USUO's offerings without disrupting its loyal fan base.

Board members engaged in an active discussion of possible perceived barriers to attending USUO performances, additional data that might inform the audience development discussion, and ideas for extending engagement.

IX. Other Business / Adjourn: Mr. Love asked if there were any additional business to bring before the Board; there being none, the meeting adjourned at 5:01pm.

Minutes Recorded By:

Julie McBeth

Minutes Approved By:

Vote of the Board at the April 5, 2022 meeting