

CREATIVE PORTLAND^{ME}

Board of Directors Meeting

Wednesday, August 6, 2014

3:30 to 5:00 p.m.

Basement Conference Rm. 24,
Portland City Hall

AGENDA

1. Welcome & President's Comments (Kornhauser)

2. Consent Agenda (Kornhauser)

- a. Executive Director's report
- b. June minutes

ACTION: Vote on Consent Agenda

3. FY15 Budget/Financials (Hutchins)

ACTION: Vote on FY15 Budget

4. Creative Space online database demonstration (Hutchins)

5. Partnership with World Affairs Council (Honey)

6. Other business

7. Next full board meeting – October 1, 2014

Executive Director's Report: August 2014

ADMINISTRATION/FINANCIALS:

- Financial review of Creative Portland's FY14 is underway with South Portland accounting firm MacPage.
- We have updated the Creative Portland logo and the First Friday Art Walk branding. The original CP logo was one we appropriated from a former online site that CP didn't design. Grant funding provided an opportunity to make some improvements while developing a stronger mark for FFAW that we will use in some promotional materials.

FUNDRAISING: We need to form a small group to set out our annual strategy for fundraising, which will include working with a grant writer to set up a plan obtaining grants.

STRATEGIC DIRECTION/BOARD RETREAT

- We will hold a Board Retreat on Thursday September 11 from 3:00 – 6:00. Location TBD, but Genie O'Brien has graciously offered the Portland Ballet space, so we hope that will work out.
- Tim Honey, Alice Kornhauser and a community volunteer are helping organize the retreat. More details and materials will be provided for the board's consideration just after Labor Day.

CREATIVE SPACE: The Space database has been completed and is available online. We will have a formal launch in September to coincide with a 2 Degrees Portland event.

FIRST FRIDAY ART WALK:

- The closure of Congress Street for the June Art Walk was, once again, a success. The police estimated 5,000-8,000 people in attendance and were very pleased that there were no incidents. While the venues themselves were more quiet, the majority of the activity took place on the streets where there were several acts including the Circus Conservatory in Monument Square.
- Jess Lipton and I are working with the FFAW committee to explore closing Congress Street again in the winter.

PORTLAND BRANDING: I am working with Greater Portland CVB to develop a relocation guide that will be used by all of the partner agencies—the City's economic development office, the Portland Community Chamber, Portland's Downtown District, CVB and CP. We are still determining budget and a designer.

LIVEWORK PORTLAND: Site updates and improvements are ongoing.

2 DEGREES PORTLAND: Going strong. We had a successful event in July at the Portland Museum of Art. We'll have another in September.

Creative Portland
Board Meeting Minutes
June 4th, 2014
3:30 – 5:00 p.m.
Conference Room 24, City Hall

In attendance: Alice Kornhauser, Kathleen McKeen, Peter Bass, Tim Honey, Penny Harris, Zeke Callanan, Sondra Bogdonoff, Arthur Fink, Randy Ferrell, Bob Cote, Alex Jagerman, Genie O'Brien, Andy Graham

Staff in attendance: Jennifer Hutchins and Jess Lauren Lipton

Meeting called to order at 3:36 p.m.

Ms. Kornhauser welcomed the board and guests including Mayor Brennan from No on 1 and David LaCasse from Yes on 1, who will be making special presentations. She spoke about CP's founding partnership with Start Up and Create Week, elaborating that exciting things are happening in the greater Portland region in terms of economic development with an emphasis on the need for strategic growth.

Motion to accept the minutes from the last meeting: 1st: Mr. Fink. 2Nd: Ms. Bogdonoff. Unanimous.

CONSENT AGENDA (CA)

Ms. Hutchins explained that the idea behind a consent agenda is to review list announcements in advance that will leave board meeting for substantive conversations. Staff will get appropriate documents to the board on the Friday before to allow weekend review and time to come up with any questions or concerns. The goal is to use limited board time for productive conversations. If adopted, there will be a motion to accept consent agenda at the beginning of board meetings. Board members can ask clarifying questions or motion to remove something from the CA to have a full discussion around it at any time.

Mr. Callanan suggested that the board let staff know about items they are concerned about by the Tuesday before the meeting so the board can be prepared for a discussion. Ms. McKeen suggested keeping audits and financial reports out of the CA so the board will always review them at meetings.

Ms. Kornhauser does not anticipate putting financials into the CA but rather use the CA to maximize the time with the board due to the bi-monthly meeting structure. Her experience with PACA included the submission of committee reports. The goal is to have the board be clear on what is expected to be accomplished during meetings.

Ms. Hutchins stated that the financials were included in a CA in other organizations she's been, and that it was helpful to also have an ED report, statement, and narrative as well.

Ms. McKeen noted that due to the amount of activity in the financials right now that it would be helpful to go through them at this meeting.

Ms. O'Brien noted that Portland Framed has its own line item and is also included under special events between the two reports. She suggested keeping the same name between multiple reports.

Ms. McKeen motioned to take the financials out of the CA, which was seconded by Mr. Cote.

Mr. Fink noted that the impetus of the CA is to inform the board more thoroughly and for committees to fully report on what they are up to.

Mr. Cote noted that the financials could be formatted more efficiently.

Ms. Kornhauser noted that there were no objections to using a CA going forward, but will remove the financials. Mr. Cote suggested starting the CA at the next meeting.

Ms. Kornhauser also reminded the board to only email Ms. Hutchins with questions to avoid having an illegal meeting through email.

Ms. Hutchins asked for a motion accepting the report. 1st: Ms. Bogdonoff. 2nd: Mr. Cote. Passed unanimously.

FINANCES

Ms. Kornhauser asked for a motion to accept. 1st: Mr. Honey. 2nd: Ms. Harris. Discussion followed.

Mr. Honey asked if the revenue for Portland Framed was gross vs. net. Ms. Hutchins budgeted 5k net instead of 15k gross. The final numbers are not known at this time due to the continuation of the sale.

Ms. Kornhauser stated that CP is in the black for the event with CP netting about \$2500 and paying about \$5k to the creative community.

Ms. McKeen asked about expenses associated with Portland Framed. Ms. Kornhauser responded with graphic design, venue, food, printing, flowers, performers, and sound.

Mr. Cote that the budget reflects \$24k+ going into the new fiscal year. Ms. Hutchins stated that the next installment of funds from the city comes in July.

Ms. O'Brien asked about the New Guard line item. Ms. Hutchins stated that CP is the fiscal sponsor, which is a carry over from PACA. This functions as an income and an expense. CP gets a 5% administrative fee.

Mr. Fink noted his support of Portland Framed paying the creative community.

Ms. Hutchins spoke about the bottom line. CP has a projected year-end of +\$24,217. She and CP's bookkeeper are getting in all of projections for accounts receivable and payable for the year-end. She expects to end up 20k+ in the black which will go into net assets – essentially a savings account – not be carried over into an operating budget. She was very lean this year but will need to spend money to get work done. CP will have first formal independent financial review this summer.

Ms. Kornhauser took a moment to thank Ms. Hutchins publicly for getting CP to this point financially.

Mr. Fink asked how big the reserve should be. Mr. Graham offered that it should be 25% or three months of the operating budget.

The vote to accept was unanimous.

FY15 BUDGET

Mr. Bass stated that the FY15 budget is conservatively based in reality with expenses based in experience. The only major change to point out is doubling employee assistant pay from 15k to 30k.

Ms. Kornhauser asked if First Friday number is cumulative or substantially higher. Ms. Hutchins stated that this should be 5k with a bottom line of \$21,785.

Ms. Kornhauser suggested that CP send around a revised 2015 budget including a narrative from Ms. Hutchins.

Mr. Callanan asked to vote to approve with the singular change.

Motion: 1st: Mr. Graham. 2nd: Mr. Jaegerman, subject to correction made and budget put on the August consent agenda. Unanimous.

Ms. Hutchins carried over numbers from Portland Framed this year since the committee has not yet met to plan for next year.

Mr. Callanan suggested that it would be helpful to list the event as a project instead of itemizing in the budget.

MS. Kornhauser will keep a line item in the budget for 5k for some special event.

GUEST SPEAKERS

Ms. Hutchins introduced the guest speakers and outlined CP's past involvement with Referendum 1. This is meant as an information session. CP did vote in favor of the sale of Congress sq. The intention is to take no action today. The guests were invited from each side to address the board.

David LaCasse and Ashley Salisbury for Yes on 1

Mr. Callanan asked if Mr. LaCasse could read the exact language on the ballot.

Mr. LaCasse did (see back up materials from last meeting) and stated in plain language that this initiative would add a category to the land bank that includes urban open spaces and 35 parks. This would strengthen protections around potential sales of public land. It would require a 6 to 7 council vote to go to referendum. A 8 to 9 vote would not to referendum.

Ms. Salisbury stated that this protects assets and brings in new money by attracting people from out of town through rental and sales activity.

Mayor Brennan elaborated 4 points (abbreviated here) voted to sell congress sq 1) goal to bring people into downtown – have struggled with this because of draws outside city. 2) consensus that park does not work well in that part of city. Could reconfigure front part of park. 3) opportunity to transform intersection as a gateway is a win win situation. 4) economic benefit of jobs and activity downtown – if the referendum passes the process halts – the committee to redesign Congress sq. came up with RFP to redesign Congress sq. - the petition – there is nothing the city council does at this point that requires an 8-1 vote. To impose almost near unanimity is unprecedented in the state. 7-2 is closer to what issues require in the city. Chair of land bank was not consulted in development of referendum and does not support it. City corporate council concerned that events in parks would require super majority votes in city council.

Mr. Fink as the current status of the sale of Congress sq. Mayor Brennan said the city voted to enter into negotiations for a sale price but the lawsuit stopped those talks.

Mr. Graham ask why the intersection redesign is coupled with the park. Mayor Brennan responded that if the sale and redesign are off, there would need to be discussion. There is no money allocated for redesign at this point.

Mr. LaCasse asked what happens if there is no event center.

Mr. Jagerman stated that the contract was predicated on the three elements together.

Mr. LaCasse stated that the referendum allows the people to vote on any park.

PUBLIC ART COMMITTEE

Ms. Kornhauser asked for a pause in discussion to take care of an action item: nominating Ms. Harris as the CP representative to the Portland Public Art Committee. 1St: Mr. Jagerman. 2Nd: Mr. Callanan. Unanimous.

Ms. Kornhauser thanked the board and guests.

Discussion with guests continued without any actions taken.

Minutes concluded at 5 p.m.

Respectfully submitted by,

-Jess Lauren

Financial Report: August 2014

The **first column** in the document, "July FY15 YTD Budget v. Actual" shows how much has been spent since the beginning of the fiscal year on July 1, 2014. The **second column** shows the proposed budget for FY15, which has been updated since the board received a draft at the June board meeting. We will use this document to vote on the budget for this current fiscal year.

Overall, there is a planned deficit in the FY15 budget of \$12,655. This is mostly due to expenses for the Art Walk in this fiscal year that will be covered by a grant that was received last fiscal year. The balance of the grant, \$7,500, has been held to offset that amount in the bottom line. The remaining deficit (\$5,155) will be covered by a positive balance from the last year.

The executive committee has reviewed this proposed budget and approved it for the full board's consideration.

Creative Portland
Profit & Loss Budget vs. Actual FY15
July 2014

	Jul 14	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4100 · Operations (unrestricted)			
4110 · Annual Fund	100.00	9,500.00	(9,400.00)
4114 · Special Event	-	15,000.00	(15,000.00)
4115 · Arts District TIF Funding	-	100,000.00	(100,000.00)
4120 · Business Partnerships	-	10,000.00	(10,000.00)
4140 · Corporate Sponsorships	-	25,000.00	(25,000.00)
Total 4100 · Operations (unrestricted)	100.00	159,500.00	(159,400.00)
4200 · Programs (restricted)			
4050 · Fiscal Sponsorships Contributio	5,000.00		
4250 · PEDPIP Committee Match	(29.55)	21,000.00	(21,029.55)
4270 · Grants & Foundations	-	15,000.00	(15,000.00)
Total 4200 · Programs (restricted)	4,970.45	36,000.00	(31,029.55)
Total Income	5,070.45	195,500.00	(190,429.55)
Expense			
7100 · Personnel			
7101 · Executive Director	3,230.70	60,000.00	(56,769.30)
7102 · Program Assistant	840.00	18,000.00	(17,160.00)
7103 · Employee Benefits	1,110.03	16,500.00	(15,389.97)
7104 · Payroll Fee	79.90	1,200.00	(1,120.10)
7105 · Payroll Taxes	284.63	7,000.00	(6,715.37)
Total 7100 · Personnel	5,545.26	102,700.00	(97,154.74)
7500 · Professional Services			
7520 · Graphic Design	300.00	15,100.00	(14,800.00)
7530 · Legal Fees	-	70.00	(70.00)
7540 · Photography & Video	1,000.00	150.00	850.00
7545 · Project Management	-	12,000.00	(12,000.00)
7560 · Accounting	812.50	12,000.00	(11,187.50)
7570 · Technical Support	-	1,500.00	(1,500.00)
7575 · Website Editing and Bloggin	-	13,170.00	(13,170.00)
7580 · Other	-	2,000.00	(2,000.00)
Total 7500 · Professional Services	2,112.50	55,990.00	(53,877.50)
8110 · Rent			
8111 · Office Rent	200.00	7,200.00	(7,000.00)
8112 · Electricity	-	250.00	(250.00)
Total 8110 · Rent	200.00	7,450.00	(7,250.00)
8120 · Telecommunications			
8122 · Cell Phone Reimbursements	-	480.00	(480.00)

Creative Portland
Profit & Loss Budget vs. Actual FY15
July 2014

	Jul 14	Budget	\$ Over Budget
8123 · Landline	-	400.00	(400.00)
8126 · Internet	-	600.00	(600.00)
8127 · Other	-	125.00	(125.00)
Total 8120 · Telecommunications	-	1,605.00	(1,605.00)
8130 · Printing and Reproduction	-	11,850.00	(11,850.00)
8140 · Food and Venue			
8141 · Venue	-	7,200.00	(7,200.00)
8142 · Food	20.36	4,900.00	(4,879.64)
Total 8140 · Food and Venue	20.36	12,100.00	(12,079.64)
8170 · Supplies & Equipment			
8171 · Major Equipment & Furniture	-	2,500.00	(2,500.00)
8172 · Office Supplies	-	1,500.00	(1,500.00)
8170 · Supplies & Equipment - Other	-	2,700.00	(2,700.00)
Total 8170 · Supplies & Equipment	-	6,700.00	(6,700.00)
8180 · Postage and Delivery	4.76	300.00	(295.24)
8200 · Professional Development			
8210 · Staff Development	-	1,750.00	(1,750.00)
Total 8200 · Professional Development	-	1,750.00	(1,750.00)
8230 · Dues & Memberships	-	1,000.00	(1,000.00)
8235 · Board Expense	-	30.00	(30.00)
8240 · Insurance			
8241 · Workmen's Compensation	-	600.00	(600.00)
8242 · D & O	-	1,100.00	(1,100.00)
8243 · General Liability Insurance	-	2,700.00	(2,700.00)
Total 8240 · Insurance	-	4,400.00	(4,400.00)
8260 · Marketing	65.00	780.00	(715.00)
8270 · Depreciation Expense	-	500.00	(500.00)
8400 · Miscellaneous	-	1,000.00	(1,000.00)
9000 · Fiscal Sponsor			
9600 · Maine Startup and Create Week	4,750.00		
Total 9000 · Fiscal Sponsor	4,750.00		
Total Expense	12,697.88	208,155.00	(195,457.12)
Net Ordinary Income	(7,627.43)	(12,655.00)	5,027.57
Net Income	<u>(7,627.43)</u>	<u>(12,655.00)</u>	<u>5,027.57</u>

Creative Portland
Balance Sheet
As of July 31, 2014
Jul 31, 14

ASSETS

Current Assets

Checking/Savings

1010 · Creative Portland Checking 12,622.67

1015 · Petty Cash 287.43

1030 · Investment Account 1,123.46

Total Checking/Savings 14,033.56

Accounts Receivable

1100 · Accounts Receivable 17,500.00

Total Accounts Receivable 17,500.00

Other Current Assets

1300 · Security Deposit 600.00

Total Other Current Assets 600.00

Total Current Assets 32,133.56

Fixed Assets

1400 · Fixed Assets

1410 · Equipment 1,590.90

1420 · Accumulated Depreciation (883.81)

Total 1400 · Fixed Assets 707.09

Total Fixed Assets 707.09

TOTAL ASSETS 32,840.65

LIABILITIES & EQUITY

Liabilities

Current Liabilities

Other Current Liabilities

2106-01 · Accrued Earned Time 2,000.12

Total Other Current Liabilities 2,000.12

Total Current Liabilities 2,000.12

Total Liabilities 2,000.12

Equity

31000 · Unrest'd Net Assets

31100 · Unrest'd Undesignated NA 29,967.96

Total 31000 · Unrest'd Net Assets 29,967.96

32000 · Temporarily Rest'd Net Assets 8,500.00

Net Income (7,627.43)

Total Equity 30,840.53

TOTAL LIABILITIES & EQUITY 32,840.65