

# PITTSBURGH BALLET THEATRE

Meeting of the Board of Directors

Tuesday, December 15, 2020

12:00 - 1:30 p.m.

Via Zoom

## Meeting Minutes

Board of Directors in Attendance: Phil Barr, Camera Bartolotta, Rich Beaty, Geoffrey Bond, Steffie Bozic, Beth Brown, Kara Brown Davis, Barbara Cottrell, Jim Crockard, Susan Cruz, Dawn Fleischner, Celia Gerard, Dona Hotopp, Doug Kreps, Dena LaMar, Michael LaRocco, Mary McKinney Flaherty, LeRoy Metz, Kathleen Miclot, Melonie Nance, Sandra Nicholas, Sarah Pietragallo, Shelley Taylor, Ayana Teter, Becky Torbin, David Tuthill, Winthrop Watson

Board of Directors Not in Attendance: Edwin Beachler, Carolyn Byham, Connie Cesario, Jay Costa, Debra Dermody, Mary Finger, Freddie Fu, David Hall, Peggy McKnight, Natalie Mihalek, Richard Rauh, Guy Reschenthaler, Lisa Saperstein, Stephanie Sciallo, Vincent Silvaggio, Betsy Teti, Hilary Tyson, Joseph Vincent, Vonda Wright

PBT Leadership in Attendance: Janet Campbell, Kelly Englert, Aziza El Feil, Harris Ferris, Kati Gigler, Margie Grundvig, Susan Jaffe, Elizabeth Mick, Katie Potts, Aaron Rinsema, Jay Romano, Christy Rowing, Erin Starzynski, Tanaz Walendziewicz

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Call to Order, Welcome, Approval of October 20, 2020 Minutes -  
Mary McKinney Flaherty called the meeting to order at 12:04 p.m.

Approval of October 20, 2020 Board of Directors Meeting Minutes

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Dona Hotopp made the motion, second by David Tuthill to approve the October 20, 2020 Board of Directors meeting minutes. Passed.

## Governance Report -

Kathleen Miclot and Melonie Nance provided a Governance Committee report.

Kathleen Miclot and Melonie Nance introduced Sarah Pietragallo, whose bio was distributed to the Board. Ms. Pietragallo met with Mary McKinney Flaherty and Melonie Nance in October and met with the full Governance Committee in December. The Governance Committee approved her nomination for full Board approval today.

Sarah Pietragallo is a dedicated PBT School parent, PBT advocate and former dancer. She is excited to become more involved with PBT, and PBT is thrilled to have her join the Board.

## Approval of Sarah Pietragallo to Pittsburgh Ballet Theatre's Board of Directors

Kathleen Miclot made the motion, second by Dawn Fleischner to approve Sarah Pietragallo to Pittsburgh Ballet Theatre's Board of Directors. Passed.

## PBT School Report -

Ayana Teter, Aaron Rinsema and Margie Grundvig provided an update on PBT School.

Due to the rapidly changing COVID-19 climate right before Thanksgiving, PBT School made the decision to transition back to fully virtual following the School's Thanksgiving break through December. Margie Grundvig discussed current and upcoming School programming. This past week and this upcoming weekend the School held a virtual *Nutcracker* workshop for the Children's Division. In addition to video auditions for ISP (intensive summer program) 2021, PBTS will conduct live virtual auditions via Zoom in January and February. PBTS has increased virtual seminar opportunities for the students, including seminars on nutrition, health, wellness and thriving as a whole dancer. The School breaks for two weeks on December 18. The School will remain virtual the first week of January and begin to transition back to the studio on January 11 unless COVID-19 restrictions change. Beginning in January, the School will implement music courses in Level 4 through the Graduate Program.

The Children's Division gained a few new student enrollments but there has been a few withdraws from PBT's Pro-professional Division, causing a net negative variance reflected on the finance report. The School continues to seek ways to increase programming and workshops in the New Year.

## November 30, 2020 Financials and Cashflow Report -

Rich Beaty and Jay Romano provided a report on the November 30, 2020 financials and cashflow.

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As a reminder, PBT's Board passed the 20-21 annual budget back in June with a \$795K deficit, due to COVID-19 reflected in the budget. PBT and the Board are now working on "Scenario G", which is reflected in the finance report distributed for today. Scenario G reflects canceling scheduled productions at the Benedum and August Wilson African American Cultural Center through 2020-21. Rich Beaty provided a quick update on PBT's PPP loan, which PNC has put into their portal for forgiveness. Regarding PBT's increase to the line of credit, Mr. Beaty and Mr. Romano had a meeting with PNC a few weeks ago. PBT's current line of credit is \$1 million and initially discussed increasing it to \$2 million. PNC asked PBT to get an appraisal on Byham House, which came in around \$800K. PNC decided to increase PBT's line of credit to \$1.5 million without taking on the mortgage of Byham House, so that asset is still unencumbered.

Jay Romano walked through the November 30 Finance and Cash flow report that was distributed to the Board prior to the meeting. The report includes the statement of activities, statement of financial position, statement of cash flow and the budget tracker report. Mr. Romano announced PBT recently received \$40K of a large \$200K pledge from Giant Eagle for a new *Nutcracker* that PBT hopes to build in the future. PBT's Endowment now stands at \$9.4 million and has increased \$700K since November. As of this morning, the \$600 reflected on the line of credit from operations has been paid down. PBT received \$500K vs. budgeted \$350K from RK Mellon Foundation for COVID-19. PBT also received \$100K from Benedum Foundation. These funds were used to pay down PBT's line of credit.

Under the statement of activities, an incurred direct production cost of \$121,500 even though the 20-21 season has been canceled but these are costs that were pushed forward from last fiscal year. As opposed to continuing to push those expenses forward, PBT will recognize those costs this year. All other production costs for this year (*Midsummer Night's Dream*, *Dracula's Kiss*, *Open Air*) are all listed under touring to keep them separate. Moving forward, cash remains something PBT will continue to monitor, as it is critical in a normal year and even more crucial this year. The last page of the report is the budget tracker, which reflects changes that occurred within the last 30 days. When the financial report was presented to the Board in October, PBT projected an end of year shortfall around \$52K, which has now come down to \$15,500. PBT is confident that the organization will see substantial savings from overhead costs between now and the end of the fiscal year.

Harris Ferris pointed out that the \$700K reflected under contingency/bad debt is actually the purchase of the mobile stage. It is to offset the \$700K that was raised this fiscal year for the mobile stage to keep things in line so PBT does not have to show a \$700K surplus. It is a purchase that will be capitalized over the next 25 years.

## Equity Project Transformation Team Report -

Kati Gigler gave a report on the Equity Project Transformation Team.

As reported at the last Board meeting, the Equity Project Transformation Team established five subcommittees. These subcommittees have all met and prioritized action items for the coming year. Regarding the School subcommittee, two Pre-professional students have joined the subcommittee, making it the first time any student(s) have had a role on an administrative committee. The team thought this was an important step in conducting IDEA work with the School.

Kati Gigler discussed ongoing community learning, which is detailed in the written report distribution prior to today's meeting. Kati Gigler announced with funding from the Arts Equity and Education fund, PBT will work with Theresa Ruth Howard across all facets of the organization to continue IDEA training. Theresa Ruth Howard created MoBBallet, is a former dancer, served as a consultant for The Equity Project and is overall a leader in this field. Kati Gigler thanked AE&E for funding this important opportunity to further continue IDEA training.

## Artistic Director Report -

Susan Jaffe gave the artistic director report.

Susan Jaffe discussed PBT's mission, to be Pittsburgh's source and ambassador for extraordinary ballet experiences that give life to the classical tradition, nurture new ideas and, above all, inspire, and how it is the driving force behind PBT.

Susan Jaffe created and shared with the Board a video highlighting the Company's successful performances over the last 9 months. The video is to thank you to the entire PBT team and Board for continuing to make PBT's mission possible.

The Company will come back for a few weeks in January for performance evaluations and to film the pieces from September's inaugural Open Air performance. Simultaneously Ms. Jaffe will choreograph *Bolero* for the Company to hopefully perform at the Carnegie Museum of Art in February. The Company will then return again in March to begin preparing for May's Open Air Series. Ms. Jaffe provided some insight into PBT's 21-22 season, which will celebrate female choreographers. Susan Jaffe encouraged everyone to watch the premier of *Fireside Nutcracker* this Thursday, Dec. 17 at 7 p.m.

## Executive Director Report -

Harris Ferris gave the executive director report.

Harris Ferris stated PBT's principal focus has been how to capitalize projects in ways that PBT can meet our high artistic standards, while offering opportunities that generate new revenue. Mr. Ferris stated PBT has learned a lot and continues to brainstorm inspiring programming but also fundraising strategies around programming. PBT is very thankful to have stable fundraising sources that PBT has received year after year, as well as great corporate relationships to maintain and strong annual fund and Board support. However, there are also some significant

gaps, as PBT has lost a good portion of earned revenue and revenue from PBT's annual fundraising event, Pointe in Time, which was canceled but would have been held in November 2020. PBT has been successful with the Keep Us Dancing appeal, which is a \$685K goal with budget lines related to programming and Pointe in Time gala net. The net revenue for the gala is approximately \$310K with another \$25K generated for scholarships. With approximately 70 gifts thus far from donors and corporations, PBT is at 41% of the goal. One major success of the Keep Us Dancing appeal is *Fireside Nutcracker*. PBT right now has 18,000 unique registrations and 58,000 people total registered to view Fireside Nutcracker. In addition to the \$87K in sponsorships, PBT received 246 online donations totaling \$13,000. PBT has raised a total of \$100K for *Fireside Nutcracker* against an original goal of \$75K. Moving forward, PBT continues to plan for the Open Air Series in May at Flagstaff Hill with a possible event at Phipps Conservatory. PBT will collaborate with other organizations for performance slots on the mobile stage, and of course PBT School will perform during that time as well. There are approximately 120 slots that will be offered to other groups during the month of May. Other members of the Cultural Trust, including the PSO and Opera will be performing as well.

## Breakout Groups -

The Board dispersed into five groups led by Christy Rowing and the development team to discuss and brainstorm ideas to fill the \$350K Pointe in Time net revenue gap. PBT would like to use this time to draw on the experience and expertise of the Board to think of creative and innovative ways to fundraise while continuing to fulfill PBT's mission.

After twenty minutes in breakout rooms, Board and team members gathered again. Brief summaries were provided by development team members.

## Other Business -

The Board briefly discussed sharing Executive Committee minutes with the full Board of Directors. This is something that will be done moving forward with logistics addressed following this meeting. The full Board of Directors will also be invited to the Executive Committee meeting on Tuesday, January 19 at 12:00 p.m., as the 21-22 season will be approved during this meeting.

## Adjournment -

There being no further business, Dawn Fleischner made a motion to adjourn the meeting. The meeting adjourned at 1:45 p.m.

*Submitted by, Harris Ferris*

*Approved by, Mary McKinney Flaherty and Rich Beaty on behalf of Betsy Teti*