



SCT Full Board Meeting
October 24, 2019
12:00pm
Middle Rehearsal Hall

Attendees:

Trustees: Eve Alvord, April Berg, Shari Bitcon, Heather Blahous, Ryan Boone, Meghan Browne, Amy Chasanov, Stacie Foster, Mimi Gan, Karin Jones, David Landau, Jessica Loché-Eggert, Anh Nguyen, Eleanor Nolan, Andrew Parcel, Sally Rampersad, Natasha Rivers, Scott Ruthfield, Laura Smith, Wanda Wong

By Phone: Lee-Norah Sanzo, Alice Forsythe, Roberto Dondisch, Jared Van Kirk, Constance Thompson

Staff: Kevin Malgesini, Courtney Sale, Lesley Fox, Clare Hausmann Weiland, Malia Argüello, Carolyne Holcomb, Rachel Whalen, Janelle Walz

Guests: Tim Symons, Erin Welch (Jacobson Jarvis)

MOTION: To approve minutes from the Board Retreat as presented (Mr. Scott Ruthfield moved)

Motion passed unanimously

MOTION: To approve the audit as presented (Ms. Heather Blahous moved)

Motion passed unanimously

MOTION: To approve the FY21 budget as presented (Mr. Scott Ruthfield moved)

Motion passed unanimously

President Laura Smith welcomed everyone. Ms. Courtney Sale introduced Tim Symons, the composer for *Corduroy*, who played four different musical themes from the show and explained their influences.

Programming Update – Courtney Sale & Laura Smith

Ms. Sale announced Summer Season will sunset in FY20. This program has operated at a significant loss and is only able to serve roughly 85 students annually.

In the place of Summer Season shows, Education will be offering Performance Labs – 2-week intensive training sessions, which will culminate in a one-hour showing in the Eve Alvord Theatre. The labs will be audition based, offer more equitable opportunities for more students and make it easier for professional directors to participate. Education will be sending announcements to Drama School families November 1st. The faculty cohort will meet prospective students and families in January. Auditions will happen in March.

Audit Presentation – Erin Welch (Jacobson Jarvis)

The Finance Committee has already reviewed these results. There is no Management Letter and SCT has received a clean audit opinion.

Things to Note:

- Accounting standards have changed for all non-profits. Some of these are explained below.
- Pages 2 & 3 clarify roles of auditors and the organization, declare this is a clean audit, it is an unmodified audit opinion and the financials presented are correct
- Page 18 has a Liquidity Note which reviews cash availability not only in numbers, but now in words
- Page 10 contains the explanation of the organization, which has undergone extensive revision since last year
- Footnote H reviews Financial Health. This outlines the financial challenges and how the organization is addressing them.

FY21 Budget – Kevin Malgesini

It is important to have an early budget conversation in order to support season planning and move forward on contracts. The Board will revisit the FY21 budget for any amendments in Spring 2020.

(see page 4 of meeting attachments)

Earned Revenue Projections

- 4% growth in FY20
- 3% growth in FY21

- 0.2% growth in Contributed Income, but hope to increase this number in the Spring

Expense Projections

- Overall 17% decrease from FY19 to FY20
- 0.1% increase (basically flat) for FY21
- 5% increase in employee benefits
- 2% increase in Staff raises
- \$90,000 decrease in Production
- \$85,000 decrease in Education

In the past three years, the Operating Fund has received \$2.5 million in Special Distributions from the Endowment. This year there will be no Special Distribution and none forecasted for FY21.

2020-2021 Season Announcement – Courtney Sale

Red Riding Hood – Charlotte Martin Theatre
SCT Commission and World Premiere.

By Allison Gregory. Ages 5+

Paddington Gets in a Jam – Charlotte Martin Theatre
Presented by Rockefeller Productions. Ages 3+

The Watsons Go To Birmingham – 1963 – Charlotte Martin Theatre
SCT Commission and Regional Premiere.

By Cheryl West, based on the book by Christopher Paul Curtis. Ages 8+

Guess How Much I Love You – Eve Alvord Theatre
Presented by Mermaid Theatre of Nova Scotia. Ages 3+

The Tale of Peter Rabbit – Charlotte Martin Theatre
SCT Commission and World Premiere.

By Trista Baldwin, based on the books by Beatrix Potter. Ages 5+

Touring Productions

Ghosted for high schools and a new middle school play

Development and Fueling Transformation (Luncheon Fundraiser) – Amy Chasanov and Mimi Gan

Development has raised \$408,000 to date for FY20. A New Works Initiative is being developed to attract donors who are passionate about supporting new works. Donor Levels and Benefits – make sure to communicate clearly what the corresponding benefits are and make sure to deliver on benefits promised.

Fueling Transformation has a goal of \$350,000. A new level of Host Committee will allow donors to purchase less than 10 seats at the \$1,000 level. The event organizers will work to combine these seats to fill tables. All of the corporate sponsors for last year's event came from Trustees recommendations. If anyone has a connection with a possible corporate sponsor, please contact the Development Department for follow up.

This year's event will focus on why we do what we do. This is what gets people excited. The program will demonstrate the emotional impact on kids. Fueling Transformation (live theatre fuels transformation of a child's life) needs a continuous thread and message. An Advisory Team will guide the narrative and what will resonate most. This group will meet a couple of times before the Luncheon.

Fueling Transformation Advisory Team: Heather Blahous, Eleanor Nolan, Ryan Boone, Shari Bitcon, Stacie Foster, Amy Chasanov, Mimi Gan

Ms. Hausmann Weiland will send a communications tool kit to all Trustees, which they can use when approaching potential corporate sponsors.

Ticketing Update – Carlyne Holcomb

Overall ticketing revenue is 53% to goal. At the same time last year, revenue was 52% to goal.

School Shows are 80% to goal.

Subscriptions are 70% to goal.

Single Tickets are 20% to goal. This is not uncommon this early in the season.

Price per ticket for single tickets is slightly down. This was expected with the introduction of access priced tickets in every house.

Capacity for *Black Beauty* is at 60% vs. 51% for *Very Hungry Caterpillar* last season.

Strategic Plan – Meghan Browne and Anh Nguyen

Ms. Browne reviewed the Strengths, Weaknesses, Opportunities and Threats revealed through initial discussions. Two scenarios are emerging, from which 5-year plans will be developed.

Page five of the meeting attachments is a draft of a scorecard. This will be used to assess the two scenarios once they are announced. Trustees should look this over and determine if they believe the five criteria are the right criteria to assess the scenarios and what weight/importance each should have. The third scenario is for "what happens if we do nothing?"

Trustees should look this scorecard over and send any feedback to Ms. Browne and Ms. Nguyen.

There being no further business, the meeting adjourned at 1:40pm.