

**Edina Art Center Board Meeting
Meeting Minutes
City of Edina, Minnesota
Edina Art Center Studio 14
July 26, 2012
4:30 P.M.**

I. Call to Order

Vice - Chair McCabe called the meeting to order at 4:33 p.m.

II. Roll Call

Members Present: Bill McCabe, Hafed Bouassida, Barbara LaValleur, Ray Meifert, Colin Nelson, Kitty O’Dea, Thomas Raeuchle, and John Swon.

Members Absent: Dana Lappin, Tara Mohtadi, and Justin Moran.

Staff Present: Michael Frey, Interim Director; Phil Johnson, Peggy Kelly Media Studios Manager; Claire Lukens, Arts & Culture Intern; Ann Kattreh, Assistant Director, Parks & Recreation; Sandra Shaughnessy, Pottery Studios Manager and Anne Spooner, Program & Gallery Coordinator, Monica Sullivan, Front Desk Staff.

Community Members Present: George Sutton, Sutton & Associates; Katherine Bergstom, Assistant to George Sutton; Jim Van Valkenburg, and Lois Ring.

III. Approval of Meeting Agenda

Chair McCabe noted the meeting agenda had been circulated and asked if there were requests for additions or changes. He suggested the agenda be modified to consider items VI.D., VI.E., and VI.F. before items VI.A., VI.B., and VI.C. to allow the Board to devote more time to the first three topics. No objections were voiced. The agenda was approved as amended.

IV. Adoption of Consent Agenda

A. Approval of Minutes – Regular Meeting of June 28, 2012

Chair McCabe asked if there were changes or corrections to the minutes of the Regular Meeting of June 28, 2012. No changes voiced. The minutes were approved as circulated.

V. Community Comment

None.

VI. Reports/Recommendations

D. Film Festival - See Attachment A

Member Swon provided an update on the Film Festival and advised that the date has been changed to October 25-27, 2012, in order to avoid competing with the Twin Cities Film Festival. He thanked Member Meifert for the contribution from 3M and stated they are on track to hit their budget numbers. He stated they have a great selection of films for this year and expressed thanks to Mickie Turk and the rest of the committee for all of their help.

Member Bouassida stated he was pleased that the date for the Film Festival was changed. He requested a meeting with Dick Crockett and Member Swon to discuss ways for Dick Crockett to participate in the Film Festival.

E. Members’ Juried Show - See Attachment B

Chair McCabe advised that a report was provided to the Board by email yesterday. He stated that current donations have reached \$875.

E. Membership

Mr. Frey stated the 2012 membership goal is 1,000 members and there are currently 1,014 members. He thanked Member Lappin for all of her work and stated it has made a significant difference in the Art Center's membership.

Barbara La Valleur stated they had their first tour today of the sculptures and they hope to promote this on Facebook and by other means. She requested that everyone take time to vote before the next meeting.

Mr. Frey distributed ballots to the Board.

A. Introduction – George Sutton, Sutton & Associates

Chair McCabe introduced George Sutton, Sutton & Associates.

B. Edina Art Center Consultant – Update & Mission Statement

Mr. Sutton stated the Scope of Work authorized by the City Council includes a review of the current programs and services, review of the mission statement, review of the current structure to provide a recommendation regarding whether the Art Center should be a 501(c)(3) organization or a hybrid of a public/private partnership or owned by the City, and a review of current operations to determine if there are efficiencies that can be created within the organization. He indicated the Advisory Board will be conducting a tour of three regional art centers on August 6. He added that the Arts & Culture Working Group has been asked to join the Board to obtain broader input regarding the mission statement. Mr. Frey noted the Arts & Culture Working Group will join the Board at 6:00 p.m. tonight.

Member Bouassida asked Mr. Sutton if he felt the current mission statement was inadequate. Mr. Sutton replied the mission statement was included in the Scope of Work in the RFP and added he felt the mission statement merits further discussion.

Chair McCabe recited the current mission statement and stated the mission statement might not accurately represent what the Art Center does. Member La Valleur stated the mission statement should be updated and be a short, impactful mission statement.

Chair McCabe stated a 501(c)(3) organization allows tax exempt donations and serves as an incentive for people to donate money, e.g., hospitals and churches. He stated the Art Center is currently set up as a unit of city government and has a relationship with the Edina Community Foundation that is a 501(c)(3); in addition, the Art Center board serves as an advisory board appointed by and advising the City Council. He indicated a 501(c)(3) organization would be separate from the City and the Minnetonka Center for the Arts is an example of a 501(c)(3) organization and they own their own building and raise their own funds. He stated another option for the Art Center would be a government or city-owned facility with a separate 501(c)(3) organization to raise funds and support the operations of the facility.

Member Raeuchle suggested stepping back one step to understand why the consultant is looking at the Art Center's organizational structure and stated the question was brought up by the City Council as to whether there is another organizational form that would make it easier to raise funds that would come either in addition to or as a replacement of the city funds. He stated each of the options has its advantages and disadvantages and the consultant and Board were asked by the city to see if there is a form that would lend itself better to the continued operation of the Art Center.

Mr. Sutton stated his observation was that the Art Center currently has one of the best systems because it is a public sector entity with a reliable funding source that is responsible for maintaining the facility and providing operating support. He stated the Art Center has not historically had fundraising staff and the city is interested in seeing what other funding sources could be accessed to support the mission of the Art Center.

Member Bouassida stated the role of the Board has not been clear whether it should raise money or conduct the business of the Art Center. Mr. Sutton indicated that fundraising has not previously been the role of this Board and the city is constantly looking for ways to leverage taxpayer resources from the broader taxpayer pool and there is currently

no structure in place within the Art Center to do fundraising. He stated if the Art Center wants to have a dedicated person for fundraising, the organizational structure has to be reviewed and given the existing structure, the Art Center is limited in terms of the grant funds it receives. Member Bouassida stated the idea of creating a "Friends of" model means that board members have to start that process and give money to participate. Member Raeuchle stated other institutions request giving targeted toward specific events and exhibits and the Art Center has never had a structure where it would request giving for a specific project, e.g., a new kiln, and added that requesting money to be used for operational expenses of the Art Center would be a hard sell.

Member Meifert felt that the discussion regarding the Art Center's organizational structure was premature and felt the Board should first work on its mission statement. Mr. Sutton stated the organizational structure is within the Scope of Work that the City Council authorized and felt the opportunity exists now to seek incremental change, to safeguard the Art Center's position, and to leverage its position.

Member Bouassida requested the Board take an informal vote on the three options presented by Mr. Sutton for the structure of the Art Center.

Member Raeuchle felt the current Art Center structure was adequate and the city should continue to contribute funding for the Art Center in the same way it does for other recreational activities in the city. He questioned if there were other things the Board could do to increase awareness and outreach of the Art Center.

Member Bouassida stated he would prefer the second model presented by Mr. Sutton and then down the road come up with a 501(c)(3) organization to raise money.

After a show of hands, the majority of Board Members were in favor of Option 1 – No change to the organizational structure, with three Board Members in favor of Option 2 – a 'Friends Of' model, and no Board Members in favor of Option 3 – a separate 501(c)(3) organization.

Mr. Johnson clarified that the Art Center staff does not currently fund raise. He stated the municipal liquor stores were established specifically to support city activities and sports and recreation activities including the arts and that was the rationale for creating the municipal liquor stores.

Member Swon stated he was in favor of Option 2 and felt it would behoove the Board to begin the process regardless of the organizational structure and to begin formulating a fundraising committee.

Member Bouassida stated the choice of organizational model has to be determined first then the rest of the things will come into play, i.e., the mission statement and operational structure.

Mr. Sutton presented the current organizational chart noting the Art Center has a lot of part-time people, which puts a lot of administrative responsibility on the Director to manage all the staff and keep productivity high. He stated the current operational structure is not very efficient and questioned whether it was possible to have a smaller group of full-time employees who are qualified to serve the mission of the Art Center in a more efficient way. He added there are currently 14 people serving five to six full-time positions within the organization.

Member LaValleur concurred with Mr. Sutton's conclusion and felt it would be more efficient to have fewer part-time staff and use more full-time staff. Member Bouassida agreed and stated the current organizational structure takes a lot of effort to manage and schedule. He added he would like to see full-time people in charge of a particular aspect of the Art Center. Member Nelson noted there was an advantage to all the effort and energy that the current staff members bring but acknowledged the difficulty in managing all these people; he felt if there was a core of three full-time people each handling a particular area, you could fit in all sorts of volunteers and still keep the staff small.

Member O'Dea felt the Art Center loses some opportunities because the current structure is so fragmented. Member Bouassida stated the current structure adds up to 5.29 FTE. Member Raeuchle stated the management effort to manage all these people can soak up more than one individual's time and added there is currently no label of marketing or outreach in the current structure.

Chair McCabe stated the Art Center has a very dedicated staff and the Board is interested in looking for efficiencies within the organization.

C. Arts & Cultural Working Group

Mr. Frey advised the Arts & Cultural Working Group will join the Board at 6:00 p.m.

VII. Correspondence and Petitions

Chair McCabe asked if there was any correspondence or petitions. None voiced.

VIII. Chair and Board Member Comments

Member LaValleur stated she recently met Mr. Lund who told her he was interested in having public art incorporated in the design of the new Byerly's on France Avenue. She advised she met with their real estate manager last week to discuss public art and will follow-up with them.

Lois Ring stated she felt the Board should expand its call for the juried art show. She asked that the Art Center consider hosting a reception after the Film Festival.

Member Swon agreed with the idea of a reception following the Film Festival noting there is an issue with timing because the reception would have to be scheduled on a day the festival is not running because the festival runs until around 11:00 p.m. each night.

IX. Staff Comments

Mr. Frey thanked Anne, Phil, and Sandra for all of their work. He stated all of the Art Center staff view the work of the consultant as an opportunity and are pleased that the Art Center operations are being re-examined.

Member Bouassida requested that the next Board agenda include a report and discussion regarding the Southdale proposition. Chair McCabe directed staff to place this on the agenda for next month. Mr. Frey advised that a letter will be distributed to the Board regarding this issue.

Member O'Dea asked about the fall catalog. Mr. Frey reported that the 32-page fall catalog went to print yesterday. He stated it was too late to change the dates for the film festival and apologized that the catalog will not contain the new dates.

X. Adjournment

The meeting was adjourned by the Chair at 6:09 p.m.