

PITTSBURGH BALLET THEATRE

Meeting of the Board of Directors

Wednesday, April 19, 2023

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

PBT Studios & Zoom

Meeting Minutes

Board of Directors in Attendance: Mary McKinney Flaherty, Dona Hotopp, Kathleen Miclot, Ayana Teter, Susan Cruz, Geoffrey Bond, Dawn Fleischner, Debra Dermody, LeRoy Metz, Jim Crockard, Garfield Lemonius, Becky Torbin, Sarah Pietragallo, David Tuthill, Melonie Nance, Dena LeMar, Doug Kreps, Peggy McKnight, Sandra Nicholas, Connie Cesario, Shelley Taylor, Winthrop Watson, Barbara Cottrell, Camera Bartolotta

Board of Directors Not in Attendance: Carolyn Byham, Edwin Beachler, Jay Costa, Natalie Mihalek, Richard Rauh, Lisa Saperstein, Vincent Silvaggio, Hillary Tyson, Joseph Vincent, Beth Brown, Stephanie Sciallo, Rich Beaty, Betsy Teti, Janet Campbell, Mary Finger

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

Schneider Downs: Mike Marasco

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Call to Order, Welcome, Approval of February 15, 2023 Minutes -

Mary McKinny Flaherty called the meeting to order at 12:08 p.m.

Mary welcomed Adam McKinney and commended the PBT team for the wonderful performances of *Balanchine and Beyond*.

LeRoy Metz made the motion, second by Peggy McKnight, to approve the February 15, 2023 Board meeting minutes. Passed.

March 2023 Financial Report - Michael Marasco

Since Rich is traveling Mary asked Mike Marasco to present the financials. The first page highlights the most prominent information. PBT is on track in terms of operating revenue with \$366K primarily due to single tickets from *The Nutcracker* and *Dracula*. Operating expenses are expected to end near or at budget. We've incurred some savings in salaries and wages due to several position openings that have not been filled yet. We're projecting public and private support to finish behind what was budgeted since \$300K from caucus support hasn't materialized this year.

We're just over \$50K for unrestricted cash in March. We're actively managing our cash position on a month to month basis. We'll be leveraging our line of credit for the next few months, which is what we've done typically this time of the year. We are anticipating a large inflow of cash from public support by the end of the year.

The second page is the balance sheet and there are no major changes. Two things to note are that we leveraged our endowment draw in March and we received our settlement from the Pittsburgh Cultural Trust for *Dracula*.

LeRoy Metz noted that the School is projected to lose money this fiscal year and inquired about current projections for next fiscal year. Mike answered that from a budgeting perspective, PBT is trying to make sure that we are budgeting realistically on a revenue front, and stated that enrollment numbers have been strong this year, including for ISP (which contributes to next fiscal year), which should aid in earned revenue.

LeRoy also noticed that the "Board support" line item is projected to miss goal by \$200K. Mary and Kati explained that this line item refers only to Board dues, and that Board giving is reflected elsewhere as well (e.g., "Special Projects"), and noted also that the "Board support"

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line had been increased from FY22 to FY23 to reflect a planned raise in board dues by Harris and Jay, which did not occur.

LeRoy asked that the organization provide more clarification moving forward around the line item "Other" included in "Net assets released." Mike agreed that this would be done.

Stephanie Scullio asked when ticket prices are set for each season, and whether prices are higher for certain shows. Lou Castelli answered that ticket prices are set ahead of each season's announcement, and that they were raised for the 23-24 season. JCA, an analytics firm working with PBT, recommended this, as well as the setting of a "premium" price for Sunday matinees, which PBT has done for the 23-24 season. Set prices do not vary based on production (e.g., *Nutcracker* tickets are not more or less expensive than *Dracula* tickets), but PBT does utilize dynamic pricing at the single ticket level throughout the season.

In terms of cash flow, PBT was down in unrestricted cash by \$50K in March, which is not uncommon at this time of year. It is likely that drawing down on PBT's line of credit may be necessary in April, as in past years. However, significant cash will be coming in the final quarter of the year, and even if it does become necessary to utilize the line of credit, it would be able to be paid down fully by the end of the fiscal year.

Mary asked whether a draw-down on the Live Music funds was reflected in the budget, and Mike responded that it is not currently. Mary thanked PBT's Anonymous Donor for a generous recent pledge payment.

Leadership Transition & Executive Director Search – Kati Gigler and Mary McKinney Flaherty

As was announced earlier this week, we're moving forward with the executive director search. While we're sad to see Kati leave, we're delighted that she has agreed to work with us to provide her guidance and leadership during the search before her departure later this summer.

Like the artistic director search, we'll be working with Management Consultants for the Arts (MCA). We're currently in the quiet phase, meaning that MCA is making gauging interest and vetting candidates. They are focusing their search locally and nationally, and overall there's been increased interest in PBT as an organization. Specific experience with ballet is not necessary, but we are looking for candidates who have worked in the arts. If Board members have additional candidates who should be considered, please send those names to Mary or MCA. Mary and Rich Beaty will be leading this search.

In terms of timeline, we'll be in the quiet phase for the rest of April and into May. About a month and half from now the search committee will begin the virtual interview process. MCA

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will also set up meetings with key members of the PBT leadership team and donors. Our goal is to make the announcement in Mid-July. This is an expedited timeline, but we believe that given MCA's past engagement with PBT this is a realistic goal.

Report on Human Resources Strategy – Lauren Carlini

Lauren Carlini gave the human resources strategy report to check in on the progress of the strategic plan's pillar building a workplace culture focused on inclusivity and opportunity.

One major goal that we've accomplished is successfully hiring and onboarding an artistic director and director of development. Other successful positions have been Kati Gigler in the role of acting executive director, Lou Castelli as the director of marketing, and Kristin McLain who took over the role of costume director from Janet Campbell. Each leader brings something unique to the table creating a well rounded team. We're currently in the interview process of a new director of education and community engagement. There have been some great participants and hope to make that announcement soon.

IDEA

One of our Transformation Team leaders, Lindsey Kaine, has led team training and development through Coffee Chats. Two Coffee Chats have been held so far covering topics of Act II of the *Nutcracker* and gender roles in ballet. We've seen great participation and engagement so far and are looking forward to the next one on April 26.

We're partnering with Vibrant Pittsburgh for additional training opportunities via Lunch and Learn. Vibrant Pittsburgh and other Employee Resource Groups (ERGs) are providing network opportunities. Upcoming engagement events are compass trainings, Thearsa Ruth Howard and Corey Bourberoinne discussing reframing the narrative, and the ABCs of belonging.

In regards to recruitment and hiring policies, we're focusing on equitable hiring practices such as formalizing the interview process. Additionally, we're negotiating with AGMA to expand dancer benefits.

We're always trying to make PBT a desirable place to work. In terms of compensation and benefits, PBT is comparable to our national peers and the other arts organizations within Pittsburgh. PBT is proud to offer benefits such as team barre fitness, ballet 101, a discounted membership to Etage Athletic Club, enhanced EAP, and mental health resources specifically for PBT artists. Various engagement opportunities such as a Pirates game and Mechanical Pins outing. The internal newsletter has been restructured to focus on team building, important announcements, engagement activities, and departmental updates. Lastly the engagement committee partnered with the Transformation Team to attend Octavia Butler's *Parable of the Sower* event at Point Park University.

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Our three committees – engagement, transformation, and safety – have team members from every department. These committees are open for any Board member to be more involved and would like the opportunity to get to know the team better.

Mary thanked Lauren for her detailed report. Lauren joined the team in March 2020 and has made tremendous strides in creating a positive workplace culture. Mary also acknowledged that PBT was awarded the title Pittsburgh Vibrant Champion. PBT was one out of three nonprofits and the only arts organizations to receive this achievement.

Dawn Fleischner thanked Lauren for the informative update to learn about and understand more about what's happening at PBT.

Stephanie Scullio asked if this will be a regular update, suggesting once or twice a year. It would be beneficial for the Board to be updated on certain initiatives from the committee, specifically the highlights of the culture.

Report on Development Strategy – David Hammond

David Hammond gave the development report. During his first six months at PBT, his love for the people in this community has deepened, and he truly believes in the work we do. He thanked the Board members for serving on the PBT Board and their continued support and dedication.

David shared two charts (see Appendix A). The second chart shows contributed gifts over the past five years, excluding non-recurring gifts (e.g., COVID-19 relief funds). About 90% of all contributions– \$35M– came from 115 different relationships. In developing fundraising strategies and tactics, David will keep these charts in mind while considering PBT's capacity, challenges, and opportunities.

Doug Kreps asked if Board giving is included in these charts, and David answered that such giving is included; only non-recurring outliers were removed. Doug suggested that a version of the relationship chart be created excluding Board members in order to identify additional significant supporters and to grow that base.

David described several initiatives open to Board members, including the upcoming Fractured Fairy Tales party being held April 29 at PBT. Board members are encouraged to attend themselves and to spread the word.

Board members will also be asked to write handwritten thank you notes to supporters on a quarterly basis, with PBT providing all materials, including notecards, suggested text, and

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stamps. Kathleen Miclot agreed this tactic has worked well at other organizations in which she is involved, and stated that handwritten notes mean a lot to supporters.

The Pittsburgh Pointe is a print newsletter recently launched by the development team. This is a series of three mailings this spring to anyone who has given in the past three years. This initiative will collect data on how mailings perform for the development team, and will give us a touchpoint when team members begin calls for the end of the fiscal year.

David will be in contact with Board members regarding Board dues. He also stated that the Development committee will be relaunched. Kathleen Miclot stated that she is excited to have this committee revived.

Executive Director Report – Kati Gigler

Kati Gigler gave the executive director report. She thanked all of those who joined us for *The Masters Program*. The company looked fantastic and the PBT orchestra sounded amazing. This was one of the most engaged audiences we've had. The atmosphere in the theater was similar to that of the first show after coming back from the pandemic. A large number of those in attendance during the Saturday performance stayed for the Q & A. Over 93% of survey respondents rated the performance as "exceptional" and several have said it's been their favorite performance to date. The conversations with first time attendees have also been extremely positive. We hope to build upon this for future mixed rep programs.

While we achieved 75% of the ticket goal for *The Masters Program*, this was the best-selling mixed rep program we've produced since *Mozart in Motion* in October 2019. The engagement that we had with this show shows how the people of Pittsburgh love our mixed rep show and how our Company thrives. Kati, Adam, and Lou are working on building strategies to build on this to continue to engage new audiences and to make the region aware of what they have access to right here in Pittsburgh. Overall, we have already surpassed our season ticket revenue goal. Currently we're over 100% and currently about \$80k ahead of that goal. We anticipate another \$90K from *Sleeping Beauty* sales.

She's pleased to report that renewal sales did exceptionally well over the weekend, both in-person and by mail. In the week since the Board report we've sold another 150 subscriptions earning an additional \$45K, putting us at approximately \$320K in subscription sales for the 23/24 season. We're at 74% of our total subscription revenue goal for next year, which is up from 63% this time last week.

Marketing Update: We're continuing to focus on our social media content, particularly Facebook and Instagram. The marketing team created a revised acquisition plan, with higher-quality pieces and an updated timeline. We've also created a fairy tale three-pack (*The*

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Nutcracker, Cinderella, Beauty and the Beast) for next season that has helped boost renewal sales. We hope to push this even more during *Sleeping Beauty*.

Development Update: David already spoke to what we're currently focused on in his report. We've secured a \$25K production sponsorship from PNC. Be on the lookout for opportunities for Board engagement from David later this fall and save the date for next season's Pointe in Time on November 11.

School Update: Summer program registration has increased over 40% from last year. There are over 200 participants for ISP, 63 registrants for Company Experience, and we've added a second session for the Junior Intensive since the first session has already filled up.

IDEA Update: As Lauren mentioned in her report, the Engagement subcommittee has been hosting a coffee chat series discussing topics such as *The Nutcracker*, gender identity, and physically integrated dance companies. We'll also be working with Vibrant Pittsburgh to provide team members with additional trainings such as the ABCs of belonging. Later in the season Thearsa Ruth Howard and Corey Bourbonniere will present "Reframing the Narrative."

We also have several exciting upcoming community partnerships. The Heinz History Center has an exhibition on dance medicine that will feature PBT and its proud history of being ahead of the curve in artist wellness. This is a great opportunity for our artists to be recognized not only for their artistry, but for their role as athletes as well. We're also working with the Carnegie Science Center on their motion lab exhibit where Tommie Lin O'Hanlon will be featured. A community center in the Hill District, Center That Cares, invited us to partner with them to offer dance classes to their community. Film Pittsburgh reached out to PBT to participate in the JFilm festival showcasing the documentary *Finding Light*. This is an amazing connection to our *Light in the Dark* program this fall. Our very own Adam W. McKinney and Christine Schwaner will be guest speakers on Sunday's panel. Lastly, PNC/PNC Group Up Great invited PBT to lead a program at their national headquarters in March in collaboration with the Council of Three Rivers American Indian Center and Carnegie Science Center.

Dawn Fleischner suggested that we look at the attendance for March performances vs April to see if we should move our season schedule. April feels like a more promising performance month with the weather being a contributing factor and the people returning to Pittsburgh after spending the winters in the south. She also wondered if it would be possible to have another screening of *Finding Light* ahead of *Light in the Dark*. This would be a great opportunity for audience education and for people to be more engaged in the discussion of the Holocaust. Kati responded that she will check on the possibility of this with Film Pittsburgh.

Ayana Teter asked what the dates are for the *Bolero* performance with the PSO. The dates are June 9-11 and 14. Hartwood has been moved to August.

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Upcoming opportunities for engagement:

- A. Sun. 4/23- Finding Light film showing & panel discussion
- B. Wed. 4/26- Coffee Chat: Physically Integrated Dance Companies
- C. Sat. 4/29- "Best Dance Floor in Pittsburgh" is back with Fractured Fairytales
- D. Weekend 5/19- Sleeping Beauty with PBT Orchestra
- E. Weekend 5/26- School Showcases at Point Park's Playhouse
- F. June 9-11, 14- *Bolero* with PSO
- G. August 20- PBT Company back at Hartwood

Artistic Director Report – Adam W. McKinney

Adam W. McKinney gave the artistic director report. Auditions were held January through March with more than 800 submissions from artists all over the world. Adam focused on a people-centered approach and did not cut anyone, allowing all participants to complete each full audition class. He worked to ensure that auditioners had face to face time with artistic staff. From these auditions four artists were hired for apprentice and Company positions.

He's also been leading breakfast meetings with all the PBT artists. His goal is to have open communication and transparency. He's implemented biweekly artist announcements before class which will also be sent via email as well. There are a few major injuries in the Company right now, so he's thinking about the healing process and how we can make PBT a 100% injury free Company. He wants to curate any trainings to fit the artists' needs.

David O'Matz and Ariana Chernyshev will be competing in the USA International Ballet Competition in Jackson, Mississippi this coming June. This will be a wonderful opportunity to showcase their artistry, as well as PBT. The pair are working with former PBT Artist Alex Silva on rehearsals, which include both classical and contemporary pas de deux.

In addition to the community collaborations Kati mentioned in her report, PBT also participated in a mini-residency with Point Park University, holding a day's rehearsals of *Sleeping Beauty* at the University's studios and opening them up to Point Park students and faculty for observation.

Lou Castelli helped to coordinate the filming of a commercial for *Sleeping Beauty* at the Westing House Charter Arts Academy. It's a very vibrant commercial and he is excited for everyone to see it.

In terms of leadership and culture Adam is running community plies for PBT team members to be more involved in the studio. There are also several artist pregnancies and he's working on keeping them involved during artistic meetings on audition panels. He's working with the

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School to keep students involved in the choreography. Lastly, he's busy planning the 2024-25 season and is excited to share more details in the future.

There were no questions on the artistic director report.

Mary thanked Adam and the entire leadership team. She looks forward to seeing everyone at *Sleeping Beauty* and then again in June for the annual Board meeting.

Adjournment

Mary ended the meeting at 1:17 p.m.

Submitted by Dr. Kathryn Gigler

Approved by Mary McKinney Flaherty