

The Arts Guild of Old Forge, Inc.

Board of Director's Meeting

July 28, 2010 Minutes

PRESENT: Deb Carhart, Patty Foley, Rex Germer, Susan Hazard, Kevin Jost, Gary Lee, John Munyan, Debi Ritz, Kerry Rogers, Bill Simpson, Joan Spring, Ed Stafford, Bob Stanton and Jennifer Potter Hayes, Executive Director

EXCUSED: Helene McAleese, Katie Noonan

Kevin Jost introduced Tom Costello to the Board Members present at the July Board of Director's Meeting. Tom presented an overview of the Moving Mountains Campaign.

CALL TO ORDER: The monthly meeting of the Board of Directors of the Arts Guild of Old Forge, Inc. was called to order by President John Munyan at 7:00 PM.

MINUTES: Gary Lee moved and Debi Ritz seconded a motion to accept the minutes of the June 23, 2010 meeting. The motion was carried. Deb Carhart moved and Ed Stafford seconded a motion to accept the minutes of the "email special meeting" regarding the Mission Statement. The motion was carried.

TREASURER'S REPORT: Treasurer Debi Ritz reviewed the "unapproved" minutes from the July 27, 2010 Finance Committee Meeting. Debi Ritz moved and Bob Stanton seconded a motion to approve expenditures totaling \$60,000 for the 2010 campaign budget and Tom Costello's agreement for the 2010 project management. The motion was carried. Debi reviewed the January-June 2010 New Building/Operating Chart. Income and expenditures were outlined within the chart. Debi highlighted the following topics within the committee minutes: the discussion and approval of the Adirondack Bank loan term out, Business Plan vs Financial Report and the Building Sale Committee Report. Bob Stanton commented on the building sale progress. There has been no interest at all. The price has been lowered to \$699,000 and a "lease with an option to buy" has been added to the agreement. A question was asked regarding whether the Balance Sheet can be displayed by month. Next year it will be presented in a manner in which comparisons to the prior year and month can be made easily. Deb Carhart moved and Patty Foley seconded a motion to accept the Treasurer's Report. The motion was carried.

EXECUTIVE DIRECTOR'S REPORT: Jennifer presented the Executive Director's Report that was emailed to all Board members prior to the meeting. She highlighted the following parts of the report: Budget and Finance-Work is in progress to formalize procedures for the separation of duties and on the development of cash management procedures. Capital Campaign-The first Moving Mountains Party was held on July 13th. It was well attended. Everyone is invited. The party held on July 27th had 82 participants! There will be two more gatherings of this nature. Programming, Exhibits and Events: The CADK exhibit opening reception was a wonderful event. Twenty-two pieces have already been sold. Jennifer commented that the order of events will stay the same during a calendar year. An adjustment to the timing of these summer events may be made. Kudos to Barb Getty! The workshops are very busy! Jennifer thanked Debi Ritz for chairing the Craft Fair (\$14,200 may have been raised) and to Helene McAleese for chairing the Antique Show (\$10,000 may have been raised). Planning continues for Stems and Steins, Plein Air Weekend/Auction and the Holiday Galleria. Partnerships and Outreach-The Locals Party was a great success. Linda Weal had the idea, took the initiative, recruited volunteers solicited gifts in kind, booked the band and ran the show. We continue to get positive feedback from the community. Many thanks are extended to the volunteers. More than 110 people took a tour of the building. Attendance was estimated at 250-300. Media and Marketing- Katie Noonan is assisting with the distribution of the e-newsletter. It will go out twice a month to all members for whom we have email addresses. Building Old and New-Three new committees are being formed-one to work on the final design decisions for the main entrance/lobby and galleries, another to draft a plan for the use of the Kinderwood space between May and August and

a third to plan and execute the gala opening of the Arts Center next summer. Personnel-Candidates have been interviewed for the half-time data base/membership position. The summer interns have been invaluable. How can we thank them formally? The advisory Board is meeting every other week. The staff would like the opportunity, once again, to meet with the Board.

BY-LAWS COMMITTEE UPDATE: Patty Foley reported on the work the By-Laws Committee has completed to date. This committee meets at least every Tuesday morning for an hour and a half. A discussion took place at the June meeting regarding the Annual Meeting and the legal public announcement of that meeting. Patty Foley moved and Debi Ritz seconded a motion to amend the By-Laws to read " In order to bring our By-Laws into conformity with actual practice of many years and with the provision of Not for Profit Corporation Law Section 605 (a) (permitting notice by publication for organizations with more than 500 members) we hereby amend our By-Laws to read as follows: RESOLVED, that, in any year where our total membership equals 500 or more, notice of the Annual Meeting served by publication in a local newspaper for three weeks preceding the meeting shall be deemed sufficient notice." The motion was carried. Patty Foley announced that the By-Laws Committee is recommending that we amend part of our present by-laws PRIOR to the Annual Meeting, so that we can implement the new voting and election procedures. This will serve as a show of good faith to the membership that we are willing to take our governance to the next level, and to do so voluntarily, even before the Revised By-Laws are adopted. The proposed changes targeted the following areas: one vote per membership; a quorum is determined by a gathering of the members, the lesser of 100 present or 10% of the membership; the use of proxies; a publication of the proposed Board members resumes and attributes; the use of Election Inspectors; use of paper ballots; the requirement that each Director up for election receive 2/3 of the vote on the paper ballots; and the fact that if a seat is not filled by the vote of the general membership it will remain vacant until the next election. Patty Foley moved and Debi Ritz seconded a motion to amend the By Laws to read as follows:

July 2010 Proposed Amendment to By-Laws

Re: Annual Meeting, Nomination and Election of Directors

ARTICLE IV - MEMBERSHIP

5. Voting. Each membership shall carry the right to cast one (1) vote on matters brought before the membership. An individual member holding more than one type of membership shall nonetheless be allowed to cast only one (1) vote.

ARTICLE V - MEMBERSHIP MEETINGS

7. Quorum. A quorum of the general membership is required for the legal and proper conduct of business. A quorum at a membership meeting shall consist of the lesser of 100 members or 10% of the general membership, present either in person or by proxy. When a quorum is once present to organize a meeting, it is not broken by the subsequent withdrawal of any member(s).

10. Proxies. Every member entitled to vote at a meeting of the membership, or to express consent or dissent without a meeting, may authorize another person or persons to act for such member by proxy. Every proxy must be signed by the member or by his/her attorney-in-fact, and validated by the corporation's Election Inspectors before it can be utilized in voting. No proxy shall be valid after the expiration of eleven (11) months from the signature date, and the proxy shall be revocable at the pleasure of the member who signed it.

ARTICLE VII - ELECTION OF DIRECTORS

1. Qualification of Directors. The Nominating Committee will develop a set of criteria for prospective directors, including, but not limited to (a) a list of the general "skill-sets" desirable for the Board; (b) a list of the constituencies that should be represented; and (c) the duties, obligations and expectations of a Board member.

2. Candidate Selection. Candidates may be selected by the Nominating Committee or by the membership.
3. Nomination Process. Prior to the Annual Meeting, the Board of Directors shall review continuing and outgoing Board members, to determine the needs of the Board for the coming year. Based upon the results of this review, the Executive Committee of the Board will form a Nominating Committee, comprised of both Board and non-Board members – who will be charged with finding the best candidates available. Upon acceptance as a nominee, each candidate shall submit his/her resume and be interviewed by the Nominating Committee.
4. Nominations from Floor: Any member in good standing may run for a position on the Board after being nominated from the floor and duly seconded. In such an instance, the nominee or person nominating him/her shall be given the floor for up to five (5) minutes, within which time to address his/her qualifications for the Board position.
5. Disclosure: Prior to the Annual Meeting, the corporation shall provide the membership with the names of the prospective Board members, their backgrounds, and the attributes which led to their selection.
6. Election Inspectors. The Board of Directors will form an Election Inspectors Committee of three (3) or more members of the corporation, no later than July 1st of each year, for a two (2) year term. Their terms shall be structured so that at least one experienced Inspector shall preside at each Annual Meeting.
Before August 15th each year, the Election Inspectors shall:
 - a) obtain from the Nominating Committee the names and resumes of each candidate for election to the Board of Directors;
 - b) design and have printed ballots, proxies and instructions for their use;
 - c) make the ballots and proxies available to the membership, along with procedures for their return to the corporation
 - d) devise the method for receiving the ballots and proxies and verifying, counting and tabulating the results.

At the Annual Meeting, the Election Inspectors shall further be responsible for determining the number of members authorized to vote; certifying the existence of a quorum; hearing all challenges and questions arising in connection with the right to vote; tabulating and reporting the election results; certifying the validity of all votes and elections; and performing such other and further actions as may be required to conduct elections or votes with fairness to all members.

On request of the Chairperson, or of any member entitled to vote at the meeting, the Inspectors shall make a report, in writing, of any challenge, questions or matter determined by them and execute a certificate of any fact found by them. Any such report or certificate shall be prima facie evidence of the facts stated and of the vote as certified.
7. Ballots. Voting will be conducted by ballot, under the auspices and control of the Election Inspectors. Any member who will not be present at the meeting may participate by proxy - but not both. Members may vote for any number of the candidates for election, with a minimum of none and a maximum of the number of vacancies on the Board.
8. Election of Directors. At a valid membership meeting, with a quorum established, the Election Inspectors will use the total votes cast (including proxies) for each candidate to determine if the candidate is elected or not. To be elected, the candidate must have received a number of votes exceeding two-thirds (2/3) of the total number of members who voted.
9. Tied vote. If, at any time, there is a tie between candidates or among a number of candidates, which

number is greater than the number of vacancies remaining, then in that event, the voters shall vote again, casting a vote(s) equal to the number of remaining vacancies. Only the candidates who are tied shall run in this subsequent election.

10. **Seats Not Filled:** In the event that not all nominees are elected, then in that event, any vacant seat shall remain vacant until the next membership meeting.

11. **Qualification Date.** The Board of Directors may fix a date as the record date for the purpose of determining the members entitled to vote at any meeting of the membership or adjournment thereof, or to express consent or dissent on any proposal without a meeting. The record date shall be not more than fifty (50) nor less than ten (10) days before the date of the meeting.

A vote was taken and the motion was carried.

Joan Spring moved to appoint the following three members as Election Inspectors for the Annual Meeting on September 13, 2010: Margo Boylan, Art Eyre and Shirley Lindsay. Rex Germer seconded the motion. The motion passed.

NOMINATING COMMITTEE REPORT: Ed Stafford reported that the members of the Nominating Committee were appointed by the executive Committee according to the provisions set forth in the new amended By Laws. The members are Ed Stafford, Joan Spring, Chip Kiefer and Sheila Brady. They will decide on a chairperson at their first meeting.

COMMITTEE REPORTS: No Committee Reports were received.

LOCAL PUBLICITY REPORT: John Munyan reported on the various meetings that are being held within the community for the purpose of informing everyone about our progress. John, Jennifer and Kevin have met with the Town of Webb Board. Other meetings will be scheduled with the Historical Society, Kiwanis, TOW Teachers, and Mike Farmer. A short discussion took place regarding the use of our "name" in the local papers and the need for using the correct one consistently.

OFAC CONSTRUCTION PROGRESS UPDATE: Kerry Rogers informed the board that the Construction Committee met just before this meeting and will continue to meet on the 4th Wednesday of the month at 5:00pm. The project is on schedule. It should be completed early in October. There has been \$71,000 in additional change orders. The rapport among the Art Center, Construction Committee and the architect remains excellent.

Kerry Rogers made a motion upon the recommendation of the Construction and Finance Committees, and the approval of the USDA, I would request that the Board of Directors of the Arts Center/Old Forge authorize the request for a funds transfer to the Arts Center/Old Forge new building fund in the amount of \$6,040.14 from the USDA funding. This transfer is a reimbursement for various expenditures made for the Furniture, Fixtures and Equipment required for the new building. Ed Stafford seconded the motion. The motion was carried.

Kerry Rogers made a motion upon the recommendation of the Construction and Finance Committees, and the approval of the USDA, I would request that the Board of Directors of the Arts Center/Old Forge, authorize the request for payment in the amount of \$7,697.58 from the USDA funding, for technical services associated with the new building, to Saratoga Associates. Rex Germer seconded the motion. The motion was carried.

Kerry Rogers made a motion upon the recommendation of the Construction and Finance Committees, and the approval of the USDA, I would request that the Board of Directors of the Arts Center/Old Forge, authorize the request for payment in the amount of \$342,476.00 from the USDA funding, for construction work associated

with the new building, to Charles A. Gaetano Construction Corp. Rex Germer seconded the motion. The motion was carried.

Ed Stafford made a motion to adjourn the meeting. Debi Ritz seconded the motion. The meeting was adjourned at 8:17 pm.

The next regular Board of Director's meeting will be held on Wednesday, August 25, 2010 at 6:30 pm.

Respectfully Submitted,
Joan Spring
Secretary