

## Board of Directors Meeting

Wednesday, June 14, 2023

5:30PM - 7:30PM

<https://us02web.zoom.us/j/81090269350>

**Board Attendees:** Midori, Howard Sendrovitz, Ron Claiborne, Marilyn Cohen, Mandy DeFilippo, Daniel Goldhagen, Jennifer Hanley, Yuka Hashimoto, Chris Riggs, Marc Richter, Yukari Saegusa, Elana Slobodien, Fernanda Ubatuba

**Staff:** Larisa Gelman, Thomas Cawley, Luz MacManus, Jacqueline Cannon

### Welcome and Opening Remarks: Howard Sendrovitz, Chairman of the Board

VOTE: To approve minutes of March 8, 2023 Board of Directors Meeting (attachment)

- Motion: Marc Richter
- Second Motion: Marilyn Cohen

VOTE: To appoint Mandy DeFilippo as Chair of the Audit Committee

- Motion: Marc Richter
- Second Motion: Midori

VOTE: To appoint Chris Riggs & Debra Perry as members of the Program Committee

- Motion: Marilyn Cohen
- Second Motion: Mandy DeFilippo

VOTE: Board Class of 2023

Marilyn Cohen

Alan Fischer

Midori Goto

Marc Richter

- Motion: Mandy DeFilippo
- Second Motion: Ron Claiborne

Discussion Re: Board Secretary

- Will be discussed in the future.

Discussion Re: Executive Compensation Policy

- Howard asked the Board to review the enclosed compensation policy and be prepared to vote at the next Board meeting.

### Organizational Update: Larisa Gelman, Executive Director

- Midori spoke about her new position as the Artistic Director of the Ravinia Steans Music Institute Piano and Strings program.

- Larisa gave a recap of FY23 organizational operations, sharing that the team focused on digitization and setting up our CRM. She continued that we have refined the organization by adding new donors and streamlining our programming.
- Larisa went on to share that in FY24, we look to meet the dynamic needs of the community through music, implementing a major fundraising campaign with four special events planned.
- She concluded by sharing that the new Director of Education, Jennifer Dayton, will begin full-time on Thursday, June 15<sup>th</sup>.

#### **Finance and Administration Committee Report: Marc Richter, Chair**

- FY23 YTD Actuals through 3/31/23, Projected through 6/30/23:
  - Operating Income projected to be \$126,000 less than budget, and Operating Expenses \$132,000 less than projected. Accordingly, the Corporation is expected to finish the year essentially on budget.
- Balance Sheet: Projected cash on hand at year end is significantly less than projected. We ended FY22 with \$873,000 of cash on hand and now project to end FY23 with \$383,000 because there was an unexpected delay in receiving funds from the Department of Cultural Affairs that was expected to be received in May. The funds are now expected to be deposited in July 2024.
- FY24 Budget Discussion: The proposed budget for FY24 was presented by Larisa. The proposed budget does not differ materially from FY23 in terms of overall revenue and expense. Larisa explained that major changes do exist in line items for salaries (increase) with corresponding decreases in lines for consultant services. The staff plans to put maximum effort into foundation support and special event income. For expenses, we are investing in full time staff.
- VOTE: Approve FY24 Budget:
  - Motion: Mandy DeFilippo
  - Second Motion: Daniel Goldhagen
- Bank Accounts: Marc shared that the Finance Committee had briefly discussed opening a bank account at a large bank institution such as Bank of America and Citibank. We are currently over the FDIC limit with \$550,000 distributed between two Chase accounts and minimal balances at First Republic and Wells Fargo. Members discussed FDIC limits and recommendations. The Finance Committee will review and revisit. The FinCom will also discuss options for short term investments and instruments to look at.
- 990: Marc reported that the filed 990 for FY22 noted that the Executive Committee & Board had reviewed the document, but we realized after the filing that this review did not take place. The 990 was distributed with the Board materials. Marc asked if any Members had questions or needed more time to review. Hearing none, Marc asked that we make a note in the minutes that the review took place subsequently. Members inquired about the form date on the 990, which read 2021, and Larisa replied that we would check with Lutz & Carr.
- By-Laws Review Changes: The Finance Committee formed a team to review the bylaws (Mandy, Tom, & Marc), the team then consulted with the rest of the committee and proposed the changes to the Executive Committee. The items highlighted in blue reflect the changes that the Finance Committee presented. Changes in yellow reflect changes made by the Executive Committee.

- Quorum: A provision was made to the quorum section stating that no less than 25% of the Directors in the office is needed to take action. The quorum to hold a meeting remains at 1/3 of the Directors in office.
- Filling Officer positions: the Secretary position can now be held by an employee.
- Chair: Duties of the Chair were modified and moved towards the Executive Director.
- Duties of the Chair are running the Executive Committee and the Board.
- Executive Director & CFO: Guidelines were created clarifying the authorities of the ED, Chair, Vice Chair, & CFO.
- Banking: Executive Committee chooses the depositories used by the organization and can adopt these without a Board Vote. Chair, ED, & CFO, have authority to use short term deposits to take advantage of high interest rates for 3-to-6-month periods, provided such investment is FDIC insured and M&F retains access to the funds subject to reasonable penalty. Marc questioned if the new bylaws should be amended to make FDIC a consideration and not a requirement. The Members agreed that FDIC should not be a requirement.
- VOTE: To approve By-Laws Changes
  - Motion: Mandy DeFilippo
  - Second Motion: Marilyn Cohen

#### **Development and Marketing Committee Report: Marilyn Cohen, Chair**

- FY23 Contributed Income YTD: Marilyn reported that we have raised 96% of our budget in contributed income and made a comparison to the previous year in June, when we had raised \$1.4 million, an increase of over \$300,000. She continued that in the individual category, we surpassed our expected budget of \$80,000 thanks to the 30<sup>th</sup> Anniversary Gala and added that the end of year campaign is currently running and is expected to bring in an additional \$10,000 - \$15,000. She reminded Members that M&F is still very dependent on government funds and the development team is focusing on raising foundation support in FY24.
- FY24 Special Events: Inaugural Crescendo Series: Three-part performance series taking place in FY24. Giving levels to join the Crescendo Circle are in the attached Board Package. Sponsorship opportunities are also available.
- Marilyn invited the Board to increase the bandwidth of the Marketing Committee to recruit new members.

#### **Program Committee Report: Yuka Hashimoto, Chair**

- FY23 Programs Updates:
  - Play to Learn: in 50 schools, served 1,600 students, and had 72 instruments & vocal programs.
  - Celebrate Music: in 20 schools, served over 5,400 students, engaged 8 ensembles
  - NEXTGen: served 12 students from 7 schools.
  - Journey to Japan: senior citizens learned about Ikebana, calligraphy, and ukulele
- FY24: Mental health and social isolation has been a need in our community; FY24 programming will seek to address these needs through music.

**Meeting concluded at 7:14pm.**