

PITTSBURGH BALLET THEATRE

Meeting of the Board of Directors
Tuesday, September 15, 2020
12:00 - 1:00 p.m.
Via Zoom

Meeting Minutes

Board of Directors in Attendance: Senator Camera Bartolotta, Rich Beaty, Steffie Bozic, Connie Cesario, Barbara Cottrell, Jim Crockard, Susan Cruz, Mary Finger, Mary McKinney Flaherty, Dawn Fleischner, Celia Gerard, Douglas Kreps, Dena LaMar, Michael LaRocco, Peggy McKnight, LeRoy Metz, Kathleen Miclot, Melonie Nance, Sandra Nicholas, Shelley Taylor, Ayana Teter, Betsy Teti, Becky Torbin, David Tuthill, Winthrop Watson

Board of Directors Not in Attendance: Philip Barr, Ed Beachler, Geoffrey Bond, Beth Brown, Kara Brown Davis, Carolyn Byham, Jay Costa, Debra Dermody, Freddie Fu, David Hall, Dona Hotopp, Natalie Mihalek, Richard Rauh, Guy Reschenthaler, Lisa Saperstein, Stephanie Sciullo, Vincent Silvaggio, Hilary Tyson, Joseph Vincent, Vonda Wright

PBT Team Members in Attendance: Lauren Carlini, Katie Drozynski, Curtis Dunn, Harris Ferris, Kati Gigler, Margie Grundvig, Susan Jaffe, Dennis Marshall, Kelly Perkovich, Katie Potts, Aaron Rinsema, Jay Romano, Christy Rowing

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Call to Order, Welcome, Approval of June 9, 2020 Minutes -

Mary McKinney Flaherty welcomed the Board to the first meeting of the 2020-21 season, and thanked the entire PBT team who were hard at work ensuring that all of the things the Board will hear today could happen and will continue to happen. Ms. McKinney Flaherty quickly summarized the agenda before approving the minutes from June 9, 2020.

Mary McKinney Flaherty briefly introduced PBT's mobile performing arts venue, the SAM450, which Harris Ferris and Susan Jaffe will both discuss in their reports. Ms. McKinney Flaherty also provided some brief background on PBT's Equity Project Transformation Team. Dr. Kati Gigler will later be giving a report on the Education and Community Engagement Department, as well as PBT's Equity Project Transformation Team. In 2018, PBT joined a collaboration, known as The Equity Project, with 21 national ballet companies, The Equity Project was founded by Dance/USA, The International Association of Blacks in Dance (IABD) and Dance Theatre of Harlem to increase equity in ballet and in particular to increase the presence of Black dancers in ballet. The formal work of PBT's partnership with The Equity Project concluded this year but the team remains active and will continue the work of The Equity Project.

Approval of June 9, 2020 Board of Directors Meeting Minutes

Kathleen Miclot made the motion, second by Winthrop Watson to approve the June 9, 2020 Board of Directors meeting minutes. Passed.

Artistic Director Report -

Susan Jaffe gave the Artistic Director report.

Susan Jaffe thanked the entire PBT team, including the School and the Board for all the hard work put into bringing the Company and School back under safe conditions. Company members were initially hesitant about coming back to the studios, but after reviewing safety protocols that were also approved by AGMA, they now feel comfortable and safe in the building. Ms. Jaffe briefly discussed the wellbeing of the dancers in tandem with PBT's Equity Project Transformation Team. An artistic policy was created that will allow female dancers of color in the Company to wear tights and shoes that match their skin tone if they so choose during rehearsals and performances. PBT also began providing massage services to the Company, which will help with injury prevention. Ms. Jaffe thanked the Board for their support for *Midsummer Night's Dream* that aired in August. PBT is so fortunate to have the mobile performing arts venue or the SAM450 for outdoor performances. This past weekend, PBT held eight outdoor performances, as part of the Open Air Series on the SAM450 at PBT's headquarters at 2900 Liberty Avenue. COVID-19 safety protocols were put in place to ensure the safety of the audience, PBT team members and Company members. Harris Ferris shared photos and a brief clip from the Open Air performances. As for upcoming productions, PBT had an exciting meeting with The Carnegie Museum in regards to *Dracula* and performing at The Carnegie Museum on October 31. PBT will also produce a virtual *Nutcracker*. The

production locations include Hartwood Acres mansion and Point Park University's theater. *The Nutcracker* choreography will be Terrence S. Orr's.

Executive Director Report -

Harris Ferris gave the Executive Director report.

Harris Ferris shared a slideshow of photos of the SAM450 arriving at PBT, as well as the set up. In addition to eight performances by PBT, the PSO and Pittsburgh Opera performed on it Sunday evening. The CLO and August Wilson African American Cultural Center also performed during the Open Air Series. Mr. Ferris acknowledged funding totaling \$600,000 to date, including RK Mellon Foundation, Edith Trees Charitable Trust and The Jack Buncher Foundation. An additional \$200,000 is anticipated through proposals currently under review. PBT was able to purchase the SAM450 for \$700,000 thanks to a \$100,000 in-kind donation from Stage Line.

Education and Community Engagement Report -

Dr. Kati Gigler gave the Education and Community Engagement report.

Kati Gigler recognized her team members Kerra Alexander, Lisa Auel and Lindsey Kaine for their leadership on much of these projects. For the upcoming fall semester the majority of programming will remain virtual, due to most of the program sites remaining virtual. PBT has virtual Creative Movement programming lined up with Pittsburgh Public Schools. The department is able to continue to offer virtual accessibility programs, including Dance for Parkinson's and Adaptive Dance. In regards to audience education programming, PBT was able to offer two fantastic programs this past week as part of the Open Air Series. These programs remain on PBT's website (www.pbt.org) under "Learn and Engage" and "PBT Connects". The first program is a conversation between Susan Jaffe, Lisa Auel and four Company members about their experiences with the Open Air Series. The second program is a conversation between Susan Jaffe, Lisa Auel and Dwight Rhoden to discuss PBT's rich history with Rhoden's works, as well as the challenges and opportunities of virtual collaboration. Through the Education Department, PBT was able to provide audio descriptions in real time during the Open Air performances. Over thirty patrons used the audio descriptions, which shows the accessibility reach of the series. Normally only one or two patrons will use audio descriptions during performances in the theater. Dr. Gigler discussed PBT's Community Youth Scholarships (CYS) program. Due to COVID-19, in person scholarship auditions were not held. Instead, an application process was implemented, and PBT accepted five new students. The balance of the program remains at \$225K and PBT expects to draw down \$61K this fiscal year. This year twenty-eight students are receiving scholarships and the students range from Pre-ballet to Level 6. Level 6 is the first year of PBT's Pre-professional program and the first time a CYS student has been in the Pre-pro level, which is really exciting and shows the success of the program and PBT's talented dancers. Dr. Gigler further discussed the impact COVID-19 has had on the program and families. Of the four students that had to withdraw from the program

this year, three students withdrew due to complications from COVID-19. Because late spring and summer programs were held virtually through Zoom, PBT used some of the scholarship money to provide barres and marley floors to advanced students to enable them to continue dancing from home, which will continue into the fall. Many students have selected to continue virtually in the fall, due to transportation, protocols around building access and so on. PBT will pay extra attention to the wellbeing and mental health of CYS students returning given the extra layers of difficulty they are facing in their training this year. PBT will also provide I pads to two CYS families to enable students to continue training.

Equity Project Transformation Team Report -

Dr. Kati Gigler provided an Equity Project Transformation Team report.

Dr. Gigler thanked Mary McKinney Flaherty for the introduction at the top of the meeting. PBT's Equity Project Transformation Team formed as a PBT specific initiative of the larger Equity Project national cohort. The team includes all facets of the organization, including administrative team members, Company members, School faculty, Board members and community stakeholders. The work of the team is centered around IDEA or inclusion, diversity, equity and accessibility goals. Historically, those projects have been included under arts education reports to the Board; however, PBT leadership recognizes the importance of intentionality and clear communication around the work in these areas. PBT recognizes this work will be and must be done organization-wide. As an accountability measure, PBT will now report this essential work at every Board meeting.

As a deliverable for the national Equity Project, the Transformation Team designed and wrote an IDEA specific strategic plan, which ties into PBT's organizational strategic plan. Dr. Gigler highlighted some of the team's work, which shows how interwoven this work is to the greater work at PBT. A key example is the allotment of fiscal resources via initiatives. To that end, objectives from IDEA goals will be worked into department budgets moving forward. Another key example is gaining top-down buy in, which has already been seen in scheduling rehearsal adjustments to make sure Company members can attend team meetings, as well as organizational days of training. PBT is committed to providing two full days of training each fiscal year for all team members to participate in and further education around IDEA topics. Furthermore, this includes policy changes around Company and School leadership level, as Susan Jaffe mentioned, PBT changed the policy in regards to shoes and tights skin-tone required for members in the Company and students in the School. PBT is also thinking consciously about the language the organization uses. An example of that, which Susan Jaffe implemented right away, was the change in Marianna Tcherkassky and Steven Annegarn's titles from Ballet Mistress and Ballet Master to Répétiteur. The team also continues to improve organizational culture through education. The team created anti-racism resources for all team members to access, continues to hold coffee chats on IDEA topics and team learn outs after national events and national conferences. Additionally, in regards to PBT students, PBT was

able to provide three anti-racism training to all Jr. Intensive and ISP students during summer programming.

August 31, 2020 Financials and Cashflow Report -

Rich Beaty and Jay Romano gave the August 31, 2020 Financials and Cash Flow report.

Rich Beaty stated that the Board approved the budget in June with a \$795K deficit. Executive leadership and the Board ran through several budget scenarios over the summer; scenarios range from normal operations to canceling everything in the 2020-21 season. Right now, PBT has canceled fall productions, including *The Nutcracker* and *Balanchine & Tchaikovsky*. PBT received a little over \$1 MM in Payment Protection Payroll money, which really helped PBT's current cash position. The PPP money temporarily offset PBT's structural deficit but the biggest risk for PBT will come next spring.

Jay Romano walked through changes made in the revised budget, which is the budget being presented today. A \$302,000 savings from canceling the *Balanchine* production was offset by also canceling *The Nutcracker's* which was budgeted to net \$299K. On the expense side, the dancer's contracted weeks were reduced from thirty-eight to thirty-three weeks. Additionally, all full-time staff at PBT took a four week furlough in July. These two items saved PBT approximately \$185K. The PPP money is now listed under government funding in the budget. Mr. Romano is currently working with PNC to convert the PPP dollars from a loan to a grant. Mr. Romano referenced the budget tracker showing the line adjustments that brought PBT from June's reported \$795K deficit of a \$2,000 surplus. Rich Beaty stated PBT has looked into cost cutting measures that PBT can employ in the future if need be and where PBT can get additional sources of liquidity. Mr. Beaty stated increasing PBT's line of credit would be the easiest way if needed. PBT has the Byham House to leverage as an asset, as well as the 2900 Liberty Avenue building. Mr. Beaty stated PBT is doing all they can to make sure the organization has sufficient liquidity for this season and going into the next season.

Dawn Fleischner inquired about the \$150K of long-term debt and what the source was. Jay Romano stated it is the small business loan PBT received in June. It is a thirty year loan with a low interest rate, but the loan is not forgivable like PPP.

Approval of Revised 2020-21 Annual Budget

Susan Cruz made the motion, second by Douglas Kreps to approve the revised 2020-21 annual budget. Passed.

PBT School Report -

Ayana Teter and Margie Grundvig gave a report on PBT School.

PBT School created a School reopening taskforce that met frequently throughout June, July and August. The taskforce included input from several Board members as well as PBT team

members. The goal of the reopening task force was to be able to offer in-person and virtual classes in the fall in a safe manner. This is PBT School's second week holding all virtual classes. Next week the School will begin a hybrid training program with Pre-professionals returning for in-person training. The following week the Student and Children's Division will return for in-person training. PBT implemented several safety measures including temperature checks, social distancing in and out of the building, a health check app, distancing during class and enhanced cleaning procedures. There will be a forty-five minute break between classes to allow for air turnover and barre and floor cleaning. Students from age five through the graduate program all have in studio training options available for them. PBT found that most School families want in person training but PBT also wants to accommodate family structures that prefer virtual training. PBT did not open Byham House this fall for safety concerns. The School helped several Byham House students find alternative housing.

Fundraising Events and Appeals -

Betsy Teti, Christy Rowing and Harris Ferris gave an update on fundraising and appeals.

Betsy Teti thanked the development team for their hard work during this challenging time. She also thanked the Board for their support, leadership and funding to get PBT through this year. Development is taking on an oversized role this year given the decline in earned revenue from ticket sales and tuition. The overall fundraising goal is \$7.2 MM this year is critical to successfully launch Susan Jaffe's inaugural season, provide ongoing opportunities for programming and the School, as well as meet all the new challenges of this year. On behalf of Mary McKinney Flaherty, Peggy McKnight and myself, we cannot thank the Board members who joined us in the Keep Us Dancing appeal enough. This one appeal raised an incredible \$163K against a very ambitious \$275K goal. The Keep Us Dancing appeal helped support *Midsummer Night's Dream*, Open Air and will help PBT provide experiences and performances in new and exciting venues. PBT will of course continue to move forward with the Live Music Appeal, the Community Youth Scholarship Fund, some exciting performance sponsorship opportunities, and of course PBT's annual fund.

Harris Ferris shared two fundraising charts that were provided to the Board. The first depicts PBT FY20-21 fundraising in terms of goal vs. received under government, foundation, individual, endowment, live music appeal, corporate and Board support. PBT currently stands at 55% of the overall \$7.2 MM fundraising goal, with \$3.7 MM raised. Board members will notice government funding has been a bit larger this year than it has in the past, and PBT's overall fundraising goal is \$2 MM more than it was last year. The second chart broke out contributions and grants by uses and sources. Harris Ferris announced PBT just learned this morning that PBT received a \$336K Cultural Museums and Preservation grant and extended thanks to Pennsylvania state legislators on the PBT Board: Representative Frank Dermody, Senator Jay Costa, Senator Camera Bartolotta and Representative Natalie Mihalek.

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Christy Rowing thanked Board members for joining PBT at the Open Air Series this past weekend. PBT's Keep Us Dancing appeal will help move PBT forward and encapsulate the different types of performances and offerings PBT produces via virtual Nutcracker or Dracula from the Carnegie Museums. What we move forward with in the spring is still to be determined. Keep Us Dancing gifts will be cumulative and acknowledged throughout the season, so for those of you who donated to *Midsummer Night's Dream* you have also received acknowledgements through Open Air and beyond. As Dr. Kati Gigler discussed earlier, the Community Youth Scholarship fund stands at about \$225K. PBT's goal is to increase that, in order to get Dr. Gigler's program at a steady state of \$170K. PBT is a few years away from that but the organization certainly does not want to lose ground, especially after last year's tremendous success in raising CYS funds at Pointe in Time Gala led by Kathleen Miclot and Hal Waldman. PBT's Pointe in Time Gala for this fiscal year is in the process of being reimaged for spring or early summer of 2021. A number of ideas are being discussed, which PBT has begun to vet, such as potentially developing a fundraiser that is an Open Air style event. PBT will be reaching out to the Board for ideas, participation and commitment.

Closing Remarks -

Mary McKinney Flaherty echoed thanks to PBT's Board, as well as current legislators represented on PBT's Board. Ms. McKinney Flaherty reminded Board members that if you can get Board commitments in sooner this year that will be extraordinarily helpful with respect to predictability on PBT's cash position. If you are considering any gifts of any size to any of PBT's programs, gifts of appreciated stock are always welcome. Thank you for your help to keep us dancing. Mary McKinney Flaherty, as well as the Board officers and executive PBT leadership are always happy to answer any questions you may have as a follow-up to today's meeting.

Adjournment -

Dawn Fleischner made the motion, second by Rich Beaty to adjourn the meeting. Passed.

The meeting adjourned at 1:07 p.m.

Submitted by, Harris Ferris

Approved by, Betsy Teti