



RED BUTTE GARDEN

THE UNIVERSITY OF UTAH

Red Butte Garden Advisory Board Meeting
Wednesday, September 11, 2019, 3:30 PM
Classroom, Visitor's Center

Present: Greg Lee, Tim Welsh, Tory Magleby, Erin Armstrong, Byron Barkley, Sandi Behnken, Brandi Bosworth, Kym Buttschardt, Jeff Herring, Chuck Horman, Kristy Larsen, Ron Motzkus, Kevin Murphy, Kathleen Riebe, David Reymann, Laura Snow, JoLynda Stillman

Absent: Troy Aramburu, David Classen, Fred Esplin, Steve Price

Staff in attendance: Dion Duffin, Derrek Hanson, Yasmine Jarvis, Angela Wilcox

I. Approval of Advisory Board minutes from May 8, 2019.

A motion was made, seconded, and passed to approve the minutes.

II. Announcements

Max Chang is Board Chair of the ZAP Tier I Advisory Board. He is also assigned to be the ZAP Lead Reviewer for the Garden. He is attending today's meeting to observe and obtain information that will be of interest to the ZAP Board.

Since the last Advisory Board meeting, the Garden's Development Director Wendy Loyning has left the Garden. We are conducting a search for her replacement but have yet to select a candidate. We anticipate that a new Development Director may not be hired until after an Executive Director is brought on board. Until the position is filled, Greg will serve as the interim Development Director. We will continue with our three-pronged approach: re-advertise the position, solicit part-time help from other sources when needed, and continue to operate with our existing staff.

The Garden has received a \$1.5 million gift from the Alternative Visions Fund for Six Bridges Trail, which covered the initial total project construction costs. Current project costs have increased due to steel tariffs and interpretive signage expenses. We hope to send the project out to bid within the next month.

Every 10 years, the ZAP program is placed on the Salt Lake County election ballot. In anticipation of the 2020 election, a ZAP Reauthorization Committee is being formed. In the past, ZAP recipient organizations have been able to donate funds to this process; however, with recent state government regulations that provide new restrictions on lobbying efforts of governmental organizations, the Garden is unable to financially contribute to assist with this Committee's

expenses. This limits the involvement of all ZAP organizations on the U of U campus, including Pioneer Theatre Company, Utah Museum of Fine Arts, Natural History Museum of Utah, Red Butte Garden, and others. The University's Office of General Counsel has provided an opinion that it would be acceptable to have Advisory Board members donate directly to the ZAP Reauthorization Committee.

III. Concert Season Wrap-Up

a. Ticket Sales and Revenue

Six concerts remain this season, including Mark Knopfler tonight. We are just shy of 1% off from last year's total ticket sales numbers. Whole season sales are 94.95%, with one concert still on sale. This year, we booked 29 concerts plus two special events—the Shakespeare Festival concert and the Utah Symphony. The sales of tickets for the Utah Symphony performance have been declining for the past several years. Staff are evaluating whether to continue partnering with the Utah Symphony or how we can improve the event, as we would prefer to continue working with them. We sold a total of 82,000 tickets this year—an average of 2,827 tickets per concert.

Until recently, Utah was viewed as a “flyover” state for bands and promoters. In 2017, LiveNation acquired United Concerts, the lead promoter in Salt Lake, and began booking numerous concerts here. Now, AEG, the second largest concert promoter in the world, has moved into town with a contract with Sandy Amphitheater. Sandy Amphitheater, the only other outdoor amphitheater in the valley of a size similar to Red Butte Garden, has acquired alcohol permits and revamped their booking system. It appears that AEG, the concert promoter with the largest number of concerts at Colorado's Red Rocks Amphitheater, may begin booking the artists who play at Red Rocks Amphitheater at Sandy Amphitheater. This could create a challenge for the Garden. Derrek doesn't have concerns about booking artists or selling out concerts, but he is concerned that our customers may feel that we are price gouging if we have to increase ticket prices to remain competitive with AEG.

TicketFly, our ticketing system provider, was acquired by EventBrite, whose ticketing platform may not be able to meet our needs. We gave TicketFly/EventBrite a 60-day contract termination notice and plan to stop using their service by the end of October, which is when EventBrite plans to phase out the TicketFly platform. We have already begun the RFP process to find a new ticketing system, in order to have enough time to train staff and educate the public on how to use a new system. Technology has made great advances since the last time we did an RFP and Derrek is confident we will be able to find a system that works for us.

b. Sponsorships

Concert donor revenue is ahead of last year —\$2,263,000 in total revenue, of which \$1,412,000 is charitable giving. Unreserved packages revenue, which has high year-to-year variance, dropped by about 15%.

The waiting list of concert donor options consists largely of existing donors who want a reserved seat. The sections with the longest waits are the reserved lawn areas on the terrace and in the main lawn. Prices-per-ticket for these packages remain modestly priced compared to other venues in town with possible room for future increases.

IV. Nominating Committee

Byron Barkley, Sandi Behnken, Kevin Murphy, and Tim Welsh are all reaching the end of their terms this year. Tory Magleby has been Vice-Chair for the past two years and will be nominated for the Chair position. David Classen, current Secretary, will be nominated for Vice-Chair. Kevin Murphy will be nominated for Secretary. Nominations for prospective new Board members have come in, but more are always welcome.

V. Finance Committee Budget Report

This financial report consists of yearly totals as our fiscal year just ended in June. Overall, total revenue growth for this fiscal year was 4%, which is above budget and more than last year. Of total revenue, 37% is from concerts, which increased 2% over last year. Other revenue increased by 5%. Government support increased 11%, largely due to ZAP funding which was up 13%. Quasi endowment increased 64% as the Garden is regularly moving its cash surpluses into quasi-endowment to ensure funding for future repairs, maintenance, and operating expenses.

Expenses were 5% greater than last year, largely due to increased concert expenses and an increase in staff salaries. Concert expenses increased 11% due to higher performance fees related to higher ticket prices.

Greg offered to make our cash balance sheet of the last 10 years available to the Board to aid in understanding of our long-term financial history. Although we have benefitted from surpluses in the past, we must plan for lesser surpluses in the future due to Garden build-out, increased staffing, and no new revenue streams.

Damara's Gift donors have been contacted. We have received some responses regarding what they would like done with their contributions, but we are still waiting to hear back from our largest donor.

VI. Executive Director Search

a. Search Committee Composition and Status

Tory Magleby and Fred Esplin are co-chairs of the search committee, which is composed of representatives from the University of Utah and

Salt Lake City community. Tory also gave the Board a website and her email address where they can see the full posting. Greg requested the Board's full participation of what they would like to see in the Garden's next Executive Director, either now or via email later on, in order to give the search committee the most complete picture of what the Garden needs for the future.

The search committee will review applicants in October and then meet at the end that month to determine with whom to do Skype interviews. They then plan to do interviews onsite in December, with the hope that the new person be selected by early next year. The Board will be invited to participate in the final interviews, possibly at a reception or meeting. The search firm is recruiting applications from both public gardens and from other large cultural organizations as we may not be able to find someone with Greg's same expertise and skillset from within the public garden community. Greg has agreed to stay on for several months at 25% time in order to help as needed with the transition.

b. Group Discussion and Recommendations

Kym Buttschardt mentioned her concerns that relationships developed by Greg will be lost. Brandi Bosworth encouraged the search committee to involve the staff, possibly with an anonymous survey, to list the necessary qualities of their future leader. Staff could be asked to complete a survey about the final candidates after they've been interviewed. David Reymann suggests taking into consideration Greg's passion for botany, horticulture, and plants in order to truly grow the Garden. Tory responded that that may be the reason for the creation of another high-level position, such as a COO or CFO so that a business-minded individual and a garden-minded individual can work together. In addition, the amount of time that Greg spends doing concert contracts alone may need to be outsourced to a different person, unless we have a candidate who can do it. In Tory's research, many people who have a background in contracts do not have a background or passion for gardens. The Board is encouraged to visit the search committee website to provide their feedback.

VII. Staff Reports

There were no questions on the Staff Report.

Adjourn 5:00 pm.