

PITTSBURGH BALLET THEATRE

Meeting of the Board of Directors

Wednesday, December 14, 2022

12:00 p.m. - 1:30 p.m.

PBT Studios

Meeting Minutes

Board of Directors in Attendance: Mary McKinney Flaherty, Dona Hotopp, Janet Campbell, Kathleen Miclot, Ayana Teter, Betsy Teti, Rich Beaty, Susan Cruz, Geoffrey Bond, Dawn Fleischner, Debra Dermody, Shelley Taylor, LeRoy Metz

Board of Directors Not in Attendance: Carolyn Byham, Edwin Beachler, Jay Costa, Natalie Mihalek, Richard Rauh, Lisa Saperstein, Vincent Silvaggio, Hillary Tyson, Joseph Vincent, Austin Davis, Mary Finger, Beth Brown, Camera Bortolotta, Celia Gerard, Winthrop Watson, Stephanie Sciuillo, Dena LeMar, Barbara Cottrell, Becky Torbin, Peggy McKnight, Melonie Nance, Jim Crockard, Connie Cesario, Sandra Nicholas, Doug Kreps, Sarah Pietragallo, David Tuthill

PBT Leadership in Attendance: Dr. Kathryn Gigler, Liana Pears, Lauren Carlini, Curtis Dunn, Margie Grundvig, David Hammond, Curtis Dunn, Lou Castelli

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Call to Order, Welcome, Approval of September 14, 2022 Minutes -

Mary McKinny Flaherty called the meeting to order at 12:07 p.m.

PBT is in the midst of several transitions and transformations. We've also had several successes including closing out the \$6M live music appeal that will allow us to have live music at two productions a season. We accomplished this with the support of an anonymous donor who generously donated \$3M to the live music fund, several foundations and individuals, and from all of you. We also received from McCune a \$3.5M sunset grant for the establishment of a new *Nutcracker*.

This year we unfortunately lost CFO Jay Romano who brought tireless work ethic and positivity to this organization. The work he did lives on through the training and wisdom he instilled in members of the leadership team and PBT Board members. There is a book that is available for all to sign and will be sent to Cathy at the end of the month. Early next year we will host a vibrant and formal celebration of Jay's life. If you're interested in helping to plan this event, please reach out to Mary or Kati. The PBT team has remained steadfast and Kati has brought new energy and collaboration to key aspects of the strategic plan. Thanks to Kati and Margie the PBT School structure has been reorganized. We're also pleased to welcome two new members to the leadership team David Hammond and Lou Castelli. And of course, we're in the midst of celebrating another successful *Nutcracker* season.

Next Mary recognized and thanked several Board members. First, Rich Beaty and Dr. Melonie Nance who have been leading a comprehensive and thorough search effort for a new artistic director. Mary also thanked everyone who attended the receptions, welcomed the candidates to our city, and explored their vision for PBT.

She thanked Jim, Doug, Rich and the entire Finance Committee for their work with Schneider Downs and for giving us continuity in this time of transition.

Lastly Mary thanked Ayana Teter, Peggy McKnight, and Sarah Pietraegllo for their roles. Ayana led the school committee through the pandemic and was instrumental in helping to ensure the success of the leadership transition. As Ayana prepares to become chair next summer, Sarah Pietragallo has taken over this important role and Mary believes she will do a tremendous job working with Margie and the full committee.

Peggy Mcknight has agreed to lead efforts around fundraising and engagement for the new *Nutcracker*. Peggy has the connection, drive, and excitement for this project and we're excited for what's to come.

Susan Cruz made the motion, second by Ayana Teter, to approve the September 14, 2022 Board of Directors meeting minutes. Passed.

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Election of New Director Garfield Lemonius - Mary McKinney Flaherty

Garfield Lemonius is the Dean of the Conservatory of Performing Arts at Point Park University and Artistic Director of the Pittsburgh Playhouse. Over the summer, several members of the Governance Committee and board leadership met with Garfield and, last month, the Executive Committee unanimously voted to recommend him for election to the Board.

Garfield has already been actively involved with PBT, from co-developing the future Point Park-PBT B.F.A. Program, which is nearing final accreditation, to engaging with all of our artistic director candidates at the stakeholder/board receptions this fall. He also has deep connections throughout the arts world.

Leroy Metz made the motion, seconded by Dawn Fleischner to approve Garfield Lemonius for PBT Board membership. Passed.

Board Capabilities and Commitments Project – Mary McKinney Flaherty

Director of Development, David Hammond, has graciously agreed to assist the Board with developing tools and best practices around board composition and requirements. This was originally a project slated for 2020, but was delayed given the open role in development and also the impact of pandemic on organizational priorities. If interested, please reach out to Mary.

Financial Report – Rich Beaty and Michael Marasco

Rich Beaty gave the financial report. He started with the transition of the CFO position. Rich, Jim, Doug, Mary, Kati, and Ayana met with Schneider Downs, which has familiarity with PBT as PBT's audit firm for the past several years. After assessing Shelly Swartz's duties related to bookkeeping and other accounting functions, Schneider Downs and PBT determined that retaining Schneider Downs for assistance in the CFO function did not create a conflict. There's a lot to unravel in the financials which Mike Marasco, our interim CFO from Schneider Downs, will provide more details on next. Kati will address the highlights from *The Nutcracker* and the Gala. Some of the financial headwinds are looking slightly better thanks to *The Nutcracker*.

Mike Marasco introduced himself to the Board. Looking at the financials, he hasn't seen anything of concern. Going through the financials will likely take longer than initially planned since Jay kept such detailed records for the past 40 years. The goal is to have a tool that will ensure a smooth and efficient transition for the next CFO. Please reach out to Mike with any questions or concerns.

Our cash balance remains strong while the endowment has been affected by the financial market. Overall there has been minimal change since the last financial discussion in September.

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There were no questions on the financial report.

Executive Director Report - Dr. Kathryn Gigler

Kati Gigler gave the Executive Director report. *The Nutcracker* is tracking well and we're actually tracking ahead of the 2018 -19 season. We're especially happy to see single ticket sales doing well. Over the weekend we broke \$1.4M. We're projecting to beat the goal by approximately 15%. There are a total of 21 shows and all are doing well in terms of capacity to where we're selling tickets into the second tier. PBT made marketing appearances on KDKA and a few radio spots. Last Friday was the student matinee where over 1400 students attended. A live stream was available for the first time for the student matinee allowing 15 additional schools to attend. We plan to hold future live streams for student matinees as well and have already begun working with AGMA to work out the details. For the first time at PBT, there will also be two sensory friendly performances. PBT is also the first in the country to use American sign language in our production. Finally, we're also proud this *Nutcracker* will also introduce skin tone tights for our artists.

Next Kati introduced Lou Castelli, the new Director of Marketing. Lou has spent his entire professional career in the Cultural District. He loves marketing and the work PBT does and is excited to get started as well as looking forward to working with everyone.

In terms of development updates, we successfully raised over \$669K for this year's Pointe in Time. Of that total, \$160K was raised for the Community Youth Scholarship (CYS). There were several new sponsorships this year and many young professionals in the room. Jessica McCann premiered *Blood Dracula* and we hope to bring it back in a studio showcase setting. Kati extended her gratitude to David Hammond, PBT's Director of Development. Everything is tracking well in terms of grants and contributions. We have scheduled for 15,000 households to receive communications about year end giving as well.

Rich asked about the price of the ticket for the Gala and the overall attendance. The price point was raised this year, which was the first time since 2015. Attendance was lower at 379 guests, but the ballroom still felt full.

Next Kati gave a PBT School update. Enrollment is at 94% of the goal. The Student Division has exceeded our enrollment goal and we're excited that 80% of them are involved in *The Nutcracker*. We're working to ensure our students have various performance opportunities such as Afternoon of Enchantment which sold out this year and Poinsettias and Pointe Shoes that had 750 people attending. Other highlights are the integration of the whole dancer health programs and working with community partners like Chatham University.

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The Education team is wrapping up the creative movement residencies from the fall. This past Saturday we were at Hope Academy for Buzzword featuring *The Nutcracker*. Kati thanked Curtis Dunn and Lisa Auel for their work on a virtual preview of *The Nutcracker* that we posted on Facebook. The Dance and Wellness program is continuing to expand. On average there's about 30 new faces in our Ballet 101 classes.

In terms of IDEA Kati is happy to announce that Marianna Tcherkassky and Christine Schwaner will attend IABD auditions in January in Toronto. We are able to offer both a company and apprentice contract as well as a school scholarship. In *The Nutcracker* audience guide we are including a "considering context" section for the first time. The sensory friendly workshops will be on site in addition to the performances. Company artists will be attending an intimacy workshop at the end of the month and we might have another one around the time of *Dracula*.

No questions.

Artistic Director Search Update – Rich Beaty

Rich gave the artistic director (AD) search update. As all are aware, the executive search committee's work began as executive director search in February and then evolved into an artistic director search following Susan's announcement in May. The search committee consisted of 15 Board members, Jay, and Kati. They reached out to Management Consultants for the Arts (MCA) to help with this process. With their expert guidance the committee narrowed it down to 16 candidates with various backgrounds, then proceeded with nine video interviews, and then from there selected four candidates to come to PBT for in-person interviews. After the four in-person interviews Rich, Melonie, and Mary held office hours where they received lots of feedback from both the dancers and staff. The feedback received was very valuable and helped the committee understand some of the concerns within the organization and allowed for clarifying conversations about the candidates and the overall direction of the search. After a few discussions internally by the search committee, they selected Troy Schumacher, Adam McKinney, and Kathleen Breen Combes as the three finalists. They had follow up calls with each of them to discuss their potential start date, the transition, and classical ballet and the history of PBT as it relates to their vision and what it may mean for PBT as whole (Board, artistic staff, Company, etc). There is a search committee meeting scheduled for next week to determine who they'd like to extend the offer to, which they hope will be before the end of the year so an announcement can be made widely at the beginning of next year. All four candidates are fantastic and Rich believes that any of the final three would be a great addition to the PBT team and he's excited to come to a final decision.

Mary added that this search committee included everyone assembled for the executive director search and then an invitation was extended to all from the previous artistic director search in addition to others on the Board who volunteered, which is why this committee is larger than normal. The position profile was modified slightly based on the one they had for Susan. The

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committee chose MCA to assist with the search since they are familiar with PBT as an organization and they recently completed artistic director searches for the San Francisco and Orlando Ballets—in addition to several others—within the last five years. They knew from those networks the availability of potential candidates and reached out to over 100 people, including all names sent to MCA or the search committee by members of the Board or the PBT Team, and also met with leadership and artistic staff. In total there were 45 formal applicants for the position. After MCA carefully vetted those applicants, they provided the search committee with a list that divided the candidates into three categories: those who were currently an artistic director of a ballet company of smaller size; those with significant institutional leadership experience but not yet as an AD; and “up and comers” who were currently dancing or recently retired, but had experience beyond performing. As Rich mentioned, the search committee chose nine candidates for initial video interviews and then narrowed it down to four candidates for in-person interviews. We gathered feedback through a confidential portal, phone calls, Zoom meetings, and office hours.

Dawn Fleischner commented that we went into this process with the foundation and understanding of what we learned over the past three to four years. We wanted to ensure that the candidates we were considering prioritized employee wellbeing, kindness, and compassion. There may have been people in the initial outreach list with successful careers, but were ultimately weeded out in the process due to concerns of this nature. MCA thoroughly vetted and looked for the values and qualifications that we expressed in the position profile document. The search committee is committed to find someone who embodies kindness and our core values. She was confident in the process and MCA found us incredible people. They were able to find multiple people that fit the position profile and can help PBT express its amazing potential and we’re treating this search with the seriousness it deserves.

Rich thanked Dawn and added that the committee is striving to find the right person to build the right culture and that ties with our community.

There were no questions on the artistic director update.

Adjournment

Mary ended the meeting at 12:58 p.m.

Submitted by, Dr. Katheryn Gigler

Approved by, Betsy Teti