

**Minutes of Board of Directors Annual Meeting
Society for the Preservation and Encouragement of
Barber Shop Quartet Singing in America, Incorporated
Sunday, August 15, 2021 10:00 AM
Zoom Conference**

Meeting called to order by Society President John Donehower at 10:01 a.m. Central Daylight Time on Sunday, August 15, 2021, on Zoom Video Conference, and streamed to broader membership via BHS YouTube channel.

The following action was taken:

Quorum: The Executive Secretary, Marty Monson, confirmed the presence of a quorum to President Donehower.

The meeting was opened with:

- “The Old Songs,” lead by BHS learning track (www.barbershop.org)
- Reading of Mission/Vision Statements and Purposes by Randy Loos

The following officers were present:

Officers

Society President John Donehower
Society Executive Vice President Steve Denino
Society Immediate Past President Dick Powell
Society Treasurer John Santora
Society Executive Secretary Marty Monson (Non-voting)

Board Members

Jeremy Brann
Blair Brown
Maria Christian
Mark Fortino
Christian Hunter
Randy Loos

Society Staff

Erik Dove, BHS Chief Financial Officer
Erin Harris, BHS Chief Program Officer
Megan Ervin, Executive Assistant
Devin Bradford, Marketing Director
Sam Hoover, Director of IT

Special Guests

Joe Berger, G&B Chairperson

Skipp Kropp, Past President

Christian Hunter, Governance Advocate

David Haedtler, Chair of the Nominating Committee

Murray Phillips, Assistant Chair of the Nominating Committee

Nick Schwob, Moderator of the District President's Council

Board Candidates

Ted Byers

Maria Christian

Paul Franek

Norm Jamont

Zachary Materne

Meeting Appointments

President Donehower appointed:

- Skipp Kropp as Parliamentarian
- Jeremy Brann as Parking Lot Attendant

Recognitions

The 2020 Annual Report draft was shared by Erin Harris. The report will be featured in the upcoming edition of *The Harmonizer*.

Waiver of Notice Requirement *(for any action items not previously sent)*

No waiver needed.

Board Education

- Alternative contest process and exploration- Executive Vice President, Steve Denino
 - The task force group plans to extend the decision timeline by investigating additional factors of risk, partnering with SCJC, and to continue to have discussions with the DPC. Research and feedback should conclude Dec 2021, which may result in no change in the contest format. The Board will continue to work with various groups to make the best decision for the future of the BHS.
- Elections bylaws review- Parliamentarian, Skipp Kropp
 - The annual election will take place this afternoon after the recess. The election will be for the two open positions for Board Members at Large and officers for the upcoming term.
 - The Harmony Foundation International nominating committee has not provided the nominations for the annual HFI election.

Performance Reports:

CEO Report

- State of the Society
 - BHS Operations
 - [Link to Slides](#)

Marty Monson

- Number 1 priority- Supporting BHS members through proactive communication and engagement with singing community leaders
 - Review Q1 Results
 - Softness in baseline continues based upon declining membership trends- dues below 13,000
 - Monitoring financials- remained close to pivot budget, focus on recurring revenue
 - NEH grant declined for the 2nd time
 - Development remains challenging with legal case, but have raised nearly \$250k from 800+ unique donors in less than one year
 - Review Q2 Results
 - Still continuing to monitor financials- expense containment, subscription retention and fundraising remain the focus
 - Membership/reinstatements are beginning to increase- now around 13,380
 - Development increase \$300k from 900+ donors in one year
 - Staff reductions helped with finances, but has challenged day-to-day operations
- **CFO/Treasurer Report Q2** Erik Dove/John Santora
- Reviewed Year-Over-Year Revenue Declines, Offsetting Revenue Increase, and Expense Containment Efforts:
 - Offsetting Expense Increases YOY
 - Governance Expenses
 - New Development Operations
 - Staffing Cuts
 - Wages & benefits down
 - Net Results (including PPP 1st Draw 2020 and 2nd Draw 2021):
 - 2021 YTD Loss (\$237k) v. 2020 YTD Loss (\$568k) - \$331k improvement
 - 2021 Operating Results (excluding litigation expenses):
 - (\$124k) 2021 YTD Actual
 - (\$175k) 2021 YTD Pivot Budget - \$51k positive variance
 - (\$495k) 2020 YTD Actual - \$371k positive variance
 - Focus on what we can do as an organization to help our singing communities gather and succeed
 - Audit & Form 990 Status:
 - KraftCPA has completed its fieldwork & audit review for the BHS 2020 audit.
 - The preliminary audit results for BHS will reflect an operating loss of (\$948k) compared to the May, 2020 Pivot budget loss of (\$914k), a negative (\$34k) variance to budget.
 - The issuance of the consolidated audit is being delayed due to Harmony Foundation's unwillingness to give the auditors permission to use the Foundation's 2020 financial results as

required by GAAP to present on a consolidated basis under the financially interrelated accounting requirements.

- KraftCPA has nearly finalized the IRS Form 990 preparation, but unresolved issues with HFI are causing a delay in completing needed financial reporting.

- Lack of historical funding from HFI has affected BHS- look forward to resolving that funding to help BHS, districts, chapters and our members emerge from the pandemic successfully.

- 2021 Operations:

- Activities/priorities *see slides

- Executive Limitations Q2

Marty Monson

- DPC Report (provided in the board packet)

Nick Schwob

- The DPC is continuing to watch the Labor Day Jamboree Event very closely. The DPC is continuing to meet to discuss health and safety concerns, while also keeping an eye on storms as well (Hurricane Ida). Working collaboratively with the board and Harmony Hall is continuing to make a positive impact on the future.

Governance & Bylaws Committee

- Verbal Report

Skipp Kropp/Joe Berger

- Lots of time has been spent on the litigation and mediation process with HFI.
- The committee is still reviewing and approving chapter bylaws as they come in.
- G&B is also working with an ethics subcommittee; a group led by board member Blair Brown.
- Skipp Kropp is working with the AIC to update their bylaws.
- G&B is also discussing the future Harmony Brigades structure with CFO Erik Dove.

Policy Decisions

N/A

Policy Discussions

- SPC/Ethics Subcommittee

Steve Denino/Blair Brown

- This subcommittee is working to review and assess the current ethics process. The group is composed of Mo Field, Christian Hunter, Steve Denino, Joe Berger, and they are determining the values that should be considered of a BHS member. The subcommittee has recruited a diverse group of BHS members and a facilitator- they will share their progress within the coming months.

Committee Reports with Discussion

- 2022 Business Planning Process & Update

Marty Monson

- The 2022 Business Plan will be organized by:
 - Recurring Revenue:
 - PIB Subscription Offerings- Erin
 - Singing Community Offerings- Erin
 - A la Carte Revenue (one-time events)

- Marketplace/Music- Erik
 - Midwinter 2022: Pasadena- Dusty
 - International 2022: Charlotte- Dusty
 - Harmony University 2022- Steve/Dusty
 - HU Online Education- Brent
- Development
 - Development- Marty
 - NGB Jr & Varsity- Lani
 - HU Scholarships- Brent/Steve
 - Singing Community Impact Area- Joe/Erin
- Shared Services
 - General Operations- Erik
 - Customer Service / Fulfillment- Caki
 - Marketing & Communications- Devin
 - Measurement & Evaluation- Erin
 - Technology- Cassi
 - Sales- Erin
 - Production- Chad
 - Human Resources- Jama
 - Finance, Legal, & Administration- Erik
 - Labor- Marty
 - Governance- President/Marty/Megan
 - Alliance Management- Megan/Marty
 - Copyright & Licensing- Janice
 - Warehouse Fulfillment - Justin
- Relationship Management (new)
- 2022 Budget goal:
 - Improve current draft budget of (\$390k)
 - Reference: 2021 budget (\$440k)
- 2022 Assumptions:
 - Midwinter - Pasadena 2022
 - 750 seats (COVID limitations- LA County)
 - Survey has been generated to about 10,000 of our members- 11 youth choruses are planning to participate at this time
 - Will make a decision end of August/beg of Sept
 - Looking to the district conventions
 - Dusty is in ongoing conversations with the venue coordinators in Pasadena -- keeping all options on the table
 - International - Charlotte 2022
 - 4,440 registrations, venue capacity is 12k-15k
 - \$260 avg ticket price
 - 2,050 additional seats
 - Additional \$585k (upside)
 - Harmony University 2022
 - Registrations increased 650 to 750

- Sell Out - 100 additional registrations
 - Additional \$80k in revenue (upside)
- 2022 Challenges & Opportunities:
 - Gathering
 - Covid variant impact
 - Development success
 - Build on first year success and learning
 - Building monetization
 - Interest continues for lease, but no takers.
 - Event/venue/education related opportunities continue to be discussed as part of mission related income streams. Next steps are being developed.
 - Mark Fortino: The monetization plan for the building is currently on hold. The staff and the board continue to stay focused on resolving the situation with HFI and returning from COVID, etc.
 - Relationship Management clarity and future expansion
 - Who has what? Which relationships are based upon subject matter expertise vs ongoing relationships that scale service delivery and escalation resolution. More to come on this project in the coming months.
 - YouTube monetization
 - Discovery in progress

Consent Calendar

Receipt of Society Committee Reports:

Motion to receive the following Committee Reports:

- [Nominating Committee Report](#)
- [Strategic Planning Committee Report](#)

David Haedlter

Steve Denino

Reports received with no objections.

Minutes

- Approval of the Minutes (May 16, 2021)

John Donehower

February 2021 minutes approved and accepted.

Recess

The meeting recessed at 11:30 AM

**Minutes of Board of Directors Annual Meeting
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Meeting reconvened by Society President John Donehower at 1:00 PM Central Daylight Time on Sunday, August 15, 2021, on Zoom Video Conference, and streamed to broader membership via BHS YouTube channel.

The following action was taken:

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Special Guests

Joe Berger, G&B Chairperson
Skipp Kropp, Past President
Christian Hunter, Governance Advocate
David Haedtler, Chair of the Nominating Committee

Murray Phillips, Assistant Chair of the Nominating Committee
Nick Schwob, Moderator of the District President's Council
Bruce Checca, SUN EVP and DPC Voting Representative

Board Candidates

Ted Byers
Maria Christian
Paul Franek
Norm Jamont
Zachary Materne

District Presidents in Attendance:

Stephen Wyszomierski (JAD and LOPT Representative), Russell Shaner (SWD), Paul Blazek (DIX), Michael Black (ONT), John Rettenmayer (EVG), Joe MacDonald (PIO), Chuck Steiner (SUN), Paul Martin (NSC)

Meeting Appointments

President Donehower appointed:

- Skipp Kropp as Parliamentarian
- Jeremy Brann as Parking Lot Attendant

Barbershop Harmony Society Election of Board Officers and Members

President Donehower turns over the election proceedings to International Past President Dick Powell.

The Nominating Committee report was previously submitted to the Board as follows:

Pursuant to Section VII of the Society Bylaws, the following candidates are hereby placed in nomination for election by the Board of Directors of the Barbershop Harmony Society, at its meeting August 15th. Society President, Executive Vice President, Treasurer, and Board Member at Large terms of office begin January 1, 2022.

Uncontested and nominated by the Society Nominating Committee:

One-year term:

Treasurer	John Santora
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Motion made and passed: that the uncontested nominee for Society Treasurer John Santora be elected by acclamation.

One-year term:

Executive Vice President	Steve Denino
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Motion made and passed: that the uncontested nominee for Executive Vice President Steve Denino be elected by acclamation.

Society President

The following were nominated by the Society Nominating Committee for the open Board position of the Society President.

One-year term beginning January 1, 2022:

(one to be elected)

- John Donehower
- John Santora

Board Member-At-Large

The following were nominated by the Society Nominating Committee for the two open Board positions of the Society Board Member-At-Large.

A three-year term beginning January 1, 2022:

Board Member-At-Large

(two to be elected)

Ted Byers

Maria Christian

Paul Franek

Norm Jamont

Zachary Materne

The nominees for President, and Board Member-At-Large addressed the Board individually before a secret ballot was taken. Following the tabulations of the ballots by the parliamentarian and David Haedlter, Chair of the Nominating Committee, Past President Powell announced the results as follows:

- 2022 Society President John Donehower
- 2022-24 Board Member-At-Large Maria Christian
- 2022-24 Board Member-At-Large Zachary Materne

HFI Board of Trustees Elections

Skipp Kropp

- Parliamentarian Skipp Kropp stated the board had not received the HFI nominating committee report or the name of candidates.
- Having not received a report from the HFI Nominating Committee, the SBOD approved a motion to postpone the HFI trustee election, to wit:
 - The SBOD approved the motion.

Parking Lot

Jeremy Brann captured the following parking-lot items from the meeting:

- Erin Harris, BHS Chief Program Officer, will follow up with YTD results from Project Connect.

Adjournment

The meeting was adjourned at 2:30 PM by the singing of *Keep the Whole World Singing*, led by BHS learning track (www.barbershop.org).

Respectfully submitted,

Martin L. Monson, Executive Secretary