

Association of Performing Arts Professionals
2023 Member Meeting Minutes
Monday, January 16, 2023
11:00 a.m. – 11:45 a.m.
New York Hilton and Towers

Present: Renae Williams Niles, Board Chair; Lisa Richards Toney, President & CEO; APAP Board; APAP members; APAP staff

Board Chair Welcome, Renae Williams Niles

Renae opened with a land acknowledgement: APAP pays respect to all of their ancestors – past, present and future generations we acknowledge that our conference is situated on Manhattan (Manhatta) the tradition lands of the Munsee, Lanape, Canarsie, Matinecock, Regawonk, Shinnecock, and the Haudenosaunee Confederacy. We respect that many Indigenous peoples continue to live and work on this island, and we acknowledge their ongoing contributions to this area. By doing this, we reaffirm our commitment and responsibility in furthering our understanding of local indigenous peoples and their cultures and in acknowledging the harms and mistakes of the past we seek to consider how each of us in our own way can contribute towards a spirit of reconciliation and collaboration. We also acknowledge the labor of enslaved Africans as well as their many generations of their descendants who built much of this country.

Renae called the meeting to order at 11:03 a.m.

Renae acknowledged the significance of this meeting, and that we are finally taking place in person again, she thanked everyone for being there. As the official annual business meeting for the Association, only current members may vote, with only one vote per organization.

Approval of the 2022 Member Meeting Minutes

The first item up for vote was the approval of the 2022 Member Meeting minutes. Renae called for a motion to approve the minutes. The motion was moved and seconded. The Minutes passed. Electronic voting was open to members in advance of the conference, at which time the voting quorum was established. 130 valid votes were cast; 71 votes were needed to achieve quorum.

Chair's Report, Renae Williams Niles

- Renae reminded attendees that December 23, 2021, was the date that the APAP board made the decision not to go forward with the 2022 live conference. While the board and staff were poised and ready to bring everyone together, APAP made the safest decision to have a virtual- only event (regardless of the challenges, especially the financial ones).
- APAP remains resilient, vibrant and engaged. At this year's APAP conference, we have close to three thousand attendees. Renae mentioned that she appreciates all of the accolades that she has received on behalf of staff and board, and that there is much for all of us to learn and glean from the conference.
- There are always improvements to be made, but it's wonderful to witness so much comradery, relationship building, pitching of new work, showcases all over the city and all the work that is being accomplished. While significant work and planning of staff has led us to this conference, it's been everyone's patience, support, participation and enthusiasm that ultimately defines the conference's success.

- In addition to the board's efforts in support of the conference, the board and its year-round work with Lisa are focused on ensuring APAP's future and that it is healthy and dynamic.
- Last spring the board returned to in-person meetings in DC. There are five standing committees and task forces that convene virtually. Board Committee goals have been established, which will increase financial stability and diversification of revenue streams. There will be collaboration among board committees and a continuing focus on REDI. If anyone has questions about board committee work or thoughts, reach out to Renae, Lisa or the Executive Office of APAP.
- Renae acknowledged the 2023 conference committee for its work (16 members, 4 co-chairs) each serving countless hours, and the APAP staff for their unwavering dedication and hard work every single day. She also thanked Lisa for her extraordinary leadership and her impressive ability to remain focused and strategic.
- Renae thanked the Executive Committee (Michael Reed, Daniel Bernard Roumain, Anna Glass, Alicia Adams, Beth Macmillan, Christopher Heacox, Francine Sheffield and Jean Cook). Renae acknowledged that Jean is completing her final term on the board. All board members were asked to stand.
- Renae also acknowledged Karen Fischer (asked her to stand) noting that Karen served as board chair 2019-2021. Karen displayed extraordinary leadership working with Mario as he transitioned out and she served on the search committee that brought us Lisa and continued to work with Lisa in her first year.

Renae next welcomed Anna Glass to the stage.

Treasurer's Report, Anna Glass

Before beginning the Treasurer's Report, Anna mentioned that it is important to acknowledge that due to the pandemic, many in the field are continuing to manage extraordinarily complex financial challenges. Like most, the Association's staff, board of directors, and Financial Affairs Committee are making every possible effort to remain fiscally diligent, focusing on building a more sustainable future.

Today's report represents the 2022 financial year (July 1, 2021 through June 30, 2022).

- Today Anna presents the Association of Performing Arts Professionals' Annual Audited Financial Report for the Fiscal Year ending June 30, 2022.
- The 2022 Audit was conducted by SB & Company, a certified public accounting and business advisory firm.
- The firm rendered a clean and unqualified opinion of the association's financial position as of the fiscal year ending June 30, 2022.
- The Audit was also reviewed by an independent Audit Committee and the board's Financial Affairs Committee before final approval by the Board of Directors on October 31, 2022.
- The Association ended fiscal year 2022 with a net surplus of \$414,000, which is extraordinary given the second year of the pandemic and the cancellation of the 2022 in-person conference.
- The organization is in a solid financial position.

TOTAL REVENUE

Total income for FY22 was \$5.5M, which increased from \$2.6M the previous fiscal year.

- Anna drew attention to Conference Revenue, which is only 7% of total revenue. In a pre-pandemic year, this would have represented more than 50% of Total Revenue.

- Since the in-person element of the 2022 conference was cancelled due to health and safety of attendees, APAP not only lost significant revenue, but assumed cancellation fees, which outlined in the next slide.

As depicted in the financial graph slide:

- 7% of total income was in Conference Revenue at \$382K. Before the cancellation of the in-person elements of the 2022 conference, this revenue was expected to be \$816K.
- 9% was from Membership Dues at \$492K.
- 5% from a Federal Grant/PPP Loan at \$271K.
- 77% of revenue was from Grants and Contributions at \$4.2M. Of this, \$3M alone was from the *ArtsForward* program funding, supported by the Mellon Foundation.
- And 2% from Other Revenue at \$89K.

TOTAL EXPENSES

Total expenses were \$4.8M, which was up from \$2M last fiscal year. This increase is mainly due to the \$2.1M in funding regranted to our members via the *ArtsForward* program.

- In addition to *ArtsForward* regrating expenses, APAP paid conference cancellation fees to the hotel and was able to restore staff salaries that were cut in 2020.
- These expenditures were made without impacting APAP's commitment to providing services to members.

As depicted in the financial graph:

- 88% of expenses were Program Services at \$4.3M.
- 12% came from Supporting Services at \$593K.
 - 95% of this was Management and General at \$566K.
 - 5% were Fundraising expenses at \$27K.

PROGRAM EXPENSES – \$4.3M

This slide shows the breakdown of Program Services provided to Members:

- 53% was regranted via the *ArtsForward* program at \$2.3M.
- 23% supported the Annual Members Conference at \$959K.
- 11% supported Professional Development Programs at \$467K. (e.g. Webinars)
- 11% supported Membership Services at \$455K.
- 2% were Public Affairs and Communications expenses at \$109K.

CHANGE IN NET ASSETS

The total change in net assets was \$414K, which reflects the combined results of net assets with and without donor restrictions.

APAP ended Fiscal Year 2022 with Total Net Assets of \$3.3M, which includes the following:

- \$807K in Unrestricted Net Assets
- \$1.7M in Temporary Restricted Net Assets
- \$811K in Permanently Restricted Net Assets

The Permanently Restricted Net Assets shown on the slide are comprised of both the Dawson and Classical Connection Endowments, which support specific programs.

Anna then gave an update on the Association's Reserves:

- APAP's cash reserves are held in an investment account and serve to support capital improvements or operating shortfalls. The balance in this account at the end of 2022 was \$902,037.
- The Association Board approved the use of the reserves, and we were fortunate to make it through the 2022 fiscal year without having to withdraw these emergency funds.

CURRENT YEAR RECOMMENDATIONS

APAP's auditors made one administrative recommendation:

- In review of the Association's written policies, it was noted that certain written policies have not been updated for several years, with the oldest policy dating to 2009.
- The auditors recommend that the Association review its written policies and procedures on a periodic basis -- for example, annually or bi-annually -- and update the policies and procedures as necessary to reflect current operating procedures. If policies and procedures have not changed, the Association should document its review and conclusions.

SUMMARY

In summary, the Association's Fiscal Year 2022 financial performance meets with the requirements as set forth by the organization's governing committees and independent auditor's examination.

Thank you for your time and attention. If you have any questions about this report or financial questions, please reach out to Sue Noseworthy who can put you in touch with a member of the Finance Committee.

Anna welcomed Governance Committee Chair Christopher Heacox, Executive Director of the Jay and Susie Gogue Performing Arts Center at Auburn University to the stage.

Governance Report, Christopher Heacox

Christopher introduced the second item up for member vote, the 2023 Slate of new and renewing board members. There were five board members standing for re-election for an additional term in accordance with our bylaws. Christopher asked renewing board nominees to stand when introduced. The proposed Board Members standing for renewal of their board terms are: **Amy Lam** (2nd term), Vice President, Tisch Music, 92nd Street Y, New York, NY; **Renae Williams Niles** (3rd term), Chief Content and Engagement Officer, Los Angeles Philharmonic, Los Angeles, CA; **Francine Sheffield** (3rd term), Owner, Sheffield Global Arts Management, Richmond, VA; **Beatrice Thomas** (2nd term), Consultant, Arts Equity Strategist & Artist, Vallejo, CA; **Cristina Vazquez** (2nd term), Director, Contenidos Artísticos Producción y Difusión, Chicago, IL.

Christopher entertained a motion to approve the slate of five renewing board members. The motion was moved and seconded. The motion passed. Electronic voting was open to members in advance of the conference, at which time the voting quorum was established. 161 valid votes were cast; 71 votes were needed to achieve quorum.

Next up for voting was the slate of five new candidates for the APAP board of directors as presented by the Governance Committee. The candidates were nominated by you, our APAP members, in the nominations cycle and then underwent a series of reviews by the Nominations Task Force. With ratification today, these candidates will begin their first three-year term, 7 calendar days after their election at this conference.

With the addition of the five candidates, the board would comprise 25 voting members (26 including ex-officio President & CEO, Lisa Richards Toney). This will be the largest board of directors in APAP's history. The five additional board seats exist because of the bylaw changes, including the board size maximum increase, which was voted on by membership during this meeting last year.

Christopher Heacox asked that the new board nominees stand when introduced.

The proposed five new board members are: **Aisha Ahmad-Post**, Executive Director, Newman Center for the Performing Arts at the University of Denver, Denver, CO; **Lane Harwell**, Program Officer of Creativity and Free Expression, Ford Foundation, New York, NY; **María López De León**, Retiring President & CEO, National Association of Latino Arts & Cultures, San Antonio, TX; **Jacob Yarrow**, Executive Director, Green Music Center at Sonoma State University, Rohnert Park, CA; **John Zion**, Managing Director, MKI Artists, Burlington, VT.

Christopher Heacox entertained a motion to approve the slate of five renewing board members. The motion was moved and seconded. The motion passed. Electronic voting was open to members in advance of the conference, at which time the voting quorum was established. 185 valid votes were cast; 71 votes were needed to achieve quorum.

Before moving on, Christopher Heacox thanked departing board member, Jean Cook, for her nine-year service to APAP, which included service on the Executive Committee as well as many other committees and task forces.

Christopher then reviewed the 2023 Board Officers – Renae Williams Niles (Board Chair), Anna Glass (Treasurer), Michael Reed (Vice Chair) Alicia Adams (at-large) Daniel Bernard Roumain (Vice Chair), Beth Macmillan (at large)

Christopher then introduce APAP's President and CEO, Lisa Richards Toney to give her State of the Association remarks.

President and CEO Remarks – State of the Association, Lisa Richards Toney

- Lisa started by saying how happy she was to be in-person for this conference and because it had been so long since the conference was in-person, it means everything that everyone is here. She thanked the member-audience for attending and sticking with APAP.
- As of last January, APAP let members know we were going to be starting a strategic plan – however an important part of the process is listening to members and hearing their stories, so affirmed that they will be doing more listening before beginning a strategic planning process.
- In the interim, Lisa will be joined by Renae and other board members to work on a CEO plan (to begin in FY24).
- APAP has had to make hard decisions this past year (cutting staff, reducing salaries etc.), but we are in the black, which is very strong.
- APAP maintained visibility despite the cuts we had to make. We prioritized programming and bringing critical resources to members as our primary goals this past year.
- Lisa mentioned that just under 40% of attendees are new this year, which is an amazing achievement.

- Lisa is very proud of the staff, she thanked everyone by name at the opening plenary. Lisa also introduced APAP's development consultant, Glenda Noel-Ney.
- Historically, APAP's business model has relied heavily on conference, however we know we have to grow beyond that to sustain the Association's operations. However, she stressed that the conference will not go away (and she is keenly aware that conference is very important way we serve the field).
- Lisa reminded members that APAP offers "Real Talk in Real Time" our monthly Zoom events where all members can gather, ask questions, listen and learn. These sessions embody APAP's commitment to flexibility, nimbleness and transparency. It's important to Lisa that APAP model "listen first and then lead."
- The performing arts industry is ONE ecosystem and it's essential to stress this because we need each other to stand strong (we are truly stronger together).
- As APAP staff prepare for the strategic planning process, the team anticipates learning a lot from the execution of the year-round programming that will be offered this year (e.g. Arts Compensation Project Welcome to the Field sessions).
- The team is also very excited about the launch of a mentoring platform that will be named in honor of Halsey North (long-time member and supporter of APAP who passed away this year). They are planning for the APAP365 platform to feature 365 mentoring – all the way around from novice to seasoned (because young professionals have something to also teach)
- Lisa thanked everyone who participated in the Martin Luther King Day of Service.
- Advocacy (both little "a" and big "A") are a big part of what APAP does, whether it's advocating for ethical partnerships in our working relationships or working with our representatives on Capitol Hill.
- Lisa closed by saying how thrilled she is to be at the helm of APAP – and that APAP is here to support its members and lift you up.

Rena Williams Niles closed the formal portion of the membership meeting at 11:53 a.m.