

Museum and Cultural Advisory Board - Meeting Minutes

The Museum and Cultural Advisory Board met in a regular meeting at the Mesa Arts Center, 1 East Main Street, third floor, south Studios conference room, on January 24, 2007.

Members Present:

John Hohmann
Douglas Brimhall
Amanda Buscas
Crista Cloutier
Peter Cook

Lennee Eller
Daniel J. Harper
Andrea Soto
Ramona Tecumseh
Laurent Teichman

Members Absent:

Hector Benitez

Staff Present:

Gerry Fathauer Rob Schultz
Tom Wilson Sunnee Spencer
Randy Vogel Jean Kaminski

John Hohmann, Chair, called the meeting to order at 3:39 p.m.

Approval of Minutes

John Hohmann, Chair, called for any corrections/additions/deletions to the minutes of November 8, 2006; there being none, Peter Cook made a motion, Laurent Teichman seconded, and the November 8, 2006, minutes were unanimously approved by all Board members present. The minutes were posted to the Web page.

Public Comments

No public comments.

Discuss and Take Action – Consider approval of Fee Changes for Mesa Arts Center – Rob Schultz

Rob Schultz presented the changes, which included:

- **Mesa Contemporary Arts** – the addition of a fee range to recover costs and earn revenue from potential rentals of Mesa Contemporary Arts exhibitions (\$0 - \$25,000), and establishing a range of admission fees, which will allow Mesa Contemporary Arts to be prepared for "blockbuster" exhibitions featuring premier artists and artwork that goes beyond Mesa Contemporary Arts' typical presentations (\$3.50 - \$10);
- **Art Studios** – establishing rental fees for studios and classrooms in the Art Studios program (ranging from \$40/hr - \$100/hr depending on the Studio/classroom). The program has been charged with recovering 100% of direct expenses through revenue-generating activities, primarily classes and workshop fees.
- **Stageworks** – To assure 100% cost recovery, staff has implemented three primary strategies: reducing program expenses wherever possible, utilizing contributed support from the Mesa Arts Center Foundation, and recommending a ticket price range that allows for potential performances by presenters other than Stageworks in the Nesbitt/Elliott Playhouse Theater. Staff is recommending a new proposed fee range for "Main Stage Productions," of \$13 - \$20 for youth and \$14 - \$22 for adults, and an expanded ticket price range for "Student Productions/Recitals," of \$0 - \$15;
- **Performing Live** – Several changes to the existing list of Facility Use fees is recommended: commercial and industrial users will pay out-of-pocket expenses for technical direct labor, front-of-hours labor, and box office. To better capture potential revenue and to offset out-of-pocket expenses related to providing these services to users, staff is proposing the following changes:

For All Theaters

- Change "Commercial Rate, Daily" to read, "Commercial Rate, Daily + Labor, FOH, & Box Office."

For Anita Cox Farnsworth Studio Theater

- Change "\$280" to "\$350" for Non Profit Rate, Daily.
- Change "\$200" to "\$300" for Affiliate Rate, Daily, FY07-08.
- Change "\$840" to "\$900" for Affiliate Rate, Weekly, FY07-08.

For Mesa Arts Center

- Add "Film/Photo Shoot, Min. \$100."

For Facility Use – Services for Renters

- Add "Marketing, Going Rate."
- Add to Box Office, Handling Fee per ticket, "\$0 - \$7.00."
- Add to Credit Card Fees, "Going Rate."
- Add "Box Office, Administrative Service Fee, \$25 - \$250."

In the original report presented to the Board, under the Art Studios section, the first paragraph under "Chart #3," the first sentence in that paragraph has been **changed from**, "Recommendations for rental fees range from \$250 per day for Art Studios that contain little equipment (such as Multi-purpose and Drama), to \$600 for a six-hour group rate for renters of the equipment-laden Printmaking Studio (see Chart #4 below)... **to** "Recommendations for rental fees range from **\$40 per hour** for Art Studios that contain little equipment (such as Multi-purpose and Drama), **to \$100 per hour** for renters of the equipment-laden Printmaking Studio (see Chart #4 below). **In addition, renters are responsible for an additional**

supervision fee of a temporary arts instructor, currently at \$25.52/hr.”... The board felt that a fixed amount for a period of a “six-hour day” was too large a time span for rental of some studios while possibly not enough for others. It was decided a fairer way to calculate the fee was to charge by the hour.

Stageworks had an additional item under rental of the Scene Shop, which is where the sets and props are built and stored. The Board raised several issues of others using the facility that ranged from liability to skill with equipment. For now, that rental has been tabled for further research and has been taken out of the proposed fee changes.

With the suggested changes agreed upon and stated above, Peter Cook made a motion to accept the proposed fee changes to take effect in FY07-08, and Ramona Tecumseh seconded. All Board members present unanimously approved the recommended changes in fees and charges for the Mesa Arts Center.

Lennee Eller made note that management should have the authority/flexibility to negotiate on behalf of the City. Randy Vogel stated that authority and flexibility has already been approved for Mesa Arts Center management.

Discuss and Take Action – Consider approval of Fee Changes for Arizona Museum for Youth – Sunnee Spencer

Most museums charge an additional fee for special traveling exhibitions, i.e., “blockbusters,” in order to defray the increased costs in hosting them. Of the venues researched, the additional fee for “blockbuster” exhibits ranges from \$0 - \$23.00. Hosting these “blockbuster” exhibitions at the Arizona Museum for Youth will allow the Museum to maintain and increase its visibility, as well as be more competitive in the marketplace with institutions such as the Arizona Science Center and the Phoenix Art Museum. Arizona Museum for Youth is requesting approval of an additional \$2.00 admission to “blockbuster” exhibitions. The Administrator of the Museum will have the right to approve any complimentary tickets, which include those that will be requested by the sponsor of the exhibition.

Daniel Harper made a motion, Peter Cook seconded, and all Board members present unanimously approved the recommended changes in fees and charges for the Arizona Museum for Youth.

Discussion and Information – Update on Visits to the Mayor and Councilmembers – John Hohmann

John Hohmann and Peter Cook visited with Mayor Hawker. Highlights from the Mayor’s comments are:

- The defeat of the property tax was a substantial blow for Mesa as it places an undue burden on the City to operate with only sales tax, utility revenue, and state fund sharing. This also inhibits Mesa’s encouragement of industrial and service businesses. Those types of organizations consume City resources, but do not provide a source of revenue consistent with its consumption.
- The Mayor plans to place the City on stable footing by adopting budget priorities that keep staff at current levels, provide adequate Public Safety money, and maintain the infrastructure for the long haul.
- Museums and arts and cultural activities are at the lower end of the priority range. With the population growth stretching the fixed budget, arts and culture are facing a series of diminishing budgets over time unless there is some form of relief, one being a property tax and another an increase in the vitality and level of activity in the downtown area near the Mesa Arts Center.
- The Mayor is optimistic about the possibility for urban transit. Expansion of the rail line further into Mesa would be a positive move based on similar systems in other prosperous cities.
- The Mayor felt that Williams Gateway Airport, given the current circumstances, might have been better used as a giant mall site that could raise sales tax revenue.
- The Mayor commented that volunteerism is a “two-edged sword.” Although it is good to get things done and volunteers have helped to accomplish that, it appears to some observers that the property tax was not needed and they were right not to vote for it. He also commented that volunteers are fine for the short-term, but they can choose when they want to work and can walk away at any time.
- Mayor Hawker said that he thinks it would be unfortunate to elect a new Mayor in 2008 who would promise “no property tax,” but later realize how badly one is needed.
- The Mayor stated that one of the most needed activities on the part of the Board is to support a mayoral candidate who understands the problems and avoids campaign promises that rule out plans that call for only frugality. He stated that the City is potentially in danger of slipping below the level of viability and becoming another Detroit or Newark.
- His final advice, “hang in there.” The Mayor feels that the Board has advice to share with the City and Council regarding maintaining the existing arts and cultural facilities, and he has recognized that corporate groups should be welcome, as the City would look to them in terms of Quality of Life enhancements. He also encouraged the Board to do everything possible to find a stable long-term solution to financial stability.

Dr. Hohmann instructed the other Board members to make their visits, complete the report, and send a copy of the report to Daniel Harper, Education Committee, to compile and present to the full Board at the February meeting.

Staff Reports

Arizona Museum for Youth – Sunnee Spencer

- The latest "artyfacts" newsletter was distributed.
- The "Wheelie Wild Block Party" on January 20 had 478 people attending. The raffle brought in \$1,200.
- "On a Roll" exhibit closes February 16.
- A Volunteer Open House will be held, Monday, February 12, from 10 a.m. – 3 p.m. Staff is looking for a few good volunteers to help inspire children through creative play.
- "We Love Our Members" event will take place on Wednesday, February 14, from 10:30 a.m. – 3:30 p.m. The Museum will host an all-day event to honor their most cherished supporters.
- The next exhibit, "Underwater FantaSEA" opens with a private reception on Thursday, March 8, and will open to the public on Friday, March 9. This will be the beginning of the main gallery being split so there will be a smaller and larger gallery space, which will eliminate down time. Staff is looking at exhibits for the smaller gallery that would work in conjunction with the community, such as a possible exhibit on "kids at risk."
- The Museum is creating a "Family Zone." This will give families the opportunity to relax, feed their children, etc. in a comfortable environment away from the galleries.
- The Museum received \$5,100 from the House of Tricks fundraising event.
- To date, attendance in January is at 3,743 and revenue is at \$11,545.

Mesa Southwest Museum – Tom Wilson

- Attendance was down 38% for the first five months of the fiscal year primarily due to early closing (shorter hours), closing of the Sistine house, cancelling the school and scout programs last summer, and the elimination of 2nd Sundays free. As of January 16, all but one hour open to the public has been restored. January is already seeing an increase in attendance of 8% over January 2006.
- Because of the fee increase in April 2006, revenue is up slightly even though attendance is down.
- The Mesa Historical Museum's annual Home Tour in January saw over 600 people coming through the Sistine House.
- Calculating volunteer hours for the last year, 173 volunteers contributed 10,152 hours. Using the City's formula, that equals a savings of \$183,142, which is equivalent to five full time employees at the Museum.
- Students from the ASU Cronkite School of Journalism filmed a 30-minute program at the Museum, which will air on Wednesday, January 31, on channel 8.
- "Paradise Lost" opens this Friday evening, January 26, with a reception from 5:00 – 7:00 p.m. All are invited to attend.

Mesa Arts Center/Mesa Contemporary Arts – Rob Schultz

- The next "Sound in the Ground" event will be Thursday, February 1, from 9:00 p.m. – midnight. The theme is "Salsa." A special thank you to Board member Laurent Teichman whose salon, La Studio, will be doing the hair and makeup for the jewelry fashion show that evening. Three bands will be featured. Tickets are \$6 in advance or \$8 at the door.
- Mesa Contemporary Arts is hosting an opening reception, Friday, January 26, with a members' reception from 5 – 6 p.m.; artist talk by Margaret Whiting at 5:30 p.m.; and public opening from 6 – 8 p.m. Big Pete Pearson Band will be performing with hors d'oeuvres and a cash bar in the courtyard.
- Stageworks' second play of the season, "Too Many Frogs," opens Friday, February 23, and runs through March 11.
- Community Ed and Mesa Community College classes began Saturday, January 20, and run through May.
- The Volunteer Appreciation event, "Evening of Stars," has been set for April 16. Mesa Arts Center's 600 plus volunteers will be honored, and awards will be distributed at the event.
- A fund raising event via the Mesa Arts Center Foundation, with Bone Fish Grill, is set for February. Tickets are \$25, and those attending will have the opportunity to sample this new east Mesa restaurant's fare. The event will also serve as a soft opening for the restaurant, and all proceeds from the evening go to the Mesa Arts Center Foundation. Flyers with the exact date will be e-mailed soon.
- Performing Live is working on programming for the FY07-08 season.
- Staff is working on an exciting national program to present next year. Randy Vogel is hoping to be able to make the announcement next month.

Director's Report – Gerry Fathauer

Dr. Tom Wilson, Sunnee Spencer, and Gerry Fathauer met with the City Manager on January 17 regarding the Arts and Cultural Department Budget. The Arts and Cultural Department has 20 BARs (Budget Adjustment Requests) at this time. Jamie Warner, Finance Director, had several creative suggestions on how Arts and Culture might cover those BARs. Right now there is a balance of \$361,000 in the Public Art fund. Since there are no new Public Art projects, possibly that money

could be used elsewhere for other Arts and Cultural funding. Jamie Warner also shared that the Arts and Cultural Impact Fees may end in FY06-07. The Arts and Cultural Impact Fees are only imposed on residential development and used for capital projects. The Impact Fees were used for the Mesa Arts Center and for the renovation of the Arizona Museum for Youth. The current balance is between \$600,000 - \$700,000. The purpose of the Impact Fees is to keep up with the population growth. The Arts and Cultural Impact Fees are vital to the Arts and Cultural Department to continue offering programming at the Mesa Southwest Museum, Arizona Museum for Youth, and the Mesa Arts Center to the growing community. City Council has not voted on the Impact Fees yet. The Board requested that Ms. Fathauer let them know when and if a vote will take place. Mr. Brady indicated he would be open to proposals for additional monies for special "blockbuster" programming that would generate additional revenue.

Dr. Tom Wilson shared with the City Manager the distressed budget situation the Mesa Southwest Museum is facing. This year's budget has been cut to \$1,250,000 (50% from last year). Of that, \$1 million is salaries/benefits; of the remaining \$250,000, \$125,000 is utilities leaving \$125,000 for all operating costs. Compared to the budget two years ago, the Museum had \$160,000 for temporary personnel and \$120,000 for materials and supplies (total of \$280,000).

The Mesa Arts Center has entered into an agreement with the City of Mesa and the Mesa Arts Center Foundation to hire Paine Consulting. Paine Consulting will conduct a short-term study that looks at models of how other publicly owned arts facilities are operated.

A news article was featured in last week's *East Valley Tribune* regarding an audit the City conducted on the Complimentary Ticket Policy for the Mesa Arts Center. The numbers published were taken from the auditor's report of July 2006. Staff was tracking, based on our policy, all approved complimentary tickets electronically, which is standard with private/non-profit venues; however, the City is requesting hard copy backup. The numbers in the paper were comparing apples to oranges. The "118 performances" sited in the newspaper from the audit, were actually 118 events representing 531 performances. The newspaper stated that 16,000 complimentary tickets were distributed; however, they did not go on to explain that Mesa Arts Center renters (re their license agreement) used 60% of the complimentary tickets. Of the remaining 40%, half were used for marketing through radio stations, etc., one-quarter were used by the artists for personal holds, and the remaining one-quarter were used for distribution by Mesa Arts Center management to promote the Mesa Arts Center. What were reported in the audit as out of compliance included name misspellings and other such incidents. Issues/errors stated in the July 2006 audit were addressed and corrected, and Mesa Arts Center has been deemed in compliance. The Board requested that they be alerted when the audit goes before Council. Randy Vogel stated that Mesa Arts Center management takes the Complimentary Ticket Policy seriously and continues to monitor complimentary ticket distribution carefully.

Ms. Fathauer reported that candidates for the Executive Director position would be brought in for an assessment process in mid-February. An aspect of this process will include an invitation to Board members to attend a presentation/question and answer period for each candidate. Following that process, the remaining candidates will be brought back for final interviews.

There being no further business, the meeting adjourned at 5:59 p.m.

Respectfully submitted,

Gerry Fathauer, Director
Arts and Cultural Department