

**MAXWELL C. KING CENTER FOR THE PERFORMING ARTS, INC.
EASTERN FLORIDA STATE COLLEGE
BOARD OF DIRECTORS MEETING**

September 4, 2024
4:00 p.m.

Maxwell C. King Center for the Performing Arts
Main Stage - 009-128

MEMBERS PRESENT: Anthony Catanese, Chair; Tom Molnar, Vice Chair; Christine Lance, Secretary; Steve Bierbrunner, Treasurer; Thomas Fox; Brian Curtin; Michael Grieves; Robert Naberhaus; Winston Scott; Scott Widerman

MEMBERS ABSENT: Stephanie Moss Dandridge; Howie Dorough; Michael Grieves; Rita Moreno; James Richey; Mitch Varnes; and Greg Watson

CALL IN: Carol Craig; Darcia Jones Francey; and Nancy Dwyer

STAFF PRESENT: Jessie Boyd; Ricky Gonzales; Laura Maxwell; Bob Papke; Emi Oberson; and Jack Parker

OTHERS PRESENT: Scott Glover, Glover, Orndorf & Flanagan

1. CALL TO ORDER

Dr. Catanese called the meeting to order at 4:02 p.m. after determining a quorum.

2. PUBLIC COMMENTS

Dr. Catanese reported there were no public comments.

3. APPROVAL OF MINUTES

Dr. Catanese asked if everyone had a chance to review the minutes. Mr. Scott motioned to approve the meeting minutes dated June 5, 2024. Dr. Fox seconded the motion. **Action:** Motion carried unanimously.

4. FINANCIAL REPORTS

4.1 July 2024 Monthly Financial Statements

Ms. Maxwell reviewed the financial reports through July 31, 2024. Ms. Maxwell stated that all revenue is comprised of interest and dividends earned. Ms. Maxwell stated that the expenses are comprised of a partial salary for an accountant and the portfolio management fees for the endowment. Dr. Grieves asked if the summary of income and expenditures report could include ASMs month to date net income. Ms. Maxwell added that approximately \$800,000 was moved from the money market account to the SPIA account to pay for some of the back of the house renovation and approved capital expenditures that have been purchased. Ms. Maxwell said that the back of the house project was approved by the Board of Trustees for \$2.6 million and the actual contract with WELBRO is \$2.4 million and the remaining funds are for contingency. Mr. Naberhaus motioned to approve the July 2024 Financial Statements. Mr. Scott seconded the motion. **Action:** Motion carried unanimously.

4.2 ASM Monthly Financial Statements

Mr. Gonzales reviewed the ASM Income Statement Forecast as of June 30, 2024. Mr. Gonzales stated that gross event income is \$3,894,056, net event income is \$2,391,891 and the adjusted

gross income is \$2,821,893. Mr. Gonzales added that total operating expenses are \$2,777,395, venue operating EBITDA at \$44,499, and the incentive fee is \$222,238 yielding a loss of \$177,740. Mr. Papke added that gross income is up 27%, total gross revenue is up 22%, food & beverage revenue is up 19%, and venue operating EBITDA is up 128% over last year. Mr. Papke noted that these numbers have been attained without a lot of food and beverage support. Mr. Papke stated that he thinks this was a good year and they have learned a lot that will serve us well in the future. Mr. Scott inquired about Crown Club Memberships and Board dues. Mr. Parker responded that Board Members receive a Crown Club membership with their Board dues. Due to staffing changes, the dues letters have not gone out yet, but the Board members should receive the letters soon.

4.3 ASM FY 24-25 Budget

Mr. Gonzales reviewed the FY24-25 ASM Budget. Mr. Gonzalez stated that AGI is budgeted at \$3,178,320, with operating expenses at \$2,836,576, resulting in a total budgeted net income of \$341,744. The FY24-25 budget for net income before ASM's management fees and incentive fees reflects \$788,692. ASM's portion of that net income for management fees and incentive showed \$446,948 or 57%. The King Center's portion of that net income was shown as \$341,744 or 43%. This is the approximate 60%/40% split ASM/King Center of net income that Dr. Grieves mentioned. Dr. Fox motioned to approve the ASM Monthly Financial Statements and ASM FY24-25 Budget as presented. Mr. Naberhaus seconded the motion. **Action:** Motion carried unanimously.

5. COMMITTEE REPORTS

5.1 Investment-Finance Committee

Mr. Bierbrunner reminded the committee that the Investment Plan strategies are reviewed annually at the November Investment-Finance Committee meeting. Mr. Bierbrunner introduced Scott Glover of Glover, Orndorf & Flanagan. Mr. Glover reviewed the market and the portfolio performance and stated that the portfolio is ahead of year-to-date. Mr. Glover reviewed the current asset allocation and target asset allocation pie charts and stated that they are very close to the target allocations. Mr. Glover added that the committee replaced the JP Morgan Equity Income fund with Putnam Large Cap Value fund at their last meeting, as well as the adding the Artisan International Value fund. Mr. Glover stated that at the next meeting, they will consider reducing the high-yield bonds since it has grown to a bigger percentage in the portfolio than the target percentage. Mr. Glover concluded with year-to-date portfolio performance as follows: The beginning balance started at \$7,118,049 and ended at \$7,428,578 as of August 31, 2024, for an annualized return of 10.57%. Mr. Glover stated that the target return is between 6-8% and that they have far exceeded that. Mr. Bierbrunner motioned to approve the Investment-Finance Committee Report. Mr. Naberhaus seconded the motion. **Action:** Motion carried unanimously.

5.2 Audit Committee

Dr. Grieves mentioned that the previous auditor contract had expired, and the College had gone out to bid. Audit Committee recommended the firm Mauldin & Jenkins, which has extensive non-profit experience and is highly reputable. Dr. Catanese asked if the committee had met with this new audit firm. Dr. Grieves stated that Ms. Maxwell, Mr. Gonzales, and himself have met

with representatives from Mauldin & Jenkins via Zoom. Ms. Maxwell added that the audit would start on September 9th, and conclude at the end of October, with a briefing expected at the December full Board meeting. Dr. Fox inquired about the length of the contract and Ms. Maxwell responded that it is a one-year agreement. Ms. Maxwell stated that CRI bid came in at \$31,000 and the Mauldin & Jenkins bid came in at \$22,500. Ms. Maxwell stated that the Executive Committee approved the recommendation to engage Mauldin & Jenkins for the audit on August 21, 2024. The Board expressed that they would like someone to meet the Mauldin & Jenkins auditors in person. Mr. Widerman motioned to approve the recommendation to engage Mauldin & Jenkins for the audit. Dr. Fox seconded the motion. **Action:** Motion carried unanimously.

5.3 Fundraising/Development Committee

Ms. Francey informed the Board that the committee will have a meeting at the end of September or the beginning of October to plan an event for the upcoming season.

5.4 Nominating Committee

Ms. Lance reminded the Board that Debbie Caldwell and Bruce Weiss that are still interested in joining the Board. Mr. Parker stated that he is hoping to have a staff recommendation on the reorganization of the Board structure at the next Executive Committee meeting. Mr. Molnar suggested adding them to the Board if they are willing to be active Board members and that they understand that there might be a reorganization. Ms. Francey added that Debbie Caldwell is willing to wait until after the reorganization. Mr. Molnar motioned to nominate Debbie Caldwell and Bruce Weiss to the Board. Dr. Grieves seconded the motion. **Action:** Motion carried unanimously.

5.5 Governance Committee

No report

5.6 Planned Giving Committee

Dr. Fox presented the donor guide to gift annuities. Dr. Fox noted that they have joined the American Council on Gift Annuities. Dr. Fox added that the annuities were approved with a gold seal and are also registered and approved with Florida's Insurance Commissioner. Dr. Fox recommended that they are ready to refer the activity to the committee for an action plan.. Dr Fox motioned to recommend an action plan. Dr. Grieves seconded the motion. **Action:** Motion carried unanimously.

6. BUSINESS ITEMS

None

7. ASM GLOBAL MANAGEMENT REPORT

Mr. Papke reported that the sale of ASM to Legends occurred on August 23, 2024. Mr. Papke added that provides a significant opportunity in terms of offering premium operations. Mr. Papke

highlighted the King Center as one of ASM's top 4 theaters, alongside the Greek Theater in Los Angeles, Altria Theater in Richmond and the Coca-Cola Music Hall in San Juan. Mr. Papke announced that in the last year, they generated \$6 million in revenue from over 156 events, selling over 121,000 seats and welcoming 28,000 new attendees. Mr. Papke highlighted the upcoming shows and noted that they recently hosted a volunteer appreciation event with approximately 125 volunteers, as well as welcoming approximately 25 new volunteers. Mr. Papke concluded by providing updates on the renovations and invited the Board for a tour after the meeting.

8. EFSC ADMINISTRATION REMARKS

No remarks


9. EFSC TRUSTEE REMARKS


No remarks

10. KING CENTER CHAIRPERSON REMARKS

Dr. Catanese stated that Classic Albums live has been gaining a lot of attention and he has been receiving requests about having weddings at the King Center.

Meeting adjourned at 5:37 pm.

APPROVED: 
Chair, Maxwell C. King Center for the Performing Arts, Inc.

APPROVED: 
~~Secretary~~, Maxwell C. King Center for the Performing Arts, Inc.
Vice-Chair