

TEXAS FOLK MUSIC FOUNDATION

Board Meeting Minutes

November 8, 2009

Albert, Texas

Board Members Present: Bill Stacy, Thomas Chapmond, Michael D'Eath, Jon Charles, Theresa Tod; by phone -Adams Kirkpatrick, Therese Spina

Board Members Absent: Adams Kirkpatrick, Steve Gillette, Therese Spina

Others Present: Lee Green, Charlie Land, Syd Franz, Larry West; by phone -Vern Crawford, Lenore Langsdorf, Dalis Allen, Stuart Vexler

Michael D'Eath, Chair, called the meeting to order at 3:15 p.m.

Minutes: Theresa Tod, Secretary, reported that the minutes of the September 6 meeting (Wine & Music Festival) were sent by email for review following the last meeting, along with the final version of the August 25 conference call meeting. Other than a couple of typo corrections, and Thomas Chapmond's suggestion regarding language about the need for a building, the content remains unchanged. Jon Charles moved to approve the August 25 Minutes as presented; Bill Stacy seconded, the vote to approve was unanimous. Thomas moved to approve the Sept. 6 Minutes as amended; Jon seconded, the vote to approve was unanimous.

Michael introduced Larry West, who is willing to assist the Foundation with our financial operations.

Treasurer's Report: (Finance Team)

Finance Report – KFF: Commenting on the financial report sent via email, Charlie Land summarized that the festival was a little below budget on expenses; we will begin paying Tom Watson soon (for work on the ticketing system), which will bring it on track. Charlie mentioned that costs are offset by donated money, so the income in those cases doesn't show up. It was agreed that we probably do want to show this income.

There was some discussion of what kind of reporting structures are needed to meet the Board's needs. Larry West will work with Syd on some ideas to create a spreadsheet that links festival, board, and combined funds, and ultimately a single set of books. Adams Kirkpatrick has collected some examples; he will pick one that he thinks is the best example of something that meets our needs, and send a copy to Michael and Bill.

Charlie presented a budget for the Festival (2010) that he said was relatively conservative on revenue; expenses are based on current experience. It includes an investment in an icemaker that would recoup costs in a year in a half. Thomas mentioned that he thinks we should limit capital expenses to those that we can raise the money for, with preference for those that will definitely pay for themselves in time. The other major capital item in the budget is the ticketing system costs (including hardware and set-up costs); there was no viable alternative in this case.

Bill suggested that we look at variable income items, those we can control such as through marketing, to challenge ourselves to improve; such as increasing the amount of ticket sales, T-

shirt sales, or concessions. Syd will provide an analysis of sales, at the request of Bill. Responding to a question about her ideas on advertising, Dalis mentioned that she is working on some “on the road” shows that involve performers from a target community; she anticipates 10 to 20 shows this spring, around the country. Costs will be low compared to previous road shows, because performer travel costs are avoided. Advertising costs are very expensive; even doubling or tripling our budget, we couldn’t afford mass marketing ads. There are important opportunities for individual supporters to help by exploring their connections, to get free or reduced price advertising. Also, we need to collect email addresses from everyone who expresses interest, so we they can be included in our marketing outreach.

There was brief discussion of expanding the RV row. The cost would be \$3000 to \$5000 to add several RV slots; those expenses are not in the budget.

Lee Green suggested we need to ensure that staff receive marketing messages. Also, he expressed concern about some krews being unnecessarily large. The Board acknowledged that these are legitimate concerns that need to be addressed. Bill worked with Alan McGill create a spreadsheet capable of reflecting the needs of every krew. Charlie and the FOC (Festival Operating Committee) were asked to ensure that the spreadsheet is populated with current data about krew needs, and that staffing levels and needs are continuously monitored. The Board affirmed that Charlie has the authority to oversee krew sizes. Larry also pointed out that staff – as young supporters of KFF – provide a value to the festival that goes beyond their labor. Bill will circulate a copy of the spreadsheet to the Board.

Stuart said we received around \$30,000 in food donations, for the past festival.

Michael said he’d come to Kerrville sometime soon to meet with Syd to review the financial reports and overall situation.

Audit Plan: We’re still in the process of preparing our financial systems to undergo an audit at some point in the future.

Committee Reports

Resource Development Committee – Jon Charles

Jon reported that he is developing a case statement, so we as a Board have consensus about our fundraising message. He will present more specific ideas for fundraising efforts at the Board Work Session scheduled for November 21st. Ideas include tying fundraising to the membership campaign; a fundraising event; and corporate sponsorship of some of our programs. He suggested that it would be helpful to have some of the staff there for the meeting. Board members are encouraged to pay membership dues and make contributions now.

Jon reported that there is no update at this time on the 2010 Summer Youth Camp

Publicity Committee -Therese Spina

Therese S. asked for everyone to submit their information, for a new issue of the newsletter. Theresa T. suggested that based on the content of the previous issue, which was never finalized, Therese should compile a list of each article needed, and the name of the person responsible, and email that (along with a proposed timeline for completion).

Program Committee – Chuck Lesniak
(Chuck was not available to present a report).

Membership Status: Michael reported that the attorney wasn't able to make it to the meeting, and has been unable to address the bylaws changes concerning membership as yet, due to other pressing obligations in his practice.

Charlie reported on some brainstormed ideas for membership packages (possibilities)

- Percs such as backstage passes
- Ticket packages
- Rice Fest tickets
- Membership in Folk Alliance or SWRFA
- Val offered a dinner at Camp Inertia
- Rod offered to recruit a donated dinner with wine from a local winery
- Possibly a golf cart
- Internal benefits; free or easy access parking, vip treatment (golf cart service, bring you drinks, etc. during the festival)
- In-town lodging
- A weekend in an RV
- Get your name on a brick

It was suggested that some of these items might have a bigger benefit (more profitable) as auction items. Michael will circulate the list of ideas; we should give it a serious look via email, and try to come up with at least one package before the work session.

Michael suggested that we need to establish a membership year beginning January 1, so we know who our members are early in the year. Thomas moved that we direct Michael, in his work with the attorneys, to establish the membership year as beginning Jan. 1, and any new membership purchased after Oct. 1st gets the remainder of the year plus the full next year. Jon seconded the motion; approval was unanimous.

Facilities Committee Approval: Adams Kirkpatrick

Adams has a list of people who have agreed to be part of the committee; Charlie, Bobby Tod, Ed Fiedler, Lenore Langsdorf, and the Kerma-culture group. The committee will need to talk with the FOC, to explore which areas the committee needs to take charge of, and avoid those areas the committee considers under their purview. Adams said his goal is to have a conference call with the committee before the end of the year. The Board asked the committee to present a timeline for completion of a facilities plan, as one of their first tasks. Bill suggested that the committee needs to identify some specific projects, and some dates. In discussion to clarify the role of the committee, consensus was reached that the committee needs to play both a planning and a monitoring function. The Board also wants to provide a tool that supports Charlie in his ability to

provide accountability. A master plan is needed, and it will need to be adjusted over time. From the plan, projects would be peeled off and project plans created for them; progress would be monitored, and reported back to the board. Theresa moved and Bill seconded the motion that Michael be authorized to review and approve the Facilities Committee plan and composition, so the committee can move forward. The motion received unanimous approval.

Open Positions

Michael said that Steve Gillette has submitted his resignation from service on the Board of Directors. Thomas moved that we regretfully accept Steve's resignation; expressing appreciation for his time and efforts. Jon seconded the motion, and it was approved unanimously.

Michael also reported that both Therese Spina and Chuck Lesniak have communicated to him that they will need to resign from the Board due to unanticipated life circumstances that prevent them from devoting the time necessary. Both are willing to remain in position until an appropriate replacement can be found.

Michael mentioned that Steve Carruthers, who has served well in the Treasurer position for several years, needs some relief in handling the Treasurer's responsibilities, which have now grown substantially. He's been talking with Larry West, a CPA who has been coming to the festival for 23 years, and is willing to help us out. He and Steve have been discussing bringing Larry on board as Treasurer, and continuing to involve Steve in specified activities, especially those where location in Kerrville is helpful.

Michael appointed Bill to chair a Nominating Committee to address the upcoming Board vacancies, and asked Theresa to serve as the second Board representative on the committee. They will identify the required non-Board representatives (minimum of three). Michael indicated a desire to fill at least two positions before the end of the year if possible, as there is a great deal of work for the Board to do.

Thomas moved, with a second by Jon, to appoint Larry West as Treasurer (currently a non-board position). Approval was unanimous.

Offsite discussion, attendees and agenda – for Nov. 21st Work Session

- Fundraising – executing the draft plan from Jon's meeting
- Membership – making it real (bylaws, operations, link to fundraising)
- Financial – how do we make up the gap, 2009 audit reparation/planning
- Facilities and ranch management – best way to operate in 2010 and beyond
- Central marketing database – strategy and direction

KFF Operating Committee Report: Charles Land

Charlie reported briefly, due to the meeting running late. The Ranch has agreed to loan \$3000 for electrical work. It was agreed that we would avoid accepting a loan until such point as it's absolutely necessary.

Producer's Report: Dalis Allen.

Report was postponed due to lack of time, and limited phone connection.

Task List: Theresa Tod

The Task List was sent by email; discussion was skipped due to lack of time.

Meeting Dates: The following meeting dates were set:

Nov. 21st – Work Session

Dec. 13 (1-4 p.m.) at Sycamore Creek (Dripping Springs)

Feb. 6-7 Retreat

March 27 (work weekend) – subsequently changed to March 20

New Business

Bill will negotiate the lease on Rod's house.

Theresa noted that Cheryl Green, who coordinates the TFMF Booth, had expressed several concerns she thinks need to be addressed; including the following:

- Lack of coordination of new and unexpected responsibilities/products/materials being added within the booth space, that she and the volunteers are then responsible for
- Desire to secure sufficient space to make the booth work adequately
- Need for a way to handle credit card charges at the booth (having to go to T-shirt booth isn't workable)

Michael said he was authorizing Theresa to make decisions regarding the Foundation Booth; and that any changes or additions to that space need to be submitted to her, preferably in advance so any issues can be worked out and communicated adequately to volunteers. There was general agreement that with good communication we would be able to work out issues and needs that come up.

Bill suggested that marketing from the stage is a critical opportunity; it should be a little more structured and scripted.

Thomas moved to adjourn the meeting, Jon seconded the motion, and everyone voted in favor. The meeting was adjourned at approximately 5:30 p.m.

-Respectfully submitted by Theresa Tod, Secretary