



## **Southwest Virginia Cultural Heritage Foundation Board of Trustees**

Thursday, June 10, 2021 | 1:00 to 3:00 p.m.

Digital Meeting:

<https://zoom.us/j/6687672858>

Phone Number: +1 646 558 8656 US (New York)

Meeting ID: 668 767 2858

Due to the Governor's Declared State of Emergency due to COVID-19, it is impracticable and unsafe for the Board of the Southwest Virginia Cultural Heritage Foundation to assemble in a single location, so the Board meeting and public hearing will be held electronically, by video conference and telephone options, pursuant to 2020 Amendments to the 2020 Appropriation Act. The purpose of the meeting is to discuss or transact the business statutorily required or necessary to continue operations of the Board and the discharge of its lawful purposes, duties, and responsibilities. The public is welcome to use the link and phone number options made available by staff to attend the meeting electronically. The Board will make available a recording or transcript of the meeting on its [website](#) in accordance with the timeframes established in Sections 2.2-3707 and 2.2-3701.1 of the Code of Virginia.

### **Minutes**

#### **Call to Order**

Delegate James W Morefield, Chair, called the meeting to order and gave welcome at 1:02 p.m.

#### **Jenna Wagner conducted roll call at 1:02 p.m. Quorum was not met at the beginning of the meeting.**

This meeting is being recorded.

Trustees in attendance:

Senator Todd Pillion

Delegate James W Morefield, Chair

Delegate Chris Hurst

Kevin Byrd – joined after roll call

Duane Miller

James Morani – joined after roll call

Robyn Raines

Amanda Pillion

Dr. Adam Hutchison

Larry Yates

Erik Johnston

Becky Nave (for Rita McClenny)

Quorum was not met as of 1:06 p.m.



Guests in attendance:

Fred Ramey – City of Norton

Chris McKlarney – Giles County

Matt Weaver – Virginia Department of Housing & Community Development

Carrie Beck – The Crooked Road

Kim Davis – Birthplace of Country Music

Staff in attendance:

Jenna Wagner

Krystal Mosley

Ida Walker

Gwyn Hill

Chad Thompson

Tina Murray

Donna Hensley

**Public Comment Period**

No comments were made during the public comment period.

**Staffing Update** - Erik Johnston

Jenna Wagner asked Erik Johnston with Virginia's Department of Housing & Community Development to introduce the Foundation's new Executive Director, Kim Davis.

Erik Johnston gave thanks to the board, Jenna Wagner for stepping up in the interim role, and staff at the Friends of SWVA and the Cultural Heritage Foundation for their work during the pandemic. Erik said it was great to be with everyone this morning.

Erik introduced the new Executive Director, Kim Davis, who comes to the organization from the Birthplace of Country Music. Kim's official start date will be June 25, 2021. Erik described that Kim is working to close out her work at the Birthplace of Country Music well. Kim has been with the Birthplace of Country Music since 2014 in a Director of Marketing role and is already a partner and leader in the region. There was a great pool of applicants for that position and the agency is excited that Kim accepted the position. Kim has a strong 15-year track record in marketing, communications, facilities management, in the mission areas of the Foundation board and partner organizations. Erik said he is excited to introduce Kim to the board and asked Kim to introduce herself to the full board.

Kim Davis thanked Erik and shared that she was excited that her schedule allowed her to join the board meeting this morning. Kim stated that she was in the process of wrapping everything up with the Birthplace of Country Music. She stated that she was ready to hit the ground running. She is honored to lead the organization and has a lot of experience in marketing and tourism. She is from Bristol and went to the University of Tennessee. She moved to Washington DC and worked on Capitol Hill for Tennessee Senator Bill Frist. She also worked from Visit Knoxville in marketing and communications. She and her husband moved back to the region 7 years ago to be closer to family. She was fortunate to get the position with the Birthplace of Country Music and has been working with Jenna since she started with DHCD and the Foundation.



Erik welcomed Kim again and turned the meeting back to Jenna.

**Financial Report – Jenna Wagner**

FY21 Q3 Financials - Jenna gave an overview of the Q3 financials and referenced the information included in the full board packet.

The financial statements presented are through March 31, 2021 and the format is consistent with what's been presented at previous board meetings in March and December. The finance committee has been working through ways to cut costs during the pandemic and additional sources of revenue.

At the end of Q3, staff was still waiting on a receivable from the POWER 15 project fund, totaling around \$111,000. Total cash and receivables right now are close to \$519,000, as of the end of March. The organization was awarded a second round of PPP of \$82,400. Staff has noted this amount as a long-term payable, until it is forgiven. Overall, the organization is in a good place with cash and receivables.

Retail revenue and consignment sales are still under budget as of the end of March, but the Cultural Center has seen increase visitation and sales in Q4. Staff feels that the overall budget will balance out with a current net profit of approximately \$283,000.

Staff has been able to save money over the past year with differences in personnel. The facility has only been open four days a week and has saved some money because of limited hours. Overall, the team has used this time to reset everything within the organization.

The organization received around \$35,000 of unanticipated partnership program revenue that was not budgeted for. This is a partnership between Friends of Southwest Virginia, Round the Mountain, and The Crooked Road. Staff from each organization is in the process of rebuilding the program and hope to have more income in the coming years from this program.

As a reminder, the development and grant funded programs are not included in the operating budget for the organization, as Friends of SWVA serves as a pass through for a lot of those funds. The board will see personnel support, administrative, and project oversight funds dedicated to those programs in the budget. Staff has been working with the Planning District Commissions to finalize and wrap up some of the construction projects that are funded through the Appalachian Regional Commission. Some of the funds will be going directly to the PDCs to fully implement those projects.

The marketing partnership program is a program staff has been working on to help make the marketing programs sustainable and not have to draw down on the marketing reserve fund. Currently, there is about \$136,000 still remaining in the marketing reserve fund. Staff has been working diligently on a path to sustainability. Chad Thompson will speak more to this program and efforts later in the meeting.

Retail personnel expenses are lower due to transition of staff over the past year. This led to some savings. There also have not been any expenses in events or café.



The development programs personnel line item reflects the same amount as the revenue amount.

Cultural Heritage programs line items are specific to the Round the Mountain programming. RTM has been in transition as staff has been assessing processes and procedures with the board. The staff have invested a significant amount of time recently in getting the Round the Mountain membership and inventory processes organized. Staff has paused a lot of programming, but Jenna mentioned that she would talk a little more in her report about upcoming programming for Round the Mountain. This will help support the artisans and continue to develop the arts industry in the region.

Staff has invested in digital, social, email, and database development for marketing over the past year.

Staff also feels like the organization is well positioned to wrap up FY21 and get FY22 started on the right footing.

Jenna concluded the FY21 Q3 financial report.

## **New Business**

### **FY22 Budget – Jenna Wagner**

Jenna shared that the staff was excited to present the FY22 budget to the full board today, as it has been an ongoing process over the past few months. This format is different than what has been presented in previous board meetings. The finance committee and staff have tried to make the budget as streamlined and seamless as possible. Transparency and consistency are both factors that led the staff to this presentation. The finance committee has met a number of times since the March board meeting and everyone feels like we've hit on a conservation, but solid budget. Once Kim Davis is on board, there may need to be a budget revision; however, staff based this budget off the averages of the last three to four years.

The finance committee has been super supportive through the whole process. The staff and finance committee have separated the operations budget from the marketing budget. The operations budget includes personnel, Round the Mountain, admin, accounting, and Cultural Center operations and maintenance. Staff has taken a conservative approach to this budget. Jenna called out a few notable items within the budget, including:

- Consignment revenue and separating wholesale and online sales
- Rent income and tenant recruitment
- Cultural Heritage programs grant revenue
- Development programs revenue
- General revenue
- Internal maintenance reserve for the Cultural Center

The facility has some capital improvement needs that will need to be addressed in the coming year. These are not included in the FY22 operating budget. The Cultural Center maintenance and grounds expenses listed in the budget are those that the facility incurs on an annual basis.



Staff has listed facility maintenance expenses in more detail in order to show where these funds are going, including the relationship with People Incorporated. Staff feels like this is a good representation of everything that will need to be done at the Cultural Center in the next year.

Jenna called out that there is not a large budget currently for events, but staff realizes that this line item may need to be revised in the coming months depending on restrictions. Jenna noted a few other items for the full board:

- Cultural Heritage program expenses
- Cultural Center retail expenses – Visitor Center and Marketplace
- Personnel
- Accounting and admin expenses are in line with previous years' budgets
- \$10,000 for AmeriCorps VISTA member expenses
- Marketing budget and goal of sustainability

Jenna concluded the FY22 budget presentation and thanked the finance committee for their assistance in helping to develop this budget.

Delegate Morefield – Next on the agenda will be adopting the consent agenda. The board will approve these in a block and each board member will approve individually.

- a. Consent Agenda – Delegate James W Morefield, Chair
  - i. Adoption of Agenda
  - ii. Approval of Minutes from March 2021
  - iii. FY21 Q3 Financials
  - iv. FY22 Budget

Senator Todd Pillion made a motion to adopt the agenda, approve the March 2021 minutes, FY21 Q3 financials, and the FY22 budget. Delegate Chris Hurst seconded the motion.

**Consent Agenda Roll Call Vote:**

Senator Todd Pillion - Aye  
Delegate James W Morefield, Chair - Aye  
Delegate Chris Hurst - Aye  
Kevin Byrd (joined after initial roll call) - Aye  
Duane Miller - Aye  
James Morani (joined after initial roll call) - Aye  
Robyn Raines - Aye  
Amanda Pillion - Aye  
Larry Yates - Aye  
Erik Johnston - Aye  
Becky Nave (for Rita McClenny) - Aye

A quorum was met at this time.

**Executive Director Report – Jenna Wagner**

Jenna shared that some of this information was covered in the financial report. There are a few guests joining the board this morning and providing an update on some of the development



programs that have been underway over the past few years. Fred Ramey with the City of Norton will speak about the High Knob Lake and High Knob Destination Center and Chris McKlarney with Giles County will share more about the New River Boat Launches and New River Trail Center projects. The staff has been working very hard since the last board meeting. In the March meeting, the team provided a full overview of the organization and the annual report. The staff is prepared to welcome a new year and a new Executive Director.

There have been a few programs and projects that have needed additional attention in the past three months. The AmeriCorps VISTA, master plan development, and construction projects all over the region are making great progress. Not all are under contract, but we are trending that direction. Additionally, there is some outdoor development work being facilitated through Friends in Lee and Wise counties. Jenna shared more about construction projects through the Appalachian Spring initiative that have been completed.

Jenna shared that she appreciated the boards' support in helping us to reach this point and as we chart the path forward for the creative economy.

There are currently four outdoor and economic impact master planning processes under way. One in the Cumberland Plateau region, one in the Mount Rogers footprint, the Virginia Creeper Trail, and the Mendota Trail. The staff is now excited to take a look at everything comprehensively and determine how all of these plans start to blend with arts and music.

Round the Mountain has assessed a lot of its project and programming in order to be prepared for the next year, including inventory and artisan trail strategic planning.

The Cultural Center will be bringing back some of our events such as The Crooked Road open jams, which will start in July. As soon as Kim can assess everything and get up-to-speed, staff will look at reopening to full capacity and hours. Additionally, the next 'Round the Mountain Jury is scheduled for September.

Staff is very excited how everything is starting to align. The board has talked about the creative economy recovery plan and what the next 2-3 years look like for the creative economy. Jenna said that the entire staff appreciates the boards support over the past year and allowing the team to dream and reset everything.

The organization has received some funding from the Appalachian Regional Commission for a Bridge Builders program to align cultural, natural, and recreational asset development across state lines. The organization is well positioned to have those discussions within the next six months.

Jenna concluded the Executive Director report.

### **Project Highlights**

#### *High Knob Lake / Destination Center – Fred Ramey, City of Norton*

Fred Ramey gave a presentation on the current projects in Norton, which includes the High Knob Lake restoration and High Knob Destination Center construction. He discussed how they have been impacting the City of Norton and surrounding communities.



*New River Boat Launches / Destination Center – Chris McKlarney, Giles County*

Chris McKlarney, Giles County, gave a presentation on current Friends of SWVA projects in Giles County. He discussed the New River Boat Launches and the New River Center.

*SWVA Marketing Partnership Program – Chad Thompson*

Chad Thompson presented on the Friends of SWVA partnership marketing program and discussed its progress since releasing in January of 2021. To date, there are about \$36,000 worth of investment into this program. The goal is to make connections with all 19 counties and four cities.

**Partner Organization Reports**

- Ellen Reynolds, President - 'Round the Mountain - presented by Jenna Wagner
  - The board met on Tuesday, June 8<sup>th</sup> and will be adding several new members to the board over the next few months. Some other things discussed included strategic planning, continuing to assess processes and procedures, and rebuilding membership as the organization and artisans recover from the pandemic.
- Carrie Beck, Executive Director - The Crooked Road
  - Artist-in-residence program.
  - Mini stage at 2021 Bristol Rhythm & Roots Reunion and a presence at other festivals in the region.
  - Work on connecting with communities and heritage music promotion.
  - Expanding traditional music education for youth. The Youth Music Festival will be held October 16<sup>th</sup> at the Cultural Center.
  - Expanding the teacher's guide and putting online.
  - Starting a heritage music fund to assist the artist to continue their professional work.
  - Asset inventory creation to be utilized as a resource for residents and potential residents.
  - Currently booking for The Crooked Road On Tour.
  - Looking for development and fundraising opportunities in the 2<sup>nd</sup> half of the year.
  - Working on Crooked Road collaborators to unite different groups under the banner of The Crooked Road.

**Approval of Next Board Meeting Date – Erik Johnston**

Erik shared how great it was to have guest presenters and thanked Fred Ramey and Chris McKlarney. Often, Virginia is looked to from other states in the Appalachian Region for collaboration among state and local government, federal government, and the private sector. Kudos for showing how to get things done on outdoor recreation projects that take a lot of effort and coordination. Erik also thanked the General Assembly members for their strong support throughout the year. It takes a lot of vision and leadership.

Erik announced an Appalachian Regional Commission event that will be held on the evening of October 5<sup>th</sup> at the Cultural Center in Abingdon, VA.





The next meeting date is slated for September 9<sup>th</sup>; however, due to a scheduling conflict staff will revisit once Kim Davis is onboarded. Date could be transitioned to accommodate an in-person meeting.

Delegate Morefield expressed his excitement for Kim being onboard and thanked Jenna and team for all their hard work during the pandemic.

**Adjournment**

Delegate Morefield called the meeting adjourned at 2:14 p.m.