

ETH Board of Managers – special meeting

February 19, 2019 6:30 pm

45 Main St Mary Hawley Room

THESE MINUTES ARE SUBJECT TO APPROVAL AT THE NEXT REGULAR MEETING

Present: Margot Hall, Herb Rosenthal (arrived 7:15), Lisa Schwartz, Jen Chaudhary, Jen Guman, Marie Smith(left 7:30 called in at 7:55 to continue by phone)

Also Present: Tom Mahoney, Sheila Torres

Ms Hall called the meeting to order at 6:33 pm

Mr Mahoney reported NMS movie night \$409 in concessions sales. Mary Poppins Returns showing on Ingersohl weekend and winter break brought in \$12,000. Star is Born is next week. One more movie after that before shut down.

3/5 Brainstorm event

3/6 closed curtain removal

3/7 and 3/8 special shows

3/9 free movie

3/10 Great Escape

3/11 shut down

Ms Guman requested the new format of reporting to continue. It has a better flow and is easier to understand. Concession sales were requested to change from PDF to excel to include unit costs and profits.

Ms Guman moved to accept the minutes from January 8th meeting. Ms Chaudhary 2nd – approved

Ms Smith moved to accept the minutes from Personnel Sub Committee of January 18th Ms Guman 2nd approved

Ms Guman reported that the permanent liquor license has been approved by the borough.

Ms Hall reported on budget presentation to the BOS. A member of the BOF and LC was also present. BOS will recommend \$125,000 plus benefits to the BOF. Next budget meeting is Feb 27th members are invited to attend. Ms Chaudhary will work with Ms Torres on business plan and process.

Members visited Ridgefield Playhouse to see the operation and confer. Met with Jeff Wallace of Northeast Live Media Sponsorship (recommended by Joe Hemingway). Mr Wallace referred members to Brett Elliott regarding sponsors with matching shows. Appointment set for Friday.

Ms Hall expressed a heartfelt thank you to Ingersohl and Claris Construction for their support, to DNR Laboratories for the laser show and Jen Rodgers for her work on the Someday Cinema.

2 bids were received for the renovations with DNR Laboratories winning the bid.

Managers Report – see attached

Discussion on selling tickets in concession booth for slower events with the use of credit cards. Need for cost analysis Ms Guman will assist Ms Torres with the analysis.

Discussion on moving some duties to Finance Department and new bookkeeper to assist with reservation calendar.

Ms Torres will ask Public Building and Site to assist with project.

Discussion on options for funding and choosing extra acts. Ms Torres stated she has been approached by entertainers wishing to perform here.

Ms Chaudhary moved to pay \$41,813.32 building bills and \$8,129.69 theater bills totaling \$49,943.01 this was 2nd by Ms Schwartz. – approved

Music Series – Ms Guman has a meeting on Friday. Sponsorships are mainly done by the calendar year so it may be difficult to obtain this year.

New Business –

Mr Rosenthal moved to employ Lauren DiMartino, 11-3 weekdays for 20 hours per week as a bookkeeper, 2nd by Ms Guman – approved.

Discussion on need for a board member to produce feasibility on some position changing (restructuring) with the current budget. Looking for financial impact on last month's recommendations. Mr Rosenthal will reread and check financials.

Fridays in March will be events. 3/15 will be Once Removed with a \$10 cover charge and cash bar (beer and wine)

Ms Guman inquired about lost revenue during shut down from advertisers. Days lost will be added to the end of the contract. Ms Chaudhary moved to honor contract as extended 2nd by Mr Rosenthal. Approved

At 8:28 Ms Schwartz moved to go into executive session to discuss rental rate for the theater and include Ms Torres Ms Guman 2nd approved.

The Board returned to public session at 8:43pm.

Motion made by Ms Chaudhary and seconded by Ms Guman that dealing with a certain theater renter option #2 be applied as discussed in executive session. Motion passed unanimously.

There being no further business, the meeting was adjourned at 8:46pm.

Respectfully submitted,

LeReine Frampton, clerk

ETH MANAGER'S REPORT – 19 Feb 2019 – Sheila Torres

Highlights/New

- I wish to acknowledge and thank **Azra Sholtes** for her assistance in training our new bookkeeper **Lauren DiMartino** and for helping us keep vital financial processes working during the transition.
- I also want to thank **Andy Clure** for his assistance with bar tending for Flagpole and training the staff on the new dinner and a movie initiative.
- Attended meetings with **Allison Stockel** (Ridgefield Playhouse) and **Joe Hemingway/Jeff Wallace** (Live Nation) Playhouse. Meetings on 1/10 and 1/15 respectively. (See Attachment A.) Will meet with Brett Elliott of The Katharine Hepburn Cultural Arts Center on Feb 22. (See Attachment B)
- DNR Laboratories received winning bid for the theater safety renovations.
- Accordion Event 2/16 brought 51 people to the Alexandria Room.
- Process Improvement Initiative: Looking at automating and streamlining as much as possible to reduce costs and simplify workload and cut costs. Have already met with Newtown Savings Bank to implement digital deposits. Will implement two machines in concession as well as credit cards. Checks for staff will all become digital, and other changes. Will work on these during March as soon as chair tags are complete.

Decisions Needed

- Dark Night Cabarets – suggestion that price be \$10
- Live Events for the Coming Year – how many, when to start booking them, budget
- Standard Bar and Bar Tender – need to establish a standard bar and to hire bar tenders
- Standard Process/Templates for concert bookings
- Permanent License – When do we get it. After March we will only have 7 licenses left for the year but 9 months left in the year.
- Theater curtain color, outside lamppost lights
- Newtown Day – July 27

In Progress

- **Alexandria Room AC Project** – A lot of work has been accomplished. We now have air and ventilation ducts in all the Alexandria Room spaces, including the kitchen, the bathrooms, the coat room and the dressing rooms. We will be able to control the temperature in the spaces we don't often use, e.g. dressing rooms. There is also an economizer on the unit so that if the outside conditions are right, the unit will mix cool outside air instead of using conditioned air. The electrician is doing the wiring now. Expect to complete project in April. Testing and balancing must be done during warm weather.
- **ADA Bathroom Project** – Next step is to have Hygienix come to sample the walls to ensure there is no asbestos. Then work with Rick Spreyer.
- **Theater Safety Project** – DNR has been measuring and will be providing us with drawings. They sent the contract on Friday and I have checked it against the bids and specs. Will be sending back a signed copy Feb 19, but DNR is already at work on drawings.
- **Elevator Shaft Storage** - Met with John Poetl to discuss storage build inside old elevator shaft and he has approved it. Working with MCR Construction to get bids. Avielle Foundation has agreed to pay for the work in exchange for use of the storage.
- **Budget** – Met with Board of Selectmen. They are recommending \$125,000. Next step will be Feb 28 with the Board of Finance.
- **Chair Tags** – Sent letter to patron regarding tagging of chairs. This project will be completed during March when the theater goes dark. I will ask Andy to create a new ad featuring the tags and maybe the customer.

- **LED Interior Lighting Project** -Tom McShane came in Feb 19 to put in a sample fixture and show Al Brennan how it's done. They also tested the lighting fixtures outside. They will be returning for the install later this month.
- **Broken Theater Seats (Orchestra Section)** - spoke with chair vendor in Indiana. He has been working with many customers who were affected by the closing of our chair vendor. He said that we need to send him one chair and he will investigate what repair parts he can source for us. He also said that he can reupholster chairs very easily, they do this daily in their business. I cannot begin this until we go dark because Avielle has sold out the March show and we need every chair in place until we get through that show.

Work Completed

- **Parking Lot Lights** have been completed. We now have lights in the lower parking lot. The two posts that had been turned off have been re-energized. Ideally there would be a third post in the very back of the lot, but Eversource no longer adds posts. Customers have to pay for that themselves. However, the lighting is much improved.

Notes Meeting with Jeffrey Wallace of Live Nation – January 2019

Present: Jennifer Guman, Jennifer Chaudhary, Margot Hall, Sheila Torres, Joe Hemigway, Jeffrey Wallace, (Live Nation)

Key Notes

Jeff looked at our space and asked a few questions, including whether we charge a ticket fee. He indicated that he would be willing to help and suggested we contact Brett Elliott, the executive director of the Katharine Hepburn Cultural Arts Center in Old Saybrook.

Pre-Notes About The Kate:

Their venue is small (249 seats), but it was completely renovated around 2009. They put on 216 shows last year.

They put on many concerts and they also do film and children's programming. Some of the people who have played there have also played here.

They rent their space. They are more similar to us in budget. Their chief executive earns \$65,000. They have additional staff responsible for development, marketing, box office, etc.

Their Board is much larger than ours.

Financial Picture (based on S. Torres online research)

Total Revenue **\$1,348,563 (2016)**

Total Functional Expenses	\$1,337,605
Net income	\$10,958

Notable sources of revenue	Percent of total revenue
Contributions	\$352,35526.1%
Program services	\$939,18969.6%
Investment income	\$6250.0%
Bond proceeds	\$0
Royalties	\$0
Rental property income	\$0
Net fundraising	-\$160
Sales of assets	\$0
Net inventory sales	\$23,0301.7%
Other revenue	\$0

Notable expenses	Percent of total expenses
Executive compensation	\$65,0004.9%
Professional fundraising fees	\$0
Other salaries and wages	\$271,66120.3%

Other

Total Assets	\$1,253,025
Total Liabilities	\$205,127
Net Assets	\$1,047,898

Total Revenue \$1,114,764 (2015)

Total Functional Expenses	\$1,182,748
Net income	-\$67,984

Notable sources of revenue	Percent of total revenue
Contributions	\$295,20026.5%
Program services	\$743,31966.7%
Investment income	\$5340.0%
Bond proceeds	\$0
Royalties	\$0
Rental property income	\$0
Net fundraising	\$15,0181.3%
Sales of assets	\$0
Net inventory sales	\$29,5862.7%
Other revenue	\$0

Notable expenses	Percent of total expenses
Executive compensation	\$92,0037.8%
Professional fundraising fees	\$0
Other salaries and wages	\$187,64115.9%

Other

Total Assets	\$1,218,910
Total Liabilities	\$181,970
Net Assets	\$1,036,940

Total Revenue \$1,192,454 (2014)

Total Functional Expenses	\$1,164,178
Net income	\$28,276

Notable sources of revenue	Percent of total revenue
Contributions	\$320,52726.9%
Program services	\$753,75663.2%
Investment income	\$6470.1%
Bond proceeds	\$0

Royalties	\$0
Rental property income	\$0
Net fundraising	\$56,1264.7%
Sales of assets	\$0
Net inventory sales	\$37,8963.2%
Other revenue	\$0

Notable expenses	Percent of total expenses
Executive compensation	\$110,5009.5%
Professional fundraising fees	\$0
Other salaries and wages	\$181,29415.6%

Other	
Total Assets	\$1,305,198
Total Liabilities	\$200,274
Net Assets	\$1,104,924

Staff (from web site)

- Executive Director, Brett Elliottbrett.elliott@thekate.org
- Box Office Manager, Michael Gattamichael.gatta@thekate.org
- Business Manager, Nancy Noyesnancy.noyes@thekate.org
- Director of Development & Community Relations, Robin Andreolirobin.andreoli@thekate.org
- Development Associate, Ruth Yakaitisruth.yakaitis@thekate.org
- Volunteer Coordinator, Shirley Colquhounshirley.colquhoun@thekate.org
- Production Coordinator, Matthew Malematthew.male@thekate.org

Questions for Brett Elliott:

- How do you book your acts and who books them for you? How are they paid?
- Is all your staff paid staff?
- Are you closed Mondays?
- How do you manage your technical staff for sound, lighting, projection, etc?
- What type of arrangements do you have with the Children's Theater?
- Are you closed on Mondays? What are your operating hours/days?
- How often do you use film and when, why and how do you do it.

Notes from Visit to Ridgefield Playhouse – January 2019

Present: Jennifer Guman, Jennifer Chaudhary, Margot Hall, Sheila Torres, Allison Stockel, Executive Director

Business/Finances/Results

In 2017, their budget was \$6 million. Their net revenue was a little less than 300K, which was down from the previous year. Annual fundraising about 300K. (Turn page for information on previous years.) Executive Comp: \$0; Annual Payroll: About \$600K

They had 270 live shows last year. Many shows are in the \$40K to \$70K range, which is why the tickets are so high, so they can pay for the talent but the price of the talent continues to rise.

When they started, 80% of audience was Ridgefield and 20% outside town. Now it's the opposite. Definitely drive economic activity to the town.

Much of their sponsorship and financial support is also in kind, e.g, printing of the programs, hotels and restaurant meals for their talent, etc.

Stated that they would not make any money if were not for the sponsorships, etc.

Director believes some of their success is due to having 18 years of experience and there was not as much competition when they started.

Staffing

Their marketing and development staff is critical.

They pay a grant writer hourly to do their grants.

Challenges

The town is trying to add amenities/activities that compete, e.g, a band shell, programs at the library, etc.

There is a lot more competition doing this sort of stuff now not only in Fairfield County but also White Plains, etc. and this is eating into their market.

Suggestions/Key Takeaways

Offered to connect ETH with a booker who can recommend acts that would fit our venue, and budget. She gave the contact information to Board Member Jen Guman.

Suggested that we rent the theater as a less risky way to make money.

See Next Page for Additional Revenue Statements

2016 Total Revenue

\$5,973,186

Total Functional Expenses \$5,592,910
Net income \$380,276

Notable sources of revenue	Percent of total revenue
Contributions	\$843,947 14.1%
Program services	\$4,797,391 80.3%
Investment income	\$1,440 0.0%
Bond proceeds	\$0
Royalties	\$0
Rental property income	\$0
Net fundraising	\$330,408 5.5%
Sales of assets	\$0
Net inventory sales	\$0
Other revenue	\$0

Notable expenses	Percent of total expenses
Executive compensation	\$0
Professional fundraising fees	\$0
Other salaries and wages	\$648,779 11.6%

Other
Total Assets \$3,856,850
Total Liabilities \$947,462
Net Assets \$2,909,388

2015 Total Revenue

\$5,146,382

Total Functional Expenses \$5,025,374
Net income \$121,008

Notable sources of revenue	Percent of total revenue
Contributions	\$614,494 11.9%
Program services	\$4,279,177 83.1%
Investment income	\$1,065 0.0%
Bond proceeds	\$0
Royalties	\$0
Rental property income	\$0
Net fundraising	\$251,646 4.9%
Sales of assets	\$0
Net inventory sales	\$0
Other revenue	\$0

Notable expenses	Percent of total expenses
Executive compensation	\$0
Professional fundraising fees	\$0
Other salaries and wages	\$585,182 11.6%

Other