

TENNESSEE CRAFT

BOARD MEETING MINUTES

Saturday, May 31, 2014

CALL TO ORDER:

The meeting was called to order by President Tim Hintz at the offices of First Tennessee Bank, 511 Union St. in Nashville at 10:02 AM.

Tim Hintz began the meeting by introducing Michael Robison, the new Chapter Representative of TC East, and Mary Ellen Pitts now serving as Chapter Representative for TC Midstate. Jeanne Brady will be representing TC Plateau. Tim also announced that Bill Heim has resigned his position as Member-at-Large.

ROLL CALL:

The following members answered the Roll Call: Aleta Chandler, Ben Hopper, Dick McGee, Doug Elkins, Jeanne Brady (representing Gail Looper), Jane Ann McCullough, Jim Hoobler, Mary Ellen Pitts, Michael Robison, Natalie Cuicchi, Pat Moody, Reneau Dubberley, and Tim Hintz. Anderson Bailey, David Fox, Diane Hayes, Kimberly Winkle and Morganne Keel were excused. Teri Alea was present from the staff.

Following the Roll Call, Secretary Dick McGee announced that the Board member volunteer hours and in-kind contributions recorded over the past three years can now be used as averages to compute and report reliable estimates of this data from now on. A Manual has been prepared for Teri to follow in using this information for her grant applications and other external communications. There will be no more need for members to report their activities at the end of each quarter.

MINUTES of February 9, 2014 BOARD MEETING:

The minutes had been previously reviewed and accepted by the Executive Committee and have been published on the website. When presented for approval by the entire Board, there were no additions or corrections. Pat Moody moved to approve the Minutes; Doug Elkins seconded the motion. *The motion passed; the minutes of the Feb. 9, 2013 meeting were approved as published.*

PRESIDENT'S REPORT:

Tim reported that he had nothing to add to his President's Report that had been distributed prior to the meeting.

EXECUTIVE DIRECTOR'S REPORT:

Teri began her report by commenting further on an item Tim raised in the President's report about filling booth spaces at the Spring Fair with out-of-State Guild Members. It sometimes happens that pre-screened members do not exercise their option to return without being juried. All eligible TC members are placed in the fair based on their last jury scores. Guild members are given fifteen booths to reach a 180 booth. When there are still booths available additional Guild members may be added, rather than accept TC members whose scores fall below a predetermined cut-off point. This helps fill the fair, and provides assurance of accepting only high quality work. This procedure is being studied in detail, and monitored by the Fair Committee. In discussion, the question was raised about vendors making more, or less money from participating in the fairs. The Booth Fee has been increased from \$340 to \$380 for a single booth. This move was consistent with increases announced at other fairs, and will probably be stable for the next four years.

Teri thanked Tim for volunteering to be present in Court for a hearing called on the Heller lawsuit filed against TC based on his exclusion from the Spring Fair. Mr. Heller has not followed up with any further action, and at this point, is not expected to.

Teri proceeded to ask the Board to consider a series of specific issues:

1. Teri asked each member to consider if they feel they have an optimal level of engagement with TC activities. Are they happy with their involvement?; would they like more to do?; are they approaching burn-out? Teri invited members to discuss their thoughts on this question with her at any time.
2. Teri also asked how many members have purchased Arts Plates with their annual auto registration. The Arts Plate costs \$35 (as opposed to \$24) and the additional fee goes to support the Tennessee Arts Commission, which supplies a significant amount of our annual income. Art Plates with unique imprints (vanity plates) cost \$70 each year. Teri urged participation by Board members in this program.
3. Teri asked about the addition of a Craft Beer Garden at Fairs, inside the ring of tents. There are some issues about Metro Parks requirements, and children at the fair that must be considered. Generally the idea was well received. Teri described how the Fair footprint might be altered to accommodate for muddy areas after rains, but Reneau Dubberley pointed out that the tentative new layout would create even more serious problems with standing water that runs off the mud prone areas. The staff will continue to weigh the issues.
4. Teri asked if there was interest in an idea coming out of the Marketing Committee: the possibility of an Indoor Fair with a major Education and Community Outreach component. The advantages come from collecting a gate fee from fairgoers, and there are grant funds available to support the education and community components. The opportunity to give TC a major presence in the East and Northeast Chapter areas is an additional payoff.

5. Teri also asked the Board to consider whether or not TC might want a “place” of our own. The present office space is satisfactory in the short run, but cannot be considered a permanent arrangement. Teri envisions much more than a Retail Sales venue. It should accommodate offices, Board and committee meetings, workshops, exhibits, and possibly retail sales.
6. Teri also asked if TC should consider participating in a micro lending program that several other non-profits are currently becoming involved with. During discussion Ben Hooper and Doug Elkins cautioned that these schemes look good at present, but very tight regulation by governmental entities are destined to make them highly undesirable in the relatively near future.
7. What ideas can we generate for the 50th Anniversary Celebration which should begin in January, and be celebrated with some event each month of 2015. Should we create a special logo? Teri envisions a major event at the Governor’s Mansion. Is it possible to get sponsors to contribute to a special exhibit of 50 works?

Teri asked that each Board member consider this array of questions and ideas, and select one that especially interested them and present some ideas for planning the near future agenda of the organization. In response, Reneau volunteered to undertake an analysis of Fair Exhibitor sales reports to determine the trends that might be discerned from the available data. Teri agreed to forward it to him right away.

[The Meeting paused for a Break prior to considering the current Financial Reports.]

FINANCIAL REPORT:

Morganne had prepared and circulated the financial reports and a Budget Proposal for 2015. In Morganne’s absence, Tim presented and led discussion of the financial condition of the organization from July 1, 2013 through April 30, 2014.

The Balance Sheet shows the following relevant information for the period

Total Cash Accounts:	\$218.8K	Accounts Payable	\$ 9.0K
Accounts Receivable:	\$ 10.0K	Total Liability	\$ 19.1K
Total Assets:	\$235.2K	Total Equity	\$216.1K
		Liabilities & Equity	\$235.2K

This Balance Sheet shows a growth of \$18.8K in the value of Cash Accounts, and an increase of \$16.7K in Total Assets compared to the Balance Sheet on April 30, 2013. This equates to an increase in the Net Worth of the organization of \$21.4K over the past 12 months.

The P&L Statement (without Chapters) for the same period shows Total Income of \$337.5K which is 108% of FY2014 Budgeted Income. The Total expenses of \$308.3K are 101.5% of FY 2014 expected expense, which results in a Net Income to date of \$29.2K, a whopping \$322.5% of the 2014 Operating Budget. Although there are still two more months of

business to be recorded for this Fiscal Year, the final results are expected to show comparable positive growth during FY 2014.

When there were no further questions concerning the Financial Reports, Tim presented the Proposed Budget for FY2015. Teri had constructed a proposed budget, and Morganne Keel also prepared one based on Yr-to-Date results through May 15, 2014. Teri directed the Board's attention to the "yellow column" on Morganne's budget, and indicated this was the proposal that would be voted on at this meeting.

The 2015 Budget proposes Total Revenue of \$373.3K with Total Expenses of \$369K and a Contribution to Working Capital of 1.9K, to yield a Net Income of \$2.4K. It was noted that this is a conservative operating plan, based on realistic expectations for Contributions, but based on current financial results looks very capable of being accomplished. Teri noted that the increase in IT expense will provide for the purchase and programming of a new server to replace the present one which has become unreliable.

Following discussion, Reneau Dubberley moved the adoption of the Budget for FY 2015. Natalie Cuicchi seconded the motion. **The motion passed unanimously, and the proposed 2015 Budget was adopted.** Teri reminded the Board that this approval gave her a formal document from which to prepare Budgets in the form required by funding agency grant applications, and that she would propose a revised Operating Budget at the August meeting, based on the complete financial results of FY 2014.

COMMITTEE REPORTS:

In introducing this section, Tim issued a call for nominations of people to become Chairs of several committees with vacant positions.

Tim asked for a motion to place all of the previously circulated Committee Reports, except for the reports of the Fundraising and Board Development committees on the Consent Agenda. Ben Hopper moved to accept the Consent Agenda according to the President's specification, Dick McGee seconded, and the motion passed unanimously

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Fundraising Committee:

Ben Hopper presented a fundraising module he called Fundraising 101 in which he emphasized that fundraising is about relationships, not dollars. TC has a great story to tell, and the talking points have been prepared by the staff. He also discussed the Fundraising Cycle, which proceeds from: Identifying prospects to Inviting them to Cultivating and Involving them to Asking for dollars to Thanking them. Ben passed out a Sign-Up sheet for members to use for listing names and contact information and submitting to Teri by August 1.

NEW BUSINESS:

Teri introduced a discussion on the topic of 2-D work exhibited at the Chapter level events. Stating that while she has seen one chapter particularly including 2-D work, she nevertheless always feels that TC should be “*craft*”. A mixture of opinions, both pro and con, were presented by members, and the topics included, as always, the legitimacy of photography as a TC “*craft*” product. The general consensus was expressed that there will always be tension around these areas, and the line between media will always be blurry. It may be best that we remain where we are.

Tim asked members to indicate their plans to attend the August 23, 2014 meeting in Memphis. He asked for a show of hands on how many will be present, how many will come for Friday night activities, and how many will bring partners. This information is needed for event planning by Southwest Chapter. Pat Moody announced the place of the meeting to be the Second Baptist Church in midtown at the intersection of Parkway and Poplar.

Teri reported that there has been a suggestion that we raise the “Best of Show” Award at Spring Fair to \$1,000. This would bring the total awards budget to around \$3,000. She asked for suggestions on where to look for sponsorship of the awards program. After discussion, Reneau Dubberley moved that \$3,000 of the 2015 Budget be earmarked for Fair Awards so the money is committed while we seek outside donations. Michael Robison seconded the motion, which passed unanimously. *TC will guarantee Fair Award money of \$3,000 in 2015, to include \$1,000 for Best of Show Award.*

Teri commented on the Goals of the Three-Year Strategic Plan. She noted that Board Development Goal is being met by continuing to fill the Board with people who love craft. The Branding Goal is showing excellent results, and Fundraising is doing very well.

Tim noted that the Nominating Committee for the next Board will begin looking at prospective candidates for the 2015 election ballot. Diane Hayes will be Chair, and Kim Winkle and David Fox will sit on the committee.

Mary Ellen Pitts announced that Midstate Chapter is holding a social event at Arrington Vineyards on Saturday, June 21st.

ADJOURNMENT:

There being no further business, Ben Hopper moved to adjourn and Reneau Dubberley seconded the motion. There was no dissent, and Tim adjourned the meeting at 1:45 pm CT until the meeting in Memphis on August 23, 2014.

Submitted by
Dick McGee,
Secretary