

# SCFD BOARD OF DIRECTORS MEETING

December 15, 2008

1:00 pm

Mizel Arts and Culture Center

Meeting Minutes

**SCFD Board members present:** Chair James Harrington, Vice Chair Holly Osgood, Treasurer Stevan Strain, Secretary Dan Hopkins, Kathleen Stapleton, Joseph Arcese, Mark Addison, Nancy Lee, Jim Martin and Marcia Johnson

**SCFD Board members absent:** Jake Zambrano

**SCFD staff present:** Executive Director Peg Long, Program Manager Nancy McCamey, Program Manager Donna Smith, Office Administrator Sheila Mieger; Program Assistant Lauren Schmitz

## 1. Introductions

James Harrington called the meeting to order at 1:10 pm followed by introductions

## 2. COLOTRUST Allocation

Currently SCFD invests in Colorado Prime accounts only. The Prime rate has dropped below 1%.

### **Resolution NO 08-11 Pertaining to Colorado Local Government Liquid Asset Trust**

Peg Long read resolution which would allow SCFD to invest in COLOTRUST PLUS and PRIME accounts.

Stevan Strain motioned to approve the resolution. Kathleen Stapleton seconded, all in favor.

## 3. Public Comment Regarding Threshold Parameters of Tier II

Mark Addison read a prepared statement expressing his opinion that the Board should go to the legislature to make a change to the Tier II qualifying threshold. He feels the risks would be manageable. James Harrington had Peg Long outline the results of modeling various escalators that could affect growth factors of Tier II organizations including modeling personal income growth in comparison to the CPI. Tier II organization growth on average is 4.6 % a year. The CPI growth is an average of 2.6% a year. Personal income growth averaged 6.6% a year and has been as high as 13.3%. James thanked the task force for all the time and effort.

George Sparks, Denver Museum of Nature and Science, stated the amount of SCFD funds available next year will be lower for all organizations. From a policy point of view he doesn't feel this is a good year to go before the legislature. Craig Piper, Denver Zoo, stated his concern of the unknown results of tweaking the statue. He is concerned what such actions could do to the SCFD brand. Brian Vogt, Denver Botanic Gardens, feels the legislature has to deal with RTD and their own budget this year. He encouraged SCFD organizations to help the Tier IIs internally such as collaborating on more projects. He offered to work with struggling Tier II organizations. Vicki Sterling, Denver Art Museum, echoed the others' concerns about the economy. Harry Lewis feels that anything could happen when you go before the legislature such as the legislature pulling SCFD funds to pay for RTD. He also said the Tier I's just helped out the Tier II's in the last election by making The Denver Center for the Performing Arts a Tier I organization.

James Harrington said it is not within the legislators' power to take SCFD funds and give it to others such as RTD.

Harry Sterling, Denver Cultural Council, shared the process in which the Denver Cultural Council distributes their funds. He encouraged the Board not to base their decision on saving Tier IIIs. The Councils will take care of the quality organizations. Nancy McCamey shared each County has their own guidelines and ways of determining allocation of funds. Jane Potts addressed the letter the Denver Cultural Council Chair gave to the Board the previous month. She said the Tier III organizations are going to take a hit in funds due to the economy and she encouraged the Board to act so the groups don't take another hit due to Tier II organizations entering the Tier III pool. Richard Meredith, Hudson Gardens, shared that his organization is one that is likely to fall when the threshold goes up. He and his staff are prepared for that to happen. He would like the Board to consider the number of groups that will change Tiers the first year the threshold goes up. He feels the current threshold works. Steve Wilson, Mizel Center for Art and Cultural, said he and the other Tier II organizations agreed to work for the better of the SCFD as a whole. Diane Newcom, Children's Chorale, agreed with Mark Addison, the change is internal and she would like to see the Board take action.

Holly Osgood asked how many organizations, historically, have gone back and forth between Tier III and Tier II. Peg Long reported about four. Marcia Johnson asked about the title of the bill and with it being as specific as suggested what counter points/ amendments could/would anyone suggest. Holly suggested someone could bring an additional bill such as the SCFD boundaries. Mark Addison also suggested the county clerks could cause problems.

Holly agreed with George Sparks, organizations are going to lose money. The SCFD mission is not to sustain organizations. The Cultural Councils do a good job with the local control of what benefits their citizens. Adams County pulls out the applications from the small organizations and treats them differently than the big organizations. Everyone is going to have to scale back. She stated she was glad to hear the Tier II organizations that are one the border have been planning ahead for the increasing threshold. Stevan Stain agreed with Holly that the Board's job is to protect the SCFD as a whole. Joseph Arcese reminded the group the task force gave the Board three options and one was for the Board to not go to the legislature.

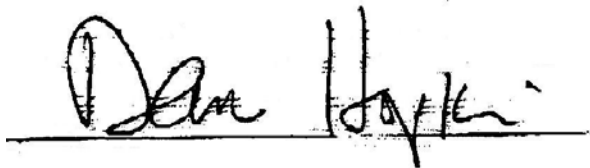
Dan Hopkins asked Peg Long if the Board could wait a year before proceeding to the legislature. She said the pro to going this year is there is time for the bill to get through legislation before the threshold increase date. Also with the task force the threshold has been more thoroughly studies than at any other time and there is a sense of community among the Tiers. If they waited they would have to make sure the bill was one of the first presented and would need to work hard to see that it got through in time. Going in 2010 could provide a clearer economic picture. Marcia said at the last Board meeting there was a sense that all the Tiers were on board with proceeding to change the statue. The statements today indicate that the Tier Is and some of the Tier IIs do not want to proceed. With the Tier IIs not being unified she doesn't think the Board should proceed. Jim Martin feels if it is not imperative to get the bill through this session then they should wait.

Holly Osgood motioned the Board not take legislative action regarding the Tier II threshold in 2009. Mark Addison seconded with the statement there needs to be unity among all groups before proceeding, all in favor.

Staff was directed to keep communication open regarding the subject and to collect information to be shared with the board during 2009. James Harrington thanked everyone for being at the meeting and all previous meetings.

#### **4. Adjournment**

Joseph Arcese motioned to adjourn the meeting and Holly Osgood seconded. The motion was passed and the meeting was adjourned at 2:42 pm.

A handwritten signature in black ink, appearing to read "Dan Hopkins", is written over a horizontal line.

Dan Hopkins  
Secretary