



Board Agenda
August 17th, 2016
3:30pm
State of Maine Room
City Hall

- 1) Welcome and Presidents Comments
- 2) Approve Minutes
- 3) Financials/Year End Balance
- 4) Review of 8/17/2016 Memo from City of Portland Associate Corporation Counsel Michael Goldman, and vote on his request to consent to his representation of the Portland Development Corporation and City of Portland in those matters given that he is also Registered Agent for Creative Portland.
- 5) 84 Free Street Update
- 6) ED Search Update
 - a) Note: Pursuant to 1 M.R.S.A. 405(6)(A), the Board may go into executive session to discuss personnel staffing matters for the employment of an Executive Director.
- 7) Cultural Plan
- 8) Governance and Board Committees
- 9) Cultural Plan

Creative Portland Meeting
June 22nd, 2016
City Hall Rm 24

Board members: Arthur Fink, Sondra Bogdonoff, Tim Honey, Pat May, Dee Dee Germaine, Greg Mitchell, Genie O'Brien, Peter Bass, Randy Ferrell, Penny Harris, David Brenerman, Patric Costin, Alex Jaegerman, Zeke Callanan

Staff: Jen Hutchins and Jess Lauren

Guests Tracy Stutzman and student; Michael Greer, and Lindsay Hutchins

Called to order at 3:33pm

Welcome and Presidents Comments

Ms. Hutchins introduced the Americans for the Arts fifth round Arts and Economic Impact survey (AEP5) that Creative Portland is participating in for 2016. An anticipated updated economic impact survey for nonprofit cultural institutions is anticipated for 2017. Creative Portland is required to submit 800 surveys for this study. In the winter CP partnered with Professor Stutzman's Cultural Tourism class. The class compiled a final report and is presented it to the board.

Ms. Bogdonoff motioned to approve the minutes from the previous meeting with a note to fix the spelling of Councilman Brenerman's name. 1st Mr. Callanan; 2nd Mr. Bass; Unanimous

Motion to approve the ED report: 1st Ms. Germaine; 2nd Mr. Ferrel; Unanimous

Motion to accept the financials: 1st Mr. Honey, 2nd Mr. Fink

Discussion: Ms. Hutchins noted that the current financials included a second line for year end projection. The important notes from a fundraising perspective, there was a major gap that was not able to be made up in grant and foundational goals. The good news is that CP is going to go over budget on corporate sponsorship goal. CP is close on partnerships and was able to meet the annual fund goal. The weakest link is grants and foundations. That gap was made up through fiscal sponsorship revenue. Current fiscal sponsorship relationships are outlined in the ED report. The final numbers will change with the year end report but CP is expected to leave FY16 with a positive fiscal year.

Mr Fink asked if CP should change the grant revenue line or try to improve outcomes?

Ms. Hutchins noted that she removed the grant line for 2017 but there is 50K line for a cultural plan with 15K coming from the city. She recommends that grants only be sought with specific projects in mind.

Motion to accept the financials passed unanimously.

Ms. Bogdonoff shared the ED job description. She apologized for not knowing the board better. She noted that the board needs to vote on a search committee. The intention is to have an ad in this week and start reviewing applicants by July 15th. The goal is to have the board vote on the next ED at the August meeting. The executive committee recommends that they serve as the search committee. The executive committee is Ms. Bogdonoff, Mr. Graham, Mr. Bass, Mr. Honey, and Ms. Kornhauser.

Motion to accept the executive committee as the search committee: 1st Ms. Germaine, 2nd Mr. Jaegerman.

Mr. Fink questioned the pace of the selection process. He suggested the board take time for self

examination.

Ms. Bogdonoff said that CP is a fluid organization and looking for someone who can steer the conversation.

Mr. Mitchell noted that the strategic planning process put forth a road map through an inclusive process so there is clarity in direction but still thinks the timeline is aggressive.

Ms. Bogdonoff stated that the search would remain open during interviews and that finalists would meet with members of the board and the city.

Vote to accept the executive committee as search committee: Unanimous

Ms. Bogdonoff updated the board on the 84 Free Street project. Creative Portland is trying to cut administrative costs. The city is taking on staff benefits packages. CP is spending 5K on rent. Eighty four Free street would provide visible street presence. The location is currently uninhabitable. Ms. Germaine is getting construction estimates and Mr. Costin is working on a floor plan. CP will need to pitch to the Economic Development Committee for a 25K loan. CP will need a no cost lease to pay the loan off. She elaborated that the executive committee sees this as an opportunity.

Mr. Costin noted that it is across the back entrance to MECA but has non functioning plumbing. There is enough space for a co-working set up and meeting space. The risk is taking out a mortgage. Keeping the loan at \$300 per month which comes out of the current rent line.

Mr. Bass agreed that it is a great opportunity and doesn't think the risk is substantial. The concern is the amount of effort to get to the completed project. Considering the time element and possible management capacity will require a continued commitment.

Motion to endorse brining the project the Economic Development Committee and GPEDC: 1st Mr. Jaegerman, 2nd Mr. Ferrell; Abstain: Mr. Brenerman and Mr. Mitchell; Unanimous.

Budget:

Ms. Hutchins noted the board has received the proposed budget with all random grant funding removed except for the cultural plan. She acknowledged city manager John Jennings and Mr. Mitchell for putting CP staff positions under the city to save money. She also acknowledged the TIF funding staying level.

Motion to approve: 1st Mr. Fink, 2nd Mr. Bass.

Mr. Callanan asked how the professional services have doubled.

Ms. Hutchins noted 50K will be spent on the cultural plan, bookkeeper, and graphic designer.

Motion passed unanimously.

Fork Food Lab

Mr. Callanan recused himself from the conversation.

Ms. Hutchins stated that prior to CP, PACA took on fiscal sponsorship. This year CP was approached by Fork Food Lab. This prompted her to ask legal questions. FFL is a private for profit business. She discovered this board should approve any new fiscal sponsorship.

Mr. Costin moved that Creative Portland enter into a fiscal sponsorship agreement with Fork Food Lab, a collaborative kitchen and tasting room located in Portland's Bayside neighborhood, to support food businesses, provided that the agreement comply with all necessary IRS requirements for fiscal sponsorship by federally-designated 501(c)3 nonprofits. (Language courtesy of Ms. Kornhauser) 2nd by Mr. Jaegerman.

Ms. Hutchins noted that CP re-grants the money to the entity and they report what the money is for.

Ms. Harris asked about time period.

Ms. Hutchins noted that FFL could pursue 501(c)3 status. CP will renew the relationship each year.
Ms. Bogdonoff expressed concern that entity would pursue the same grants as CP.
Ms Hutchins noted that there is a provision for that in the FS agreement.
Motion passes unanimously.

Creative Portland
Profit & Loss Budget vs. Actual FY15
July 2015 through June 2016

	Jul '15 - Jun 16	Budget	\$ Over Budget
Ordinary Income/Expense			
Income			
4100 · Operations (unrestricted)			
4110 · Annual Fund			
4111 · Individual	5,310.00		
4112 · Board Challenge	5,700.00		
4110 · Annual Fund - Other	-	9,000.00	(9,000.00)
Total 4110 · Annual Fund	11,010.00	9,000.00	2,010.00
4114 · Special Event	-	7,000.00	(7,000.00)
4115 · Arts District TIF Funding	100,000.00	100,000.00	-
4120 · Business Partnerships	8,000.00	15,000.00	(7,000.00)
4140 · Corporate Sponsorships	24,250.00	22,500.00	1,750.00
4150 · Fiscal Sponsor Agent Fee	18,400.65		
Total 4100 · Operations (unrestricted)	161,660.65	153,500.00	8,160.65
4200 · Programs (restricted)			
4250 · PEDPIP Committee Match	13,500.00		
4265 · Event & Project Sponsorships	6,945.24		
4270 · Grants & Foundations			
4275 · CP Grants	-	12,500.00	(12,500.00)
4280 · Other Grants	35,000.00		
Total 4270 · Grants & Foundations	35,000.00	12,500.00	22,500.00
Total 4200 · Programs (restricted)	55,445.24	12,500.00	42,945.24
4300 · Other	1,075.72		
5100 · Fiscal Sponsor Inc (restricted)			
5130 · The New Guard	5,000.00		
5140 · Maine Startup	209,910.00		
5170 · Mural Project	8,005.15		
5180 · Bluestocking Film	15,000.00		
Total 5100 · Fiscal Sponsor Inc (restricted)	237,915.15		
5300 · Interest	4.48		
Total Income	456,101.24	166,000.00	290,101.24
Expense			
7100 · Personnel			
7101 · Executive Director	60,405.22	60,000.00	405.22
7102 · Program Assistant	25,201.44	26,880.00	(1,678.56)
7103 · Employee Benefits	14,288.42	18,000.00	(3,711.58)
7104 · Payroll Fee	1,249.00	1,300.00	(51.00)
7105 · Payroll Taxes	6,054.50	5,500.00	554.50
Total 7100 · Personnel	107,198.58	111,680.00	(4,481.42)
7500 · Professional Services			
7510 · Consulting	12,300.00		
7520 · Graphic Design	5,684.82	11,000.00	(5,315.18)
7530 · Legal Fees	70.00	250.00	(180.00)
7540 · Photography & Video	150.00		
7545 · Project Management	1,000.00		
7560 · Accounting	9,700.00	10,000.00	(300.00)
7565 · Fundraising	-	500.00	(500.00)
7570 · Technical Support	-	1,000.00	(1,000.00)
7575 · Website Editing and Bloggin	720.00	5,000.00	(4,280.00)
7580 · Other	-	5,000.00	(5,000.00)
Total 7500 · Professional Services	29,624.82	32,750.00	(3,125.18)
8110 · Rent			
8111 · Office Rent	7,326.00	5,000.00	2,326.00
8112 · Electricity	363.60	300.00	63.60

This reflects the 5% fee kept from all the funds rec'd on behalf of other entities

This is the National Endowment for the Arts Grant rec'd on behalf of another entity

This is reimbursements for staff development training

Creative Portland
Profit & Loss Budget vs. Actual FY15
July 2015 through June 2016

	Jul '15 - Jun 16	Budget	\$ Over Budget
Total 8110 · Rent	7,689.60	5,300.00	2,389.60
8120 · Telecommunications			
8122 · Cell Phone Reimbursements	-	480.00	(480.00)
8123 · Landline	500.92	300.00	200.92
8124 · Software	440.78	200.00	240.78
8125 · Email	288.42	350.00	(61.58)
8126 · Internet	375.81	375.00	0.81
8127 · Website	441.77	500.00	(58.23)
Total 8120 · Telecommunications	2,047.70	2,205.00	(157.30)
8130 · Printing and Reproduction	792.94	1,000.00	(207.06)
8135 · Meetings	200.74		
8137 · Travel - airfare	386.70		
8140 · Food and Venue			
8141 · Venue	715.00		
8142 · Food	3,450.95	5,500.00	(2,049.05)
Total 8140 · Food and Venue	4,165.95	5,500.00	(1,334.05)
8170 · Supplies & Equipment			
8171 · Major Equipment & Furniture	-	500.00	(500.00)
8172 · Office Supplies	636.10	500.00	136.10
Total 8170 · Supplies & Equipment	636.10	1,000.00	(363.90)
8180 · Postage and Delivery	312.42	200.00	112.42
8200 · Professional Development			
8205 · Conferences Attended	167.37		
8210 · Staff Development	1,337.80	250.00	1,087.80
8215 · Travel	463.58		
Total 8200 · Professional Development	1,968.75	250.00	1,718.75
8230 · Dues & Memberships	1,270.00	1,000.00	270.00
8235 · Board Expense	-	50.00	(50.00)
8240 · Insurance			
8241 · Workmen's Compensation	562.75	600.00	(37.25)
8242 · D & O	1,040.00	1,100.00	(60.00)
8243 · General Liability Insurance	2,028.00	2,000.00	28.00
Total 8240 · Insurance	3,630.75	3,700.00	(69.25)
8250 · Bank Service Charges	242.82		
8260 · Marketing			
8261 · Communications	1,260.00		
8262 · Promotion	92.48		
Total 8260 · Marketing	1,352.48		
8270 · Depreciation Expense	176.81	500.00	(323.19)
8400 · Miscellaneous	314.43	500.00	(185.57)
9000 · Fiscal Sponsorship Disbursement			
9120 · Bluestocking Film Series	15,000.00		
9300 · The New Guard	5,000.00		
9600 · Maine Startup and Create Week	182,293.35		
9900 · Mural Project	8,005.15		
9910 · NEA Grant	35,000.00		
Total 9000 · Fiscal Sponsorship Disbursement	245,298.50		
Total Expense	407,310.09	165,635.00	241,675.09
Net Ordinary Income	48,791.15	365.00	48,426.15
Other Income/Expense			
Other Income			
4700 · In-Kind Donations	8,929.70		
Total Other Income	8,929.70		
Other Expense			
9950 · In-Kind Expenses	8,929.70		
Total Other Expense	8,929.70		
Net Other Income	-		
Net Income	48,791.15	365.00	48,426.15

MEMORANDUM

To: Creative Portland, Board of Directors

Cc: Danielle West-Chuhta, Corporation Counsel, City of Portland

From: Michael Goldman, Associate Corporation Counsel, City of Portland

Date: August 17, 2016

Re: Request for Creative Portland's consent to represent Portland Development Corporation in loan to Creative Portland and City of Portland in lease of 84 Free Street to Creative Portland.

In my position as Associate Corporation Counsel, I represent the City of Portland and the Portland Development Corporation. I am also the Registered Agent listed with the Office of the Secretary of State for Creative Portland. As you are aware, the Portland Development Corporation has approved a \$25,000 loan to Creative Portland. Creative Portland has also discussed with City staff the possibility of entering into a lease for City-owned property located at 84 Free Street. My representation of all three parties creates a conflict of interest under the Maine Rules of Professional Conduct, which are ethics rules that govern Maine lawyers. Because of this conflict, I am unable to represent Creative Portland in the loan or lease transactions. Further, in order for me to represent the Portland Development Corporation in the loan to Creative Portland, and in order for me to represent the City in the lease of 84 Free Street, I first need Creative Portland's Board of Directors to waive the conflict and consent to my representation of the other parties.

Creative Portland is not required to consent to my representation of the other parties, but in the event that it does, I request that it pass the following motion at its next Board meeting:

That the Board of Creative Portland consents to Michael Goldman's legal representation of the Portland Development Corporation in connection with the Portland Development Corporation's \$25,000 loan to Creative Portland and Mr. Goldman's legal representation of the City of Portland in connection with the City's lease of 84 Free Street to Creative Portland, despite Mr. Goldman's service as Creative Portland's registered agent.