



HUMAN SERVICES COMMITTEE

Agenda

Tuesday, April 8, 2014
2:00 pm

Madison Avenue Meeting Room
500 SW Madison Avenue

- | | |
|------------------------------------|--|
| Discussion/ Possible Action | I. Council Policy Review and Recommendation:
91-1.02, "Liquor License Approval Procedures"
(Attachment) |
| Discussion/ Possible Action | II. Council Policy Review and Recommendation:
94-4.07, "City-Owned Art Objects on Private Property"
(Attachment) |
| Discussion/ Possible Action | III. Council Policy Review and Recommendation:
97-4.09, "Guidelines for Free Use of Parks and
Recreation Facilities"
(Attachment) |
| Discussion/ Possible Action | IV. The Arts Center Annual Report
(Attachment) |
| Discussion/ Possible Action | V. Public Art Selection Commission Annual Report
(Attachment) |
| Information | VI. Other Business |

Next Scheduled Meeting

Tuesday, April 22, 2014 at 2:00 pm
Madison Avenue Meeting Room, 500 SW Madison Avenue

Agenda

None at this time.

MEMORANDUM

TO: Human Service Committee

FROM: Nancy Brewer, Finance Director *ck*
Jon Sassaman, Chief of Police *JS*

DATE: March 26, 2014

SUBJECT: CP 91-1.02 Liquor Licenses Approval Procedures

I. ISSUE

The Chief of Police and the Finance Director are required to conduct a biennial review of Council Policy 91-1.02, Liquor Licenses Approval Procedures and recommend changes if necessary.

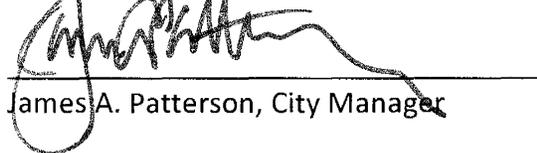
II. DISCUSSION:

Upon review of CP 91-1.02, the only recommended change involves review and update. Staff recommends moving from a biennial review to a review every four years and updated as appropriate for City Council Adoption (see attached).

III. RECOMMENDATION:

Staff recommends approval of the proposed revisions to CP 91-1.02, Liquor Licenses Approval Procedures.

Review and Concur:



James A. Patterson, City Manager

CITY OF CORVALLIS
COUNCIL POLICY MANUAL

POLICY AREA 1 - GENERAL

CP 91-1.02 **Liquor Licenses Approval Procedures**

<u>Adopted</u>	<u>February 4, 1980</u>
Revised	October 7, 1991
Affirmed	1993
Affirmed	October 16, 1995
Revised	December 1, 1997
Revised	October 6, 1998
Revised	October 18, 1999
Revised	December 18, 2000
Revised	November 4, 2002
Revised	December 1, 2003
Revised	November 20, 2006
Affirmed	October 20, 2008
Affirmed	October 18, 2010
Revised	April 2, 2012

1.02.010 **Purpose and Policy**

The City shall employ a consistent, uniform process for the receipt, review, and Council action upon all applications for liquor licenses. The process will provide to citizens due opportunity for comment/input regarding each liquor license application, prior to Council action.

1.02.020 **Procedures for New Licenses**

1.02.021 **Council Endorsement**

Applications for a new license must be read at a regular Council meeting. The City Council normally meets on the first and third Monday of each month (unless there is a Monday holiday and then it would be on the following Tuesday). The application must be filed with the Finance Department twelve working days prior to a scheduled Council meeting.

Council Policy 91-1.02

Applications filed less than twelve working days before a scheduled Council meeting will be processed for the next Council meeting.

1.02.022 Application

- a. Application for a new license must be made on the prescribed City application form and must be accompanied by the applicant's endorsed Oregon Liquor Control Commission (OLCC) application and payment of the application processing fee. The application and payment must be submitted to the Finance Director, or her/his designee, at 500 SW Madison Avenue, Corvallis, Oregon 97333. The Finance Director, or her/his designee, will forward the application to the Chief of Police, the Fire Chief, and the Community Development Director. The Police Department will investigate the applicant's background and criminal record. The Fire Department will inspect the applicant's business site to ensure Fire Code compliance. The Community Development Director will ascertain the site's suitability as a liquor dispensing/sales site, with regard to land use regulations.
- b. A summary of the application shall be published on the City's Web site at least five days prior to the first reading of the liquor license application by the Council.
- c. Staff shall report to the Council, as part of the Consent Agenda, the results of the Police, Fire, and Community Development investigations and the nature and extent of citizen input/comments received, unless the investigation results and/or citizen input/comments are unfavorable. In the event that unfavorable investigation results or citizen input/comments are received, staff shall present the report to Council as part of the "New Business" agenda (refer to Section 1.02.022.d.). Citizens may comment on a liquor license during Visitors' Propositions. If the Council so desires, a public hearing may be scheduled to hear further comments from citizens and/or interested parties. If this process will take more than 40 days, the Finance Director, or her/his designee, will file for an extension of the application review deadline with the OLCC. The City has 45 days in which to provide a recommendation to the OLCC; if no recommendation is given to the OLCC, the OLCC shall proceed as if the City has made a favorable recommendation.
- d. If, at any time prior to approval of the application, City staff investigations of the application result in an adverse recommendation by staff, staff making the adverse recommendation shall contact the applicant and endeavor to

Council Policy 91-1.02

resolve the issue. If staff's contact does not address the issue, the matter of the application shall be scheduled for hearing at the next available Human Services Committee meeting. The City Manager's designee shall notify the applicant of that event and request that the applicant attend the meeting. The Finance Director, or her/his designee, will file for an extension of the application review deadline with the OLCC. The Committee hearing shall include a report regarding the basis for the adverse recommendation; the applicant shall have the opportunity to respond to the adverse recommendation and/or present rebuttal or other comments. After hearing all comments and receiving all information, the Committee shall, at the next regularly scheduled Council meeting, make its recommendation to the Council under "New Business" on the agenda. The Council shall read the application a second time and act upon it, either to approve, approve with conditions, or deny it. The applicant and the State (OLCC) shall be notified of Council's recommendation regarding the liquor license application.

1.02.023 Procedures for Existing Licenses; changes or renewals

The procedures specified in Section 1.02.020 of this Policy will pertain to City processing of changes to existing liquor licenses, except that no publication to the City's Web site is required.

The procedures specified in Section 1.02.020 of this Policy will also pertain to City processing of renewals of existing licenses, except that the initiation of the license renewal process shall be done automatically by OLCC and City staff on an annual basis; only one reading of the application before the City Council is required. Applicants will be notified by the OLCC annually to pay for the renewal of their license. Any applicant not approved by the City Council and the OLCC will have their renewal fee returned.

1.02.030 Review and Update

- a. ~~This general Policy shall be reviewed every two years in October by~~ ~~†The Finance Director and Chief of Police~~ **will prepare the Council Policy review every four years for Council approval.** ~~and updated as appropriate.~~
- b. A copy of this Policy is on file with the OLCC Portland office. All revisions need to be filed with License Process OLCC, PO Box 22297, Portland, Oregon in ~~strikeout/redline~~ format.



MEMORANDUM

To: Human Services Committee
From: Karen Emery, Director Parks and Recreation
Stephen DeGhetto, Assistant Director Parks and Recreation 
Date: April 8, 2014
Subject: Review-Council Policy 94-4.07 City Owned or Funded Art Objects on City or Private Property.

Issue: Council Policy 94-4.07 City Owned or Funded Art Objects on City or Private Property is due for review, and this memorandum reflects the suggested revisions from the Public Art Selection Commission.

Background: The PASC administers Council Policy 94-4.07 and provides suggested revisions to HSC.

Discussion: The Public Art Selection Commission suggests revisions to update the policy. The summary of PASC revisions are highlighted below:

After some discussion, revisions were suggested to the second paragraph of 4.07.021 as shown below:

*“Prior to acceptance of the artist's work, the City will obtain the artist's **written*** permission to move the art in the event that such relocation may be in the public interest.”*

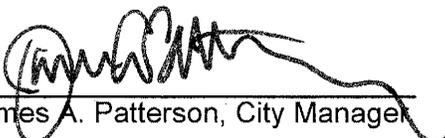
*Phrasing on Point 4 of the second page was discussed, specifically the section referring to “responsible cleaning, maintenance, and protection of the work...” Members felt “within reason” should be omitted unless it is specifically necessary for purposes of legal protection.**

*Consultation with the City Attorney recommended including the word “**written**” in the second paragraph. Also recommended by City Attorney; page 2, point 4; to retain the phrase “within reason” for the purposes of legal protection.

The March 19, 2014 PASC minutes (Attachment 1) and CP 94-4.07 (Attachment 2) are provided as reference for the suggested revisions.

Recommendation: Staff recommends the Human Services Committee recommend to City Council to approve the suggested language changes to CP 94-4.07 City Owned or Funded Art Objects on City or Private Property.

Review and Concur:


James A. Patterson, City Manager

Attachments:

- 1) PASC Meeting Minutes-3/19/14
- 2) CP 98-4.12 City Owned or Funded Art Objects on City or Private Property

DRAFT
CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
MARCH 19, 2014

Attendance

Hester Coucke
Josh Hackenbruck
Chi Meredith
Shelley Moon
Paul Rickey, Jr.
Cynthia Spencer

Staff

Stephen DeGhetto, Assistant Director

Absent/Excused

John Arne
Shelley Curtis
Joel Hirsch, Council City Liaison

Guests

Carolyn Rawles, Director, Corvallis-Benton
County Public Library

CONTENT OF DISCUSSION

I. CALL TO ORDER: Vice Chair Paul Rickey, Jr. called the meeting to order at 4:01 p.m.

II. REVIEW OF MINUTES.

There was some brief discussion regarding the usage of the term “jury” in the January minutes; such will be changed to more accurately display meaning that the PASC does not review works in any sort of punitive fashion. Following such revision, PASC moved to approve the January 15, 2013 minutes as presented; motion passed.

It was discussed that Rickey, Jr. will not be renewing his position with PASC due to time constraints. He is however still available for consultation in the future.

III. VISITOR PROPOSITIONS.

PASC welcomed Carolyn Rawles, Director, Corvallis-Benton County Public Library. The Library is looking to accept the donation of a piece by George D. Green, an artist with historical ties to the Corvallis community and who had ties to the Beat movement in San Francisco. The piece in question, entitled “The Poetry of H.D. Moe – Zowie Sang to the Sea,” would be coming from a private collection and is presently valued at an estimate of \$16,000. The piece measures roughly 18” x 20” on birch and appears to have a 3D effect. The library has a specific location in mind for the piece near their new books section and would greatly like to accept the donation. Hester requested that the library look into ways the work might be permanently affixed so as to safeguard against potential theft due to the smaller size and high value of the piece.

IV. ELECTION OF OFFICERS.

Election of Officers has been postponed to the next PASC meeting, scheduled for April 16, 2014.

V. PUBLIC ART SELECTION BROCHURE DEVELOPMENT.

PASC decided they will be using the most recent Vision Statement as-is.

VI. MISSION STATEMENT DISCUSSION.

PASC decided to use Hackenbruck's Mission Statement as a base, and PASC members will prepare possible revisions prior to the next PASC meeting which is currently scheduled for April 16, 2014. Consideration is being given as to whether or not the term "City" should be capitalized.

Additionally, the "Commissioned Art Procedures" text is planned to be used as-is. Such will be circulated via email to PASC members, who should be considering what artists' works and images should be featured throughout.

VII. COUNCIL POLICY 94-4.07 CITY-OWNED ART OBJECTS ON PRIVATE PROPERTY.

PASC reviewed the text pertinent to Policy Area 4, which was included with in the March meeting materials. After some discussion, revisions were suggested to the second paragraph of 4.07.021 as shown below.

"Prior to acceptance of the artist's work, the City will obtain the artist's written permission to move the art in the event that such relocation may be in the public interest."

Phrasing on Point 4 of the second page was discussed, specifically the section referring to "responsible cleaning, maintenance, and protection of the work..." Members felt "within reason" should be omitted unless it is specifically necessary for purposes of legal protection. Additionally, terms "reasonable," "within reason," "security," and "preservation" were discussed for potential inclusion.

Regarding 4.07.030, DeGhetto will research the section currently referring to the City Manager as to whether or not this is the correct party to be listed. It is believed that HSC may instead be correct.

VIII. PREPARE FOR PASC ANNUAL REPORT.

In preparation for PASC's Annual Report, such reference materials will be included and/or drawn from such as the following: Membership roster, accomplishments, information pertaining to new pieces and projects, prospective roles, vacancies, mosaic collaborations, the need seen for a simplified process and brochure regarding PASC, and the need to differentiate between processes for donated and commissioned art.

Some key items are talking about the validity of the Commission and PASC's plans for the future. Others include PASC's increase in invitation and publicity.

Differentiating PASC from ACC is a key point as well. ACC is much more broad, whereas PASC deals with art only, and more specifically with public art only.

PASC mentioned that said presentation will be heard by the Human Services committee on April 8th at 2pm at the Madison Avenue Meeting Room. Coucke and Spencer presently plan to attend, subject to availability.

Lastly, Rickey, Jr. encouraged PASC members to attend an exhibition he is curating at the Wine Vault in Philomath, which is open Saturdays and Sundays from Noon to 5pm through April 13th.

IX. ADJOURNMENT: Meeting adjourned at 5:01 p.m.

CITY OF CORVALLIS
COUNCIL POLICY MANUAL

POLICY AREA 4 - LEISURE AND CULTURAL ACTIVITIES

CP 94-4.07 City Owned or Funded Art Objects on City or Private Property

<u>Adopted</u>	<u>May 2, 1994</u>
Revised	October 21, 1996
Revised	October 5, 1998
Affirmed	December 17, 2001
Affirmed	May 3, 2004
Revised	January 7, 2008
Revised	August 3, 2009
Affirmed	March 7, 2011
Revised	April XX, 2014

4.07.010 Purpose

This Policy seeks to improve public access to art and enhance the beauty of the Corvallis community by establishing guidelines for City-owned or funded art on City or private property.

4.07.020 Policy

4.07.021 All decisions on whether or not the City should accept ownership or participate in funding of art objects will be made by the Public Art Selection Commission, and affirmed by the City Council, prior to installation. Procedures for decisions are to be consistent with the guidelines outlined in Council Policy 98-4.12.

The City shall also consider the Visual Artist Right Act (VARA) of 1990 in the participation of funding and accepting art objects on City or private property. VARA protects the rights of the artist and their artwork and states that public art may not be distorted, mutilated or modified, without the written permission of the artist. ~~In addition,~~ **Prior to acceptance of the artist's work,** the City will secure the artist's **written** permission to

move the art ~~prior to acceptance of the artist's work~~, in the event that it **such relocation** may be in the public interest. ~~to relocate the artwork.~~

4.07.022 Art objects owned or funded by the City may be displayed on public or private property under the following conditions:

1. Any private property displaying City-owned art objects must be within the City Limits of the City of Corvallis.
2. Any art placed on private property shall require a written agreement between the City and the property owner(s) and lessee(s) if any, establishing the conditions for such display and identifying the respective responsibilities of each party, including insurance and liability.
3. The art object is to be placed in a location where art is accessible for appreciation by the public. At no time will a fee or charge be required for such access.
4. The costs to the City for art placed on any private property (maintenance, insurance, etc.) shall be minimal. Upon acceptance of the artwork, the City shall be responsible for the proper cleaning, maintenance, and protection of the work within reason, after installation, pursuant to the written agreement with the property owner and with the written instructions provided by the Artist and submitted by Artist at the time of completion. Cost control may be achieved through agreement(s) with a recognized and responsible art or civic group(s) or property owner to maintain such art objects. Any such agreement must be approved by all parties prior to the commissioning of the artwork. The art or civic group(s) must have been in existence for a minimum of three years.
5. The selection process for the artwork, conditions for acceptance, and liability by the City for the artwork shall follow the guidelines set forth in Council Policy 98-4.12, "Guidelines for Public Art Selection."

4.07.030 Review and Update

~~This Leisure and Cultural Activities Policy shall be reviewed every three years by the City Manager and updated as appropriate.~~ The Parks and Recreation Director will prepare the Council Policy review every three years for Council Approval.



MEMORANDUM

To: Human Services Committee
From: Karen Emery, Director
Stephen DeGhetto, Assistant Director
Date: April 8, 2014
Subject: Guidelines for Free Use Policy Review-Council Policy/CP 97-4.09

Issue: This policy establishes guidelines regarding exemptions from paying fees for the use of City Parks and Recreation Facilities. It is the purpose of this memo to inform the City Council of the completion of the triennial review of the Guidelines for Free Use, as required by Council Policy CP 97-4.09.

Background: This policy provides guidelines for staff to evaluate requests from the public for free use of its facilities; i.e., picnic shelters, community rooms, sports fields. Based on the established City Council financial policies, identified park facilities have an established use fee and all user requests are charged in accordance with the cost recovery methodology. Any fee waiver granted to a user must follow the Policy Exemption guidelines, as stated in Council Policy 97-4.09.023.

Discussion: The City is often asked to provide free use of its facilities for social gatherings, networking or citizen training activities. Staff regularly references Council Policy 97-4.09 for processing free use requests. Three criteria are applied, per the policy, to determine if the group is exempted from paying fees:

- a. City of Corvallis sponsored or co-sponsored events, meetings, or activities. Co-sponsored activities must be verifiable through a signed agreement or Memorandum of Understanding.
- b. Arrangements executed through a separate agreement involving the use of City Parks and Recreation facilities.
- c. Benton County, a tax-supported agency, as long as they reciprocate with free use of County facilities to the City.

Staff has revised the policy language to reflect suggested changes originating from the HSC meeting held on February 4, 2014. The changes to the policy are identified by bold type for additions and language to be removed is identified by ~~strikeout~~.

Recommendation: Human Services recommend to City Council revisions to Council Policy #97-4.09 be approved as revised.

Review and Concur



Nancy Brewer, Finance Director



James A. Patterson, City Manager

Attachments:

1. Council Policy #97-4.09-Revised
2. Free Use Request Form

CITY OF CORVALLIS

COUNCIL POLICY MANUAL

POLICY AREA 4 - LEISURE AND CULTURAL ACTIVITIES

CP 97- 4.09 Guidelines for Free Use of Parks and Recreation Facilities

Adopted May 27, 1997

Affirmed December 21, 1998

Affirmed June 19, 2000

Amended January 22, 2002

Amended December 2, 2002

Amended December 20, 2004

Amended March 19, 2007

Amended April 6, 2009

Amended February 22, 2011

Amended April xx, 2014

4.09.010 Purpose

To establish guidelines in the review, approval, and exemption from paying fees for use of City Parks and Recreation facilities. This policy provides a methodology to permit free use, where appropriate, while optimizing the generation of non-property tax revenue to financially support the ongoing facility operation **as described in the Cost Recovery Methodology, adopted in 2011.**

4.09.020 Policy

The Parks and Recreation Department operates recreation facilities which are available to the public. These facilities are used for a variety of recreation programs, community events, meetings, classes, and social gatherings.

Fees are charged for the use of these facilities to help defray the cost of operations and maintenance of the facilities. The following are guidelines for reviewing requests for exemptions from payment of fees.

Council Policy 97-4.09

4.09.021 Definitions

Permit	An application form issued or authorized by the Parks and Recreation Department for use of a Parks and Recreation facility.
Parks and Recreation Facilities	All buildings, parks, natural areas , structures, roads, playing fields, swimming pools, and picnic areas which are operated and maintained by the Parks and Recreation Department.
Fee	A payment for the use of parks and recreation facilities, used to defray costs of maintaining the facility.

4.09.022 Guidelines

All users must pay to use Parks and Recreation facilities, according to the Council adopted ~~fee schedule~~ **cost recovery methodology**. The only exemption to paying a fee is outlined in Section 4.09.023 Exemptions. Any user wishing to be exempt from paying a fee for the use of Parks and Recreation facilities must complete the Request for Free Use form and receive approval from the Parks and Recreation Director. An exemption to paying a fee for each facility use may be authorized for a period of up to ~~one year~~ **three months**. A user must reapply for exemption **for each use year**. **The user must be providing a program or service that has considerable benefit to the community**. Any violation of any of these requirements by the exempted user may jeopardize any future consideration of fee waivers.

4.09.023 Exemptions

With a current approved Free Use Agreement, the following are exempt from paying a fee. All reservation permits must still be completed for each reservation.

- a. City of Corvallis sponsored or co-sponsored events, meetings, or activities. Co-sponsored activities must be verifiable through a signed agreement or memorandum of understanding.
- b. Arrangements executed through a separate agreement involving the use of City Parks and Recreation facilities.
- c. Benton County, a tax-supported government agency, as long as

Council Policy 97-4.09

Benton County also provides free use of its facilities to the City.

1. Each department within the County must complete a separate Free Use Agreement.
 2. Only official, tax-supported departments or divisions of Benton County will qualify; it is not sufficient to have "Benton County" in the name of the group to qualify for free use.
- d. ~~Users granted free use may not extend those privileges to any other person or agency, including clients, customers, partners, or vendors without specific written approval from the City.~~

4.09.024 ~~Time Frame~~

~~Exempted users granted free use can only reserve a facility three months in advance, unless negotiated otherwise in mutual agreements.~~

4.09.025 Other

- a. The Parks and Recreation Department reserves the right to remove any or all rooms, buildings, or park areas from free use, if the use will result in a loss of revenue to the City because there is public demand to rent the facility.
- b. Free use is intended for business purposes only, therefore only activities similar to the daily operations of the user are appropriate (i.e., business meetings, conferences, business retreats). Luncheons, dinners and picnics (excluding scheduled meal breaks during business meetings), dances and parties, even for the benefit of employees or clients, contain a social element which is inappropriate for free use. Such events do not qualify for free use even when scheduled in combination with a business event.
- c. The Parks and Recreation Department and other City departments have priority use of facilities.
- d. At the Senior Center, senior activities have priority use, per Council Policy 91-4.03.
- e. Users are responsible for setup and cleanup, damage to the facility, and, when required, liability insurance.
- f. A user requesting free use must sign an anti-discrimination

Council Policy 97-4.09

agreement included on the Request for Free Use form.

- g. An approved Free Use Agreement will not exempt the user from fees for services that are normally associated with use, or that have a financial impact on the City's ability to honor the free use request. Examples include building attendants for after-hour use, or unusual or additional staff, supplies, etc. needed to accommodate or support the request.
- h. Users are required to give ~~one week~~ **two weeks** prior notice in the event of a cancellation **to facilitate rebooking** of the facility ~~use~~ reservation.
- i. Free use is a courtesy that may be revoked at any time.
- j. **Users granted free use may not extend those privileges to any other person or agency, including clients, customers, partners, or vendors without specific written approval from the City.**
- k. **Exempted users granted free use can only reserve a facility three months in advance, unless negotiated otherwise in mutual agreements.**

4.09.026 Appeals

The decision of the Parks and Recreation Director can be appealed to the City Manager or designated representative. The decision of the City Manager or designated representative is final.

4.09.030 Responsibility for Review

The Parks and Recreation Director will prepare the Council Policy review **every three years for Council approval.** ~~at a minimum triennially, beginning in October 1998, or when needed, and will make recommendations to the City Council Manager.~~



MEMORANDUM

To: Human Services Committee
From: Karen Emery, Director *KE*
Steve DeGhetto, Assistant Director
Date: March 24, 2014
Subject: The Arts Center Annual Report

Issue: The Arts Center is scheduled for its annual review before the Human Services Committee.

Background: The City Council allocates funds to The Arts Center for its operations through the annual appropriation of tax revenues (\$40,470 in FY12-13). As per the current agreement between the City and The Arts Center, dated July 30, 2012, a report describing The Arts Center's organizational highlights and financial position is to be submitted on an annual basis.

Discussion: The Arts Center's fifteen (15) member Board of Directors, Cheryl French, Interim Executive Director and The Arts Center staff have continued in the 50th anniversary year of providing art programming and cultural events for the community.

The Arts Center has continued to maintain diverse revenue streams which include funding from the City of Corvallis, the Oregon Arts Commission, Oregon Community Foundation, and the National Endowment for the Arts. These grants support programming, services, and training for ArtsCare artists.

Volunteers contributed 3,500 hours toward operations, educational and exhibition support at The Arts Center.

Memberships at The Arts Center have increased by 50 new members from the previous fiscal year and brought in \$37,474 during the report period.

The following highlights demonstrate The Arts Center's diversity in revenues and partnerships:

- The Arts Center received \$99,196 in grants from private foundations and state agencies.
- School Districts - the Arts in Education program is funded through grants and private donations, serving over 3,000 students annually.
- Samaritan Health Services continued the ArtsCare program which brings art and artists into the healthcare and hospice environment, serving approximately 3,200 individuals.

- The Arts Center Exhibition Program offered nine (9) major exhibitions in the Main Gallery and twelve (12) exhibitions featuring the work of community art guilds and guest artists in the Corrine Woodman Gallery.

Recommendation: Staff recommends that the Human Services Committee recommend to City Council to accept The Arts Center Annual Report.

Review and Concur:



James A. Patterson, City Manager



Nancy Brewer, Finance Director

Attachments:

1. The Arts Center Annual Report
2. The Arts Center/City of Corvallis Agreement
3. Finance Department Financial Review Memo



The Arts Center Annual Report to the City of Corvallis 2012-2013

Submitted by Cheryl French, Interim Executive Director

This annual report includes highlights from The Arts Center's fiscal year, July 1, 2012 through June 30, 2013. The arts play a vital role in the character and culture of Corvallis. By bringing transformative arts experiences and educational opportunities to a broad spectrum of the community, The Arts Center continues to have a significant positive impact on the City's economic vitality, livability, and resident well-being.

2013 marked a true milestone – The Arts Center's 50th anniversary. We put a great deal of energy into leveraging this milestone to augment our fundraising and marketing efforts. At year's end, thanks to a \$25,000 matching gift from a private Corvallis resident, we increased our membership by 50, for a total of 490. Donors were also asked to give at increased levels to support The Arts Center's ongoing financial sustainability.

We finished the year with a modest cash surplus of \$3,489 and an increase of net assets of \$11,087.

Shortly before the end of the fiscal year, David Huff, The Arts Center's Executive Director, accepted a position as Assistant Director for the Oregon Arts Commission. The Arts Center Board conducted a national search for a new Executive Director. The selection process included the public's introduction to and feedback on the five finalists. During the selection process, Cheryl French, the At-Risk Youth Education Coordinator, served as Interim Executive Director. The new Executive Director started shortly after the end of the fiscal year. (Unfortunately, at the time of this report, the Executive Director chosen last July has left The Arts Center, Cheryl French is once again serving as the Interim Executive Director, and the Board is in the process of searching for a new Executive Director. The Board expects to hire a new Executive Director by early July.)

We continue to support the economic health of Corvallis by making it possible for artists in our community to earn a living wage. In our last fiscal year, we paid over \$110,000 in wages, commissions, and contract payments to artists who provide services through our programs or sell their work through our exhibitions and shop. In addition, we offer scholarships for all of our in-house classes and camps making quality arts education opportunities affordable for all families in our community.

FISCAL

City Funding and Grants

The Arts Center received \$40,470 from the City of Corvallis during our 2012/2013 fiscal year. This funding continues to be extremely important to The Arts Center as it is leveraged to help secure additional funding from foundations, individuals and businesses. City funding is used to

cover The Arts Center's essential general operating expenses including staff salaries, utilities and ordinary repairs and maintenance of the facility.

In FY12/13 The Arts Center received \$99,196 in grants from private foundations and State agencies. Grant awards included: \$6,000 from the Oregon Community Foundation, \$22,000 from the Oregon Arts Commission and \$12,000 (part of a \$30,000 total award) from the National Endowment for the Arts. These grants helped support The Arts Center's essential programs and services including: arts education and enrichment for at-risk and underserved youth, exhibitions by local and regional artists and training for artists who participate in the ArtsCare hospital program.

The Arts Center Endowment

The Endowment Board of Directors oversees five permanently restricted funds: a General Fund; the Howland Fund to support public art in Corvallis and awards for the Howland Community Open exhibition; the Elizabeth Starker Cameron Arts Education Fund; the Bob & Kitty Bunn Fund for the ArtsCare Program; and the Steele Family Fund designated for the Exhibits Program. Given the ongoing turbulence of the market, The Arts Center has continued to be extremely conservative in its use of Endowment funds.

Volunteers/In-Kind Donations

Over 3,500 volunteer hours were donated to The Arts Center with services ranging from daily front desk receptionist hours to support in our classes and camps and exhibition installation.

Memberships / Donations

There is no doubt that The Arts Center enjoys incredible support from its loyal members and donors. Memberships (the majority of which are of under \$100) brought in a total of \$37,474 in FY12/13 – almost identical to last year's total; however, we gained 50 new members this year increasing our total to 490.

Donations totaled \$68,807 for the fiscal year.

End of the Year Balance

The Arts Center ended FY12/13 with \$77,774 in total net assets (including temporarily restricted assets). This total represents a net gain of \$11,087 for the year.

PROGRAMS & SERVICES

Public Programs/Exhibitions

The Arts Center welcomed over 10,000 visitors to our ArtShop and Exhibitions in FY12/13 at no charge. The exhibition committee coordinated a total of nine major exhibitions that offered a variety of work from local, regional, and international artists. Each exhibition featured a free opening reception for artists and community members as well as a Brown Bag Art Talk. We mounted an additional 12 exhibitions in the Corrine Woodman Gallery featuring the work of local art guilds and guest artists. Our July show, Julie Green's "Last Supper", garnered incredible press attention including an article in the New York Times.

In addition to our gallery programs, The Arts Center hosted a youth poetry contest in July 2013. All submitted work was displayed in our Corrine Woodman Gallery and several participants read their work at a special event showcasing young poets. In addition, we continued our partnership with Between the Cracks, a music series curated by Dana Reason of Oregon State University. The Arts Center also celebrated El Dia de los Muertos/Day of the Dead by creating a community altar that was open to the public.

ArtsCare

Funded in part through an ongoing partnership with Samaritan Health Services, The ArtsCare program continues to provide over 1,400 hours of free art experiences to patients in area hospitals each year. In FY12/13, 20 local artists worked with patient groups in cancer, intensive care, dialysis treatment, and mental health units. Artists also worked with patients' families staying short term at the Pastega House. In total, we served approximately 3,200 individuals.

Education

In FY12/13, The Arts Center offered nine on-site classes in ceramics, textiles, painting and drawing for young artists ages 4-18. We also held 10 all-day programs on school vacation and in-service days and eight weeks of summer arts camp (Globetrotters Arts & Culture Camp) for children in grades 1-7. In addition, we serve home-schooled youth through our popular Open Studio program. We served approximately 530 students during the course of the year.

The Arts Center also continued our At-Risk Arts Education program in 2012/2013 serving almost 1,200 students. Our outreach program served every student at both Garfield and Lincoln elementary schools (780 total), as well as most students at Muddy Creek Charter School. We served students identified as at-risk at Crescent Valley High School and College Hill Alternative High School. Our at-risk programming also served over 250 young people in facilities serving youth in crisis, including the Jackson Street Youth Shelter, the Yes House (Youth Entering Sobriety) and the Oregon Youth Authority Correctional Facility for Young Women at Oak Creek.

Collaborations

In an effort to serve the needs of our community and to effectively maximize community resources, The Arts Center collaborates with many individuals and organizations. This year The Arts Center partnered with the Corvallis School District, the Jackson Street Youth Shelter, the Corvallis-Benton County Public Library, Leadership Corvallis, Casa Unidos de Benton County, Corvallis Fall Festival and daVinci Days Festival.

The Arts Center is fortunate to have a supportive and engaged Board of Directors composed of 15 individuals who offer the organization a countless hours of hard work, insight and networking opportunities.

For any questions concerning this report, please contact Cheryl French, Interim Executive Director, at The Arts Center, 754-1551 or cheryl@theartscenter.net.

**CITY OF CORVALLIS AND THE ARTS CENTER
AGREEMENT**

This Agreement is entered into this 30th day of July 2012, by and between the CITY OF CORVALLIS, a municipal corporation of the State of Oregon, hereinafter referred to as "CITY", and THE ARTS CENTER, an Oregon non-profit corporation, formerly known as ArtCentric, hereinafter referred to as "THE ARTS CENTER".

All notifications necessary under this agreement shall be addressed to:

Corvallis Parks and Recreation
Attn: Steve DeGhetto
1310 SW Avery Park Drive
Corvallis, OR 97333
541-766-6918

The Arts Center
Attn: David Huff
700 SW Madison
Corvallis, OR 97333
541-754-1551

1. Term

1.1 This Agreement shall be effective from July 1, 2012 through June 30, 2015

1.2 If this Agreement crosses fiscal years, funding for future years is contingent upon the City Council adopting appropriations.

2. THE ART CENTER agrees to:

2.1 Offer cultural arts programs including art exhibits, art classes, and other related art activities at The Arts Center, located at 700 SW Madison, Corvallis, Benton County, Oregon.

2.2 Maintain a listing of art organizations in the community.

2.3 Conduct an Arts-in-Education Program in the community.

2.4 Inform the public about the arts in the community.

2.5 Cooperate with CITY in putting on events and activities which promote the use of The Arts Center facility and CITY facilities.

2.6 Publish a quarterly newsletter and calendar distributed to members of THE ARTS CENTER, media, and citizens, informing them about the activities at The Arts Center facility and CITY facilities.

2.7 All accounting records and evidence pertaining to all costs of THE ARTS CENTER and all documents related to this agreement shall be kept available at THE ARTS CENTER office or place of business for the duration of the agreement and thereafter for three (3) years after completion of any audit. Records which relate to (a) complaints, claims, administrative proceedings or litigation arising out of the performance of this Agreement, or (b) costs and expenses of this Agreement to which the CITY or any other governmental agency takes exception, shall be retained beyond the three (3) years until resolution of disposition of such appeals, litigation, claims or exceptions. The obligations in this section shall survive termination of the agreement.

2.8 THE ARTS CENTER shall provide for an independent financial and compliance audit or financial review annually for any fiscal year in which CITY funds are received under this Agreement. The results of the independent audit or financial review must be submitted to CITY within thirty (30) days of completion. Within thirty (30) days of the submittal of such audit report, THE ARTS CENTER shall provide a written response to all conditions or findings reported in such audit report. The response must discuss each condition or finding and set forth a proposed resolution, including a schedule for correcting any deficiency. All conditions or corrective actions shall take place within six (6) months after receipt of the audit report unless the City Manager or his/her designee authorizes an extension of time to complete such actions. Two copies of this review shall be forwarded to the City's Parks and Recreation Director as part of the annual report.

2.9 THE ARTS CENTER shall submit a report annually by October 31st to the City, documenting the revenues and expenditures, activities, problems, and achievements of THE ARTS CENTER's programs for the previous fiscal year ending June 30th. THE ARTS CENTER annual report shall include, but not be limited to, a description of its effectiveness in the following program areas:

2.9.1 Organization: Progress THE ARTS CENTER has made to involve the arts and the public in its activities.

2.9.2 Promotion: Progress of THE ARTS CENTER in promoting the Center as a community arts facility.

2.10 THE ARTS CENTER will display a Corvallis Parks and Recreation co-sponsorship banner during co-sponsored youth camps when THE ARTS CENTER uses Parks and Recreation rental facilities free of charge. Reservations will be established 60 days prior to the start of THE ARTS CENTER programs, with facilities available on a first come first served basis and through the normal facilities reservation process in the Corvallis Parks and Recreation Department.

2.11 THE ARTS CENTER will meet with the City annually to review the City's building maintenance plan to establish the building repair schedule and to outline Special, Capital Improvement, and Operating projects.

2.12 THE ARTS CENTER is prohibited from making any structural changes and/or improvements which might or will change the historical status of The Arts Center structure without written permission from the City.

2.13 THE ARTS CENTER will maintain the landscape and turf area adjacent to the Arts Center building.

2.14 THE ARTS CENTER agrees to maintain the premises in a good and safe condition and to be responsible for ordinary repairs and maintenance. The maintenance responsibility will include interior painting, wood floor maintenance, stripping and waxing vinyl floors, carpet cleaning, and window cleaning.

3. CITY agrees to:

3.1 Budget the City Council-approved proportion of the CITY's property tax levy to be paid to THE ARTS CENTER each fiscal year that this Agreement is in effect. CITY will levy property taxes in compliance with Constitutional and statutory requirements each fiscal year during this Agreement. The City Council determines, by policy, the proportion of the CITY's total levy to be allocated to THE ARTS CENTER each year. In the event that a reduction or elimination of the appropriation for this Agreement is being considered by the CITY's Budget Commission or City Council during annual budget deliberations, CITY shall provide notice to THE ARTS CENTER on or before May 15th of such contemplated action. If the appropriation is eliminated THE ARTS CENTER shall be relieved of all obligations described in this Agreement effective the beginning of the fiscal year in which the funds are not appropriated.

3.2 The CITY's Finance Department will notify THE ARTS CENTER's Director by April 1st of each year of THE ARTS CENTER's currently projected portion of the CITY's estimated property tax levy for the following fiscal year, beginning July 1st.

3.3 The CITY's Finance Department will provide THE ARTS CENTER's Director with the actual revenue figure when the actual amount of taxes levied for the year is known (around mid-November).

3.4 Payments will be made to THE ARTS CENTER in the amount of \$32,000 by July 31st of each year, or up to the maximum of the total estimated allocation if less than \$32,000. The payment made in December of each year will be the net amount of the total of THE ARTS CENTER property tax allocation as identified in section 3.3, less the \$32,000 or other amount paid to THE ARTS CENTER in July of each year.

3.5 The Parks and Recreation Department agrees to co-sponsor the free use of The Arts Center Plaza for THE ARTS CENTER's youth programming during the contract term. The use will need to be scheduled on an annual basis as part of the normal reservation process for rental facilities in the Corvallis Parks and Recreation Department. The use of the Central Park Gazebo will be available for one day during the term of the contract on a first come first served basis and through the normal reservation process for rental facilities in Corvallis Parks and Recreation Department.

3.6 The Parks and Recreation Department will provide the co-sponsorship banner to THE ARTS CENTER for the term of the contract.

3.7 Include THE ARTS CENTER facility under the CITY's property and general liability policies.

4. Liability

4.1 THE ARTS CENTER shall indemnify, protect, defend, and hold City, its officers, agents, volunteers, and employees harmless against any actions, claim for injury or damage and all loss, liability, cost or expense, including court costs and attorneys fees, growing out of or resulting directly or indirectly from the performance of this contract, except for that resulting from the sole negligence of CITY.

4.2 THE ARTS CENTER shall purchase and maintain fire damage insurance in the amount of no less than \$35,000 on property and equipment owned by THE ARTS CENTER, and General Liability insurance with a combined single limit, or the equivalent of, not less than \$1,000,000 each claim, incident, or occurrence for Bodily Injury and Property Damage. It shall include contractual liability coverage for the indemnity provided under this Agreement, and shall be in a form at least as broad as Commercial General Liability ISO form CG 0001. It shall provide that CITY and its officers and employees are Additional Insureds, but only with respect to THE ARTS CENTER's service to be provided under this Agreement.

Each insurance endorsement shall state that coverage shall not be suspended, voided, or canceled by either party, reduced in coverage or in material limits except after thirty (30) days prior written notice by certified mail, return receipt requested, has been given to CITY.

THE ARTS CENTER shall furnish acceptable insurance certificates to CITY with original endorsements for each insurance policy signed by a person authorized by that insurer to bind coverage on its behalf. Certificates will be received and approved by CITY upon execution of this Agreement. The certificate shall specify the CITY and its officers, agents, employees and volunteers are Additional Insured as respect to the work under the Agreement. Insuring companies or entities are subject to CITY acceptance. THE ARTS CENTER shall be financially responsible for all pertinent deductibles, self-insured retention and/or self-insurance. All such deductibles, retention, or self-insurance must be declared to, and approved by, CITY.

5. Termination

5.1 City may terminate this Agreement upon sixty (60) days written notice to THE ARTS CENTER for failure of THE ARTS CENTER to fulfill its obligations under this Agreement, if such violation remains uncured after sixty (60) days from THE ARTS CENTER's receipt of such written notice.

5.2 In the event that THE ARTS CENTER, by majority vote of its members, decides to discontinue this Agreement, then its action, and this Agreement, shall be deemed canceled sixty (60) days after the date of the notice is received by CITY and each party shall be relieved of its obligations described herein. In no event shall THE ARTS CENTER be obligated by this Agreement for any period of time for which the funds outlined in 3.1 and 3.2 above have not been disbursed to its account.

6. Independence

THE ARTS CENTER in an independent organization and entity pursuant to this Agreement and shall not, in any way, be considered to be an affiliate, subsidiary, officer, agent or employee of CITY. THE ARTS CENTER agrees that CITY shall not be liable or responsible for any benefits, including, but not limited to, worker's compensation, disability insurance, retirement benefits, life insurance, unemployment insurance, health insurance or any other benefits which THE ARTS CENTER may be required by law or contract to provide to its employees, officers, agents, or contractors. THE ARTS CENTER agrees that it shall not sue or file a claim, petition or application therefore against CITY or any of their officers, employees, agents, representatives or sureties with respect to such benefits. THE ARTS CENTER shall not have any authority to bind CITY or to make any representations or warranties to accept service of process, to receive notice, or to perform any act or thing on behalf of CITY except as authorized in writing by CITY.

7. Authority of Signatories

THE ARTS CENTER and THE ARTS CENTER's signatories represent that the signatories hold the positions set forth below their signatures and that the signatories are authorized to execute this Agreement on behalf of THE ARTS CENTER and to bind THE ARTS CENTER hereto.

8. Attorney's Fees

In the event either party shall initiate any suit, action or appeal on any matter related to this Agreement, then the court before whom such suit, action or appeal is taken shall award to the prevailing party such attorney's fees as the Court shall deem reasonable, considering the complexity, effort and result against the party who shall not prevail, and such award and all allowable costs of the event shall be either added to or deducted from the balance due under this Agreement, or be a separate obligation as appropriated.

9. Assignability

This Agreement is for the exclusive benefits of THE ARTS CENTER and CITY. Any attempt to assign, transfer, or pledge by either party without the prior written consent of the remaining party shall void the Agreement.

10. Prevailing Law

The Agreement is to be governed by, and construed in accordance with, the laws of the State of Oregon.

11. Venue

Any disputes about the terms of this Agreement will be brought before the Benton County Circuit Court.

12. Waiver

Waiver of any breach of any provision of this Agreement by either party shall not operate as a waiver of any subsequent breach of the same or any other provision of this Agreement. If any portion of this Agreement is held to be invalid under any applicable statute or rule of law, then such portion only shall be deemed invalid.

13. Compliance with federal and state laws

THE ARTS CENTER shall have sole responsibility to comply with all applicable federal and state laws, rules and regulations concerning environmental issues in carrying out activities funded under this Agreement. If any acts or omissions of THE ARTS CENTER should lead to liability or government enforcement action against CITY, THE ARTS CENTER shall be required to defend such action and to indemnify CITY for all costs incurred including without limitation any costs of required response actions and attorney fees. CITY will not assume responsibility for compliance with federal or state environmental requirements related to THE ARTS CENTER performance under this Agreement, but will cooperate to the extend practical and consistent with City Council Policy.

14. Discrimination

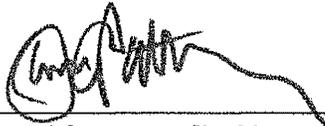
The parties agree not to discriminate on the basis of age, citizenship status, color, familial status, gender identity or expression, marital status, mental disability, national origin, physical disability, race, religion, religious observance, sex, sexual orientation, and source or level of income in the performance of this contract.

15. Extent of Contract

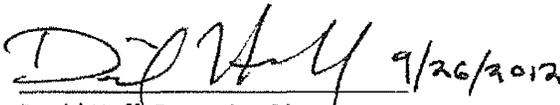
This contract supersedes any prior or contemporaneous oral or written agreements or understandings entered into by the parties. No modification of this Agreement shall be valid unless set forth in writing and signed and dated by both of the parties to this agreement.

IN WITNESS WHEREOF, the parties have herewith executed their signatures.

CITY OF CORVALLIS


James A Patterson, City Manager

THE ARTS CENTER


David Huff, Executive Director

APPROVED AS TO FORM:


City Attorney



Finance Department
500 SW Madison Avenue
Corvallis, OR 97333
541-766-6990
541-754-1729

MEMORANDUM

March 6, 2014

TO: Steve Deghetto, Parks and Recreation Assistant Director

FROM: Jeanna Yeager, Accountant

SUBJECT: The Corvallis Arts Center, Inc. Annual Financial Review, Fiscal Year 2013

This review consists of inquiries and analytical procedures and is limited in its nature. The Statement of Financial Position, Statement of Activities and Change in Net Assets, Statement of Cash Flows, and the related Notes to the Financial Statements are unaudited financial reports that are the representation of the management of Corvallis Arts Center, Inc. (CAC).

The June 30, 2013 financial reports were reviewed by Stover Neyhart & Co., a certified public accounting firm. Stover Neyhart & Co. has not audited the financial statements and does not express an opinion or any form of assurance on the financial statements.

This review is based on CAC's fiscal year, July 1, 2012 through June 30, 2013. CAC records transactions using the accrual basis of accounting.

During the year ended June 30, 2013 CAC reported revenues of \$485,999 and expenses of \$441,545, resulting in a net gain of \$44,454. CAC received \$40,470, 8.3% of its total revenues, from the City of Corvallis. CAC has properly accounted for all revenue received from the City.

The Corvallis Arts Center reported total assets of \$108,016 and total liabilities of \$30,242, resulting in net assets of \$77,774. Of this, \$8,500 is reported as temporarily restricted.

Based on this review, acceptance of the Corvallis Arts Center's annual report is recommended.

CORVALLIS ARTS CENTER, INC.
REVIEWED FINANCIAL STATEMENTS
JUNE 30, 2013

Corvallis Arts Center, Inc.
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Statement of activities and change in net assets	3-4
Statement of cash flows	5
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ISLER GROUP
CERTIFIED PUBLIC ACCOUNTANTS
KLAMATH FALLS | CORVALLIS

Isler of Klamath Falls
Lawrence S. Nichols, CPA/PFS, CFP
Natalie E. Fanning, CPA
Kimberly D. Price, CPA
John R. Warner, CPA

Stover Neyhart & Co.
Lawrence W. Stover, Jr. CPA
Iva K. Neyhart, CPA

INDEPENDENT ACCOUNTANTS' REVIEW REPORT

To the Board of Directors
Corvallis Arts Center, Inc.
Corvallis, Oregon

We have reviewed the accompanying statement of financial position of the Corvallis Arts Center, Inc. (a nonprofit organization) as of June 30, 2013, and the related statement of activities and change in net assets, and statement of cash flows for the year then ended. A review includes primarily applying analytical procedures to management's financial data and making inquiries of Organization management. A review is substantially less in scope than an audit, the objective of which is the expression of an opinion regarding the financial statements as a whole. Accordingly, we do not express such an opinion.

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America and for designing, implementing, and maintaining internal control relevant to the preparation and fair presentation of the financial statements.

Our responsibility is to conduct the review in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. Those standards require us to perform procedures to obtain limited assurance that there are no material modifications that should be made to the financial statements. We believe that the results of our procedures provide a reasonable basis for our report.

Based on our review, we are not aware of any material modifications that should be made to the accompanying financial statements in order for them to be in conformity with accounting principles generally accepted in the United States of America.

Isler Group, LLC

August 28, 2013
Corvallis, Oregon

Corvallis Arts Center, Inc.
Statement of Financial Position
June 30, 2013

See accompanying notes and independent accountants' review report

Assets

Current assets

Cash	\$ 65,321
Accounts receivable	14,836
Other receivables	1,883
Inventories	1,616
Total current assets	83,656

Property and equipment

Equipment	74,764
Leasehold improvements	45,179
Accumulated depreciation	(95,583)
Net property and equipment	24,360

Total assets	\$ 108,016
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Liabilities

Accounts payable	\$ 5,304
Accrued vacation	3,166
Unearned revenue-camp tuition	21,327
Unearned revenue-gift cards	445
Total liabilities	30,242

Net assets

Temporarily restricted	8,500
Unrestricted	69,274
Total net assets	77,774

Total liabilities and net assets	\$ 108,016
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Corvallis Arts Center, Inc.
Statement of Activities and Change in Net Assets
Year ended June 30, 2013

See accompanying notes and independent accountants' review report

	Unrestricted	Temporarily Restricted	Total
Support and revenues			
Program fees			
Education	\$ 62,362	\$ -	\$ 62,362
ArtsCare	1,413	-	1,413
Total program fees	<u>63,775</u>	<u>-</u>	<u>63,775</u>
Artshop/gallery/exhibit			
Gift shop and gallery sales	32,187	-	32,187
Total artshop/gallery/exhibit	<u>32,187</u>	<u>-</u>	<u>32,187</u>
Grants			
Foundation grants	49,671	7,300	56,971
Government grants	36,225	6,000	42,225
City of Corvallis	40,470	-	40,470
Endowment	58,375	-	58,375
Satisfaction of program restrictions	46,667	(46,667)	-
Total grants	<u>231,408</u>	<u>(33,367)</u>	<u>198,041</u>
Memberships and contributions			
Donations/contributions	21,378	49,279	70,657
Membership fees	35,624	-	35,624
Satisfaction of support restrictions	49,279	(49,279)	-
Total memberships and contributions	<u>106,281</u>	<u>-</u>	<u>106,281</u>
Fundraising/special events			
Chocolate Fantasy	38,521	-	38,521
Other events	2,675	-	2,675
Total fundraising/special events	<u>41,196</u>	<u>-</u>	<u>41,196</u>
Other revenues			
Facility rental	2,499	-	2,499
Interest income	40	-	40
Donated building space	6,530	-	6,530
Other revenues	2,083	-	2,083
Total other revenues	<u>11,152</u>	<u>-</u>	<u>11,152</u>
Total support and revenues	<u>\$ 485,999</u>	<u>\$ (33,367)</u>	<u>\$ 452,632</u>

Corvallis Arts Center, Inc.
Statement of Activities and Change in Net Assets (continued)
Year ended June 30, 2013

See accompanying notes and independent accountants' review report

	Unrestricted	Temporarily Restricted	Total
Expenses			
Programs			
Education	\$ 147,932	\$ -	\$ 147,932
ArtsCare	54,156	-	54,156
Artshop	36,361	-	36,361
Exhibits	107,455	-	107,455
Total Programs	<u>345,904</u>	<u>-</u>	<u>345,904</u>
General and administrative	50,827	-	50,827
Fundraising	44,814	-	44,814
Total expenses	<u>441,545</u>	<u>-</u>	<u>441,545</u>
Increase (decrease) in net assets	44,454	(33,367)	11,087
Net assets - beginning of year	24,820	41,867	66,687
Net assets - end of year	<u>\$ 69,274</u>	<u>\$ 8,500</u>	<u>\$ 77,774</u>

Corvallis Arts Center, Inc.
Statement of Cash Flows
Year ended June 30, 2013

See accompanying notes and independent accountants' review report

Cash flows from operating activities	
Increase in net assets	\$ 11,087
Adjustments to reconcile changes in assets to net cash provided by operating activities:	
Depreciation and amortization	2,887
Increase in accounts receivable	(6,845)
Increase in other receivables	(419)
Decrease in inventories	478
Increase in accounts payable	916
Decrease in accrued expenses	(3,064)
Decrease in unearned revenues	(1,551)
Net cash provided by operating activities	<u>3,489</u>
Net increase in cash	3,489
Cash, beginning of year	<u>61,832</u>
Cash, end of year	<u><u>\$ 65,321</u></u>

Corvallis Arts Center, Inc.
Notes to Financial Statements
June 30, 2013

Note 1 - Nature of activities and significant accounting policies

Nature of activities

Corvallis Arts Center, Inc. (the Organization) is a non-profit organization with a mission to nurture artistic expression and to enhance the creative life of the community. This mission is carried out through such programs as exhibitions, performances, extensive on-site arts and culture programming for children, an ArtsCare program serving health care facilities, and the promotion and sale of artists' work through exhibitions and the ArtShop. Sources of income include grants, memberships, sponsorships, class and event fees, and artwork sales commissions.

Basis of accounting

The Organization uses the accrual method of accounting in accordance with accounting principles generally accepted in the United States of America, which recognizes revenues in the period in which the related expenses are incurred.

Financial statement presentation

Under FASB ASC 958-210-45-9, The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. As of June 30, 2013 there were no permanently restricted net assets.

Accounts receivable

Management considers accounts receivable to be fully collectible; accordingly no allowance for doubtful accounts has been established. This method does not result in a significant difference from the allowance method.

Inventories

Inventories consist of items purchased and held for resale and are valued at cost. A physical inventory is taken annually. Consigned goods are not included in inventory.

Property and equipment

Property and equipment acquisitions are capitalized at their purchase price and depreciation is computed using the straight-line method over the assets' useful lives.

Contributions

Under FASB ASC 958-605-45-3, *Not for Profit Entities: Revenue Recognition*, contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted net assets depending on the absence or existence and nature of any donor restrictions. Contributions received with donor-imposed restrictions that are met in the same year in which the contributions were made are classified as unrestricted contributions.

Contributed services

The Organization enlists the services of approximately 150 volunteers. Contributed services have not been recognized in the financial statements as they do not meet the criteria for recognition under generally accepted accounting principles

Corvallis Arts Center, Inc.
Notes to Financial Statements (continued)
June 30, 2013

Note 1 - Nature of activities and significant accounting policies (continued)

Advertising costs

Advertising costs are expensed as incurred. Advertising costs for the year ended June 30, 2013 were \$7,825.

Income taxes

Corvallis Arts Center, Inc. is a not-for-profit organization exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Uncertain tax positions

The organization has adopted FASB ASC 740-10, *Accounting for Uncertainty in Income Taxes*. The organization files income tax returns in the U.S. federal jurisdiction and the State of Oregon as needed. The Organization is no longer subject to U.S. federal or state income tax examinations by taxing authorities for years prior to 2009.

The Organization has made no adjustments to net assets related to FASB ASC 740-10 and there have been no material changes in the amount of unrecognized tax benefits or liabilities that would affect the effective tax rate of the Organization. The Organization's policy is to recognize accrued interest and penalties associated with uncertain tax positions, if any, as part of the income tax provision.

Net assets

Unrestricted - Net assets that are not subject to donor-imposed stipulations.

Temporarily restricted - Net assets subject to donor-imposed stipulations that will be met, either by actions of the Organization and/or the passage of time. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the statement of activities as net assets released from restrictions.

Permanently restricted - Net assets subject to donor-imposed stipulations that must be maintained permanently by the Organization. Generally, the donors of these assets permit the Organization to use all or part of the income earned on any related investments for general or specific purposes.

Use of estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Date of management's review

Subsequent events have been evaluated through the date of this report, which is the date the financial statements were available to be issued.

Corvallis Arts Center, Inc.
Notes to Financial Statements (continued)
June 30, 2013

Note 2 - Temporarily restricted net assets

The activity in the temporarily restricted net assets funds by program for the year ended June 30, 2013 are as follows:

	<u>Education</u>	<u>ArtsCare</u>	<u>Artshop</u>	<u>Exhibits</u>	<u>Operations</u>	<u>Other</u>	<u>Total</u>
Beginning balance	\$ -	\$ -	\$ 3,000	\$ 21,201	\$ 15,666	\$ 2,000	\$ 41,867
Income:							
Foundations	1,000	-	-	6,300	-	-	7,300
Government	6,000	-	-	-	-	-	6,000
Other contributions	49,279	-	-	-	-	-	49,279
	<u>56,279</u>	<u>-</u>	<u>-</u>	<u>6,300</u>	<u>-</u>	<u>-</u>	<u>62,579</u>
Expenses:							
Payroll related	5,581	-	-	6,436	-	-	12,017
Contract labor	42,229	-	-	8,644	2,902	-	53,775
Scholarships	2,567	-	-	-	-	-	2,567
Materials	5,318	-	-	197	-	-	5,515
Website	-	-	-	-	10,619	-	10,619
Maintenance	-	-	-	-	2,108	-	2,108
Display/exhibits	-	-	-	8,000	-	-	8,000
Other	584	-	-	724	37	-	1,345
	<u>56,279</u>	<u>-</u>	<u>-</u>	<u>24,001</u>	<u>15,666</u>	<u>-</u>	<u>95,946</u>
Ending balance	\$ -	\$ -	\$ 3,000	\$ 3,500	\$ -	\$ 2,000	\$ 8,500

Note 3 - Economic dependence

The Organization has a three-year agreement with the City of Corvallis under which the City will provide support to the Organization based upon a designated percentage of the City's property tax levies. The agreement expires on June 30, 2015. Total support provided under the contract for the year ended June 30, 2013 was \$40,470.

Note 4 - Endowment fund

In February 2001 a separate supporting organization known as The Arts Center Endowment, Inc. (formerly known as ArtCentric Endowment, Inc.) was formed to manage the endowed funds. Net transfers of \$136,593 were made from the Corvallis Arts Center, Inc. to The Arts Center Endowment, Inc. at the time of separation. The Arts Center Endowment, Inc. provides fiscal support to the Organization. During the year ended June 30, 2013, the Organization received \$58,375 from the Endowment.

Corvallis Arts Center, Inc.
Notes to Financial Statements (continued)
June 30, 2013

Note 5 - Lease agreement

In 2010 the Organization entered into a 5-year operating lease agreement for a copier. Minimum payments due under the lease agreement are as follows:

Amounts due for the year ended June 30:	
2014	633
2015	422
Total	<u>\$ 1,055</u>

Note 6 - Donated building space

The Organization operates in a building owned by the City of Corvallis, which the City makes available free of charge. The estimated fair market rental value of the building is reflected as donated building space in the financial statements. The amount so included for the year ended June 30, 2013 was \$6,530.

MEMORANDUM

To: Human Services Committee
From: Karen Emery, Department Director
Stephen DeGhetto, Assistant Director
Date: April 8, 2014
Subject: Public Art Selection Commission Annual Report

Issue: The Public Art Selection Commission (PASC) is scheduled for its annual report to the Human Services Committee.

Background: The Public Art Selection Commission (PASC) was established by Council in 1998 to oversee the selection, acceptance and placement of public art in the City of Corvallis consistent with Council policy. The Commission is comprised of 7 citizen voting members and a City Council liaison.

Discussion: The Commission met seven (7) times between April of 2012 and August of 2013. Shelly Curtis is the current chair of the Commission. City Councilor Joel Hirsch is the current Council liaison.

The Commission currently has one vacancy as a citizen at large position. In the past year the commission has been involved with the review of two proposals; the Mosaic Collaborations project and a recommendation to City Council to accept a piece by George D. Green. The piece in question, entitled "The Poetry of H.D. Moe – Zowie Sang to the Sea," has been offered to the Library as a donation.

During the review period the Commission also reviewed Council policies CP 94-4.07, CP 98-4.12 and a sunset review for PASC.

One outreach project PASC has undertaken is the development of a Public Art Brochure. The intent of the brochure is to invite artists to donate art and to encourage sponsoring entities to solicit commissioned art projects for the City. This brochure intends to simplify the process to invite the public to participate.

Citizen volunteers on the Commission continue to provide invaluable expertise and oversight to forward the community's values supporting public art.

Recommendation: Staff recommends the Human Services Committee recommend to City Council to accept the Public Art Selection Commission's annual report.

Review and Concur:


James A. Patterson, City Manager


Nancy Brewer, Finance Director

Attachments:

PASC Minutes

- All minutes for the review period

CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
April 25, 2013

Present

Shelley Curtis
 Chi Meredith
 Shelley Moon
 Joel Hirsch, Council Liaison

Staff

Steve DeGhetto, Assistant Director
 Steve McGettigan, Parks Operations Specialist
 Claire Pate, Recorder

Excused Absence

Paul Rickey, Jr.
 Josh Hackenbruck
 Bill Laing
 Cynthia Spencer

Visitor

John Morris
 Ella Rhoades

SUMMARY OF DISCUSSION

	Agenda Item	Summary of Recommendations/Actions
I.	Call to Order/Introductions	
II.	Approval of minutes – August 16, 2012	Postponed; lack of quorum
III.	Memorial Policy	Information only
IV.	Visitor's Propositions	None presented
V.	Downtown Mosaic Project	Information only
VI.	Leadership Corvallis – Potential Project	Information only
VII.	Selection Process Review	
VIII.	Capital Projects Review	Held for next meeting
IX.- X.	Other Information/Adjournment	Information only

CONTENT OF DISCUSSION

I. **CALL TO ORDER.** Steve DeGhetto called the meeting to order at 4p.m. He stated that the agenda needed to be revised in that there was no need for the item "Election of Co-Chair;" this had been mistakenly put on the agenda. He said there were two primary issues he wanted to discuss, which is why he called the meeting. They include reviewing the guidelines and policy for Memorial Donation Acceptance and Management and getting a status report from Ella Rhoades regarding the Downtown Mosaics project.

He noted that the Public Art Selection Commission (PASC) had not met for a long time because there had not been any topical issues; however, it would be good to get on a more regular meeting schedule.

II. APPROVAL OF AUGUST 16, 2012, MEETING MINUTES.

Chair Curtis noted that they did not have a quorum, so approval of minutes would be held over to the next meeting.

III. MEMORIAL POLICY.

DeGhetto introduced Steve McGettigan, Parks Operations Specialist, who gave a brief description of one of his duties which was to work with donor families who wished to memorialize a loved one with a public amenity within the City system of parks. This included planning out and purchasing memorial amenities such as benches, rocks, and trees. Typically, the planning effort includes looking at the amenity and location and ensuring that an installation will be both meaningful to the family and will also be a positive contribution to the Corvallis Parks system in that it will not become a maintenance burden in the future. An example of one of their approaches is to swap out existing wooden park benches with a new memorial bench that requires less upkeep. They are also careful not to have too many amenities in any one site. Plaques are another part of the memorial donation process, and they work with vendors who can provide somewhat individualized plaques. Important aspects of the memorial amenity are that it be revenue neutral and done in a way that will be maintenance neutral.

DeGhetto added that there were similarities between memorial and public art placements. Typically, the memorials come with funding from the donor, as compared with public art often involving public money.

McGettigan said that they were actively inventorying the locations and noting the GPS waypoints for all types of parks amenities that are already in place. DeGhetto said that another piece that needed to be added to the policy was a means of maintaining contact with the various families or individuals responsible for the memorial amenity for future reference in case there is a need to relocate, refurbish or replace an amenity.

Moon thanked McGettigan for the work he did with volunteers from the Corvallis Farm Home. McGettigan said that in 2012, they had over 7400 volunteer hours of work with 2200-2300 different volunteers helping them out. DeGhetto added that, department-wide, there were over 24,000 volunteer hours on an annual basis.

IV. VISITOR PROPOSITIONS – None presented

V. DOWNTOWN MOSAIC PROJECT – ELLA RHOADES.

Rhoades said she had sent DeGhetto a status update on the project, and DeGhetto said he would send it out to all the commissioners. Rhoades said they have had 14 community participation events with about 845 participants working on the mosaic inserts which will be placed on the downtown trash receptacles along 3rd and 4th Streets. She suggested that the commissioners visit her website (sacredshardmosaics.com) which will show photographs of a lot of the participants. A group of volunteers has evolved informally called the Downtown Mosaics Volunteer Brigade, which has logged 120 hours out of her studio helping to prepare materials for the project. The final event will be on May 18, from 9am to 1pm, at the Farmers Market. The goal was to raise \$4500 for the project, or \$250 for each of the 18 panels. They

have currently raised \$4,031 dollars. A large donation consisted of a grant from the Benton County Cultural Coalition. Laticrete International, located in Lebanon, provided all of the adhesive and the grout for the project. She invited the commissioners to view three of the panels which she had brought to the meeting.

In preparation for installation of the panels, they will be having a "scrubbing bubbles" day on May 20, with volunteers helping to scrub all the trash receptacle surfaces. They are hoping to have installation wrapped up by the end of June. Twelve panels have been completed with four additional intended to be completed during the May 18 event at Farmers' Market. The other two will be done through other random events, such as possibly at the Corvallis Skate Park. They still have a waiting list of people who would like to participate. She appreciates everyone's support.

VI. LEADERSHIP CORVALLIS - POTENTIAL PROJECT.

DeGhetto said that Cynthia Spencer talked with the Neukomm family to give them more information about the public art policy and to get clarification of their ideas for commemorating Hans Neukomm. It appears that this would more appropriately fall under the Memorial Policy as opposed to the Public Art Selection Policy. Initial discussions were of a memorial in the form of a bust to be located in the Central Park fountain area. The cost of refurbishing that area and fountain would require funding as a Capital Improvement Project (CIP), and though it has been identified as a future CIP it is unfunded at this time.

Curtis added her understanding that there was public interest in this area as being a location for a public art feature. DeGhetto agreed and said that there would have to be a public process prior to anything being selected. The Neukomm family seems to understand this, and there will be more discussions around the effort. This topic leads to the next one on the agenda.

VII. SELECTION PROCESS REVIEW.

DeGhetto said that PASC's experience with the Martin Luther King, Jr. project pointed out the need to have clearly understood policies and guidelines to follow for the selection of public art. One issue identified is whether all art selection processes need to have an end product, or prototype, submitted before a decision can be made, or whether a stylized representation or sketch is all that is needed. Curtis said that it was not uncommon for an artist to be selected based on art in his/her portfolio. She suggested that it might be a good idea to have a simple, educational brochure made up that could make the Public Art Selection policy easier to comprehend. DeGhetto agreed, and said that they are doing this for the community gardens policy as well. It can be difficult for the average citizen to understand jargon and procedural descriptions contained in the policies. He thought this would be a good undertaking for the PASC when they have more people in attendance at a meeting or work session. He referenced two policies that might benefit from PASC review: CP94-4.07 (City Owned or Funded Art Objects on City or Private Property) and CP-98-4.12 (Guidelines for Public Art Selection).

VIII. CAPITAL PROJECT LIST FOR CENTRAL PARK (Held for the next meeting).

IX. OTHER INFORMATION.

- A. Meredith showed some pictures of the Martin Luther King, Jr. project. The artist was Kathryn Jederlinich and the medium was acrylic paint.

B. DeGhetto passed out thank you gifts from Mayor Manning as appreciation for the commissioners' volunteer work over the past year.

X. ADJOURNMENT.

The Commission agreed to have the next meeting on May 23, 2013, at 4pm, which is in keeping with the fourth Thursday of the month. Curtis said that the reading assignment prior to the meeting should be copies of the policies referred to earlier in the meeting. Elections should also be added to the agenda for the May meeting.

The meeting was adjourned at 4:55pm.

CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
May 23, 2013

Present

Chi Meredith
 Josh Hackenbruck
 Bill Laing
 Joel Hirsch, Council Liaison

Staff

Steve DeGhetto, Assistant Director
 Jackie Rochefort, Parks Planner
 Claire Pate, Recorder

Absent

Shelley Curtis
 Shelley Moon
 Paul Rickey, Jr.
 Cynthia Spencer

SUMMARY OF DISCUSSION

	Agenda Item	Summary of Recommendations/Actions
I.	Call to Order/Introductions	
II.	Review of Minutes a. August 16, 2012 b. April 25, 2013	No quorum; postponed to next meeting
III.	Capital Project list for Central Park	
IV.	Visitors' Propositions	
V.	Mandatory Review of Council Policy 98-4.12, Guidelines for Public Art Selection	Postponed to next meeting
VI.	Members eligible for reappointment and elections	
VII.	Selection Policy Process Review and Selection Process Brochure	Postponed to next meeting
VIII.	Adjournment at 4:50pm	The next meeting to be determined in June 2013 at the P&R Conference Room

CONTENT OF DISCUSSION

- I. **CALL TO ORDER.** Steve DeGhetto called the meeting to order at 4p.m. With the absence of Shelley Curtis, he asked if Hackenbruck would serve as the chair pro tem. It was noted that since there was no quorum, several items would be postponed to the next meeting. Meredith expressed her disappointment that there was no quorum, especially since she had come back from the coast expressly to attend the meeting.

II. APPROVAL OF MEETING MINUTES.

For lack of a quorum, consideration of draft minutes for August 16, 2012, and April 25, 2013, was postponed until the June meeting.

III. CAPITAL PROJECTS LIST FOR CENTRAL PARK

Jackie Rochefort, Parks Planner, introduced herself and talked about the Capital Improvement Program (CIP). The CIP is a 5-year plan identifying capital improvement expenditures throughout the community, and is updated on an annual basis. She said that Public Works oversees the program, but Parks and Recreation is a major player in that a large portion of the projects are under its purview.

The CIP has two criteria for determining whether projects qualify for consideration: 1) they must be valued at \$25,000 or more, and 2) need to have a 10-year life span. The City seeks input each year from citizens who suggest various projects. The ones that are appropriate to Parks and Recreation come to her for an initial review process then a review process by a CIP subcommittee which has representation from both staff as well as members of various boards and committees. This subcommittee reviews the projects using additional criteria. Those that meet the criteria are then evaluated for cost estimates as well as what the timing might be for implementation and completion. If a project is put into the first year of the CIP, it has to have identified funding. If it is placed in subsequent years, funding can be determined at a later date.

Once reviewed by the Parks and Recreation CIP subcommittee, projects then go to the City's CIP Commission for a public hearing process. They are then sent to the Planning Commission and Budget Commission for review, and ultimately to the City Council for approval. The CIP is adopted for the next fiscal year as part of the City's Budget.

Rochefort said that PASC might have involvement in various ways. Within a larger capital project there could possibly be a component for public art. For instance, in redoing Tunison Park there had been talk about including some sort of mural or art project along with the walking path. Additionally, this group might review a significant art piece that in and of itself meets the criteria. A member of PASC might possibly be asked to serve on the CIP subcommittee.

In response to questions from commissioners, Rochefort further explained that projects will often move through the five-year queue and still not find funding. The reason for having the projects maintained in the CIP is to increase the possibility of getting grants and financing which generally are awarded to projects that have already been adopted as part of a plan. Funding sources include grants, property tax dollars, Systems Development Charge funds, private donations, partnerships, and money raised by the group "Friends of Corvallis Parks and Recreation." The emphasis lately has been on projects dealing with health and safety. They have also prioritized projects that bring funds back to the City.

IV. VISITOR'S PROPOSITIONS. None

V. MANDATORY REVIEW OF COUNCIL POLICY 98-4.12, GUIDELINES FOR PUBLIC ART SELECTION

DeGhetto said that this had been sent out as part of the packet, and that a review and

update of the document needed to be done by June 25, 2013, with recommendations sent back to City Council for consideration. He is looking to the commissioners to make suggestions for changes that might be appropriate, and hopes that a meeting can be scheduled early enough so that this can be accomplished. One change that is needed is one which might accommodate electronic copies of images.

VI. MEMBERS ELIGIBLE FOR REAPPOINTMENT AND ELECTIONS

Chi Meredith, Bill Laing, and Josh Hackenbruck indicated their willingness to continue on as members of PASC.

VII. SELECTION POLICY PROCESS REVIEW AND SELECTION PROCESS BROCHURE.

Consideration of this was postponed to the next meeting.

VIII. ADJOURNMENT

There was discussion about when to have the next meeting, though consensus was that the day and time of the week (Thursdays, at 4pm) worked. Staff will poll the commissioners to determine whether the next meeting would be on June 13, 20, or 27th.

The meeting was adjourned at 4:40pm.

**CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
JUNE 10, 2013**

Attendance

Shelley Curtis
Chi Meredith
Shelley Moon
Josh Hackenbruck
Bill Laing
Cynthia Spencer
Joel Hirsch, City Council Liaison

Staff

Steven DeGhetto, Assistant Director
Mark Lindgren, Recorder

Visitors

Absent/Excused

Paul Rickey, Jr.

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Call to Order	X		
II. Review of Minutes- August 16, 2012; April 25, 2013; May 23, 2013	X		
III. Visitor Propositions	X		
IV. Mandatory Review of Council Policy 98-4.12: Guidelines for Public Art Selection	X		
V. Selection Policy Process Review and Selection Process Brochure	X		
VI. Adjournment	X		The next regular Public Art Selection Commission meeting is scheduled for 4:00 p.m., July 18, 2013 at the Parks and Recreation Conference Room.

CONTENT OF DISCUSSION

I. CALL TO ORDER: Chair Shelley Curtis called the meeting to order at 4:10 p.m.

DeGhetto highlighted an email from Ella Rhodes regarding her recently completed trashcan mosaics project.

II. REVIEW OF MINUTES.

Shelley Curtis moved and Cynthia Spencer seconded to approve the August 16, 2012 minutes as presented; motion passed.

Chi Meredith moved and Josh Hackenbruck seconded to approve the April 25, 2013 minutes as presented; motion passed.

Bill Laing moved and Chi Meredith seconded to approve the May 23, 2012 minutes as presented; motion passed.

III. VISITOR PROPOSITIONS. None.

IV. MANDATORY REVIEW OF COUNCIL POLICY 98-4.12: GUIDELINES FOR PUBLIC ART SELECTION.

Chair Curtis said the group should look at existing language and see if any needed to be clarified.

Assistant Director Steve DeGhetto highlighted 4.12.041, item “d”, suggesting adding “or digital format”. Meredith suggested getting more specific regarding the kinds of acceptable digital formats. Meredith said most groups now only accept digital submissions, and state that they do not return reproductions. Spencer said that will require artists to be able to handle digital format. She advocated not including details of the types of “digital format” in the Policy, saying that that could be left to staff; Laing concurred. He said the brochure could specify acceptable forms for digital submissions. Curtis added that that should be listed at the website, as well. The issue was not decided.

Under 4.12.010, Purpose, Meredith asked about the Council Liaison position; DeGhetto said the Liaison was not a voting member. Meredith suggested adding “seven *voting* members”; the group agreed.

Under 4.12.030, Art Selection Criteria, DeGhetto suggested omitting item c; the group agreed. DeGhetto suggested adding “security of artwork” to item e; the group agreed. DeGhetto suggested getting some advice on the aspect of risk management in item e; the group agreed. He suggested adding “site appropriateness” to item b.

Under 4.12.041, item “a” was modified to “The artwork or images..”. Part of item “c.4” was modified to “..detailed budget, if any, and maintenance provisions”. The group agreed that the third sentence in item d should be modified to read “artwork or images”.

Under 4.12.042, Donations of Art-Acceptance Criteria, DeGhetto noted that typically items go back to artists. Under item c, DeGhetto noted that PASC may decommission works.

Under item e, DeGhetto said the “disinterested third party” may, in some cases, be the City’s insurer, currently Barker-Uerlings. He said the item needed to be firmed up and would get advice on it. Curtis suggested in some cases getting the artist’s own valuation of the work; Spencer objected that there could be wide disparities in some cases with that approach. Laing said there is often language regarding having the donor consult a tax adviser, and the existing language covers this. Laing said the donor or the donor representative has the *option* of declaring its value; that is not the responsibility or concern of the City. The language advises the donor upfront that they may wish to appraise a donation’s value. Spencer said that there must be consideration of replacement value for insurance purposes.

Regarding 4.12.043, Commissioned Works of Art, item c #7 was modified to “photos or digital images of previous work,..”, Laing said there should be a visual component to proposals provided by artists,

such as “a sketch or model”. Under e, Curtis suggested “..images of the proposed piece, or a scale model”.

The PASC will schedule a second meeting for review.

Laing gave the example of the MLK Jr. Park art project, noting the winning artist only submitted previous examples. Meredith noted that the MLK Committee gave the artists flawed instructions on the PASC art selection process, and then asked the PASC to make a fast decision. DeGhetto said the committee has the latitude to decide whether a proposal is complete or not.

Under 4.12.044, the group agreed on item b, #7, “photos or images” of previous work..”. The third sentence in item c was modified to “The sponsor will be asked to present a complete description of the project”.

Regarding 4.12.050, Notification and Award, Hackenbruck and Curtis departed at 5:14 p.m, noting that there would still be a quorum. DeGhetto said a Public Art account was not yet established, and suggested removing the last two sentences. He said the Friends of Parks and Recreation or the Benton County Foundation may be able to handle the account. Laing asked whether the language meant that a donor must also donate extra for maintenance; DeGhetto said that that was the meaning of it, but the account did not exist. Laing said the language did not fit in this paragraph.

Liaison Hirsch said the revisions next go to the Human Services Committee (HSC), and suggested including explanations for the proposed changes. DeGhetto said the review of this paragraph should get direction from the HSC on how to handle the account. The group agreed to strike the last two sentences.

Spencer related that Ella Rhodes agreed to maintain her mosaics on trashcans for ten years and accepted liability (she got riders on her existing business insurance); members cautioned that many artists would not be able or willing to do this.

Spencer moved to accept the changes to the Policy as discussed, and that DeGhetto should present them to the City Council; Moon seconded; motion passed.

V. SELECTION POLICY PROCESS REVIEW AND SELECTION PROCESS BROCHURE.

Discussion postponed.

VI. ADJOURNMENT: Meeting adjourned at 5:27 p.m.

CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
July 18, 2013

Present

Shelley Curtis
 Shelley Moon
 Cynthia Spencer
 Chi Meredith
 Josh Hackenbruck
 Bill Laing

Staff

Steve DeGhetto, Assistant Director (4:45pm)
 Claire Pate, Recorder

Absent

Joel Hirsch, Council Liaison
 Paul Rickey, Jr.

SUMMARY OF DISCUSSION

	Agenda Item	Summary of Recommendations/Actions
I.	Call to Order/Introductions	
II.	Review of Minutes June 10, 2013f	Approved, with revisions
III.	Visitors' Propositions	
IV.	Status Report: Council Policy Review: CP 98-4.12, "Guidelines for Public Art Selection"	Recommended Revisions for Human Services to review
V.	Meeting Schedule for PASC	
VI.	Adjournment at 4:50pm	The next meeting will be October 16, 2013, at 4pm in the P&R Conference Room

CONTENT OF DISCUSSION

I. CALL TO ORDER.

Chair Curtis called the meeting to order at 4pm. It was announced that Assistant Director DeGhetto was in another meeting and would be delayed in getting to the PASC meeting.

II. APPROVAL OF JUNE 10, 2013, MEETING MINUTES.

One revision was noted. On page 2, Section IV, 2nd paragraph, line 4: change the word "art" to "reproducibles." Spencer **moved** to accept the minutes as revised. Meredith seconded the motion which **passed** unanimously.

III. VISITORS' PROPOSITIONS. None.

IV. STATUS REPORT: COUNCIL POLICY 98-4.12, GUIDELINES FOR PUBLIC ART SELECTION.

Curtis gave a brief report on the status of Human Services Committee's review of PASC's suggested revisions to this policy. Human Services Committee had met on July 16, and they accepted all of the revisions recommended by PASC and DeGhetto. However, there were two additional items they wished to have addressed. Councilor Sorte suggested that in Policy Section 4.12.042, Donations of Art – Acceptance Criteria, some other word other than "advantageous" ought to be used in the phrase "...if no other action more *advantageous* to the City is available." It was suggested that the sentence be changed to: "The City will handle all gifts in a respectful manner and may return a gift to the original donor or estate of the donor, if no other action is deemed appropriate by the City." The second item related to Policy Section 4.12.070, Review and Update, and the need for more specificity as to who had responsibility for reviewing the Policy. Commissioners agreed that the City Manager and Human Services Committee should be added in.

Laing **moved** and Hackenbruck seconded a motion to approve both revisions as noted above. The motion **passed** unanimously.

V. MEETING SCHEDULE FOR PASC.

There was discussion about the need for meeting monthly, and it was decided that there was no need to meet more than quarterly unless a proposal required more immediate consideration. In that case a special meeting could be called by DeGhetto. The months of January, April, July and October were suggested as possibilities, though there was support to meet in August if needed to finish their policy review work.

There was discussion about shifting the meetings to third Wednesdays, at 4pm, which would occur immediately before the A&CC meeting which is on third Wednesdays at 5:30pm. DeGhetto will look at scheduling to ensure this will work, and will confirm it with the commissioners.

VI. ADJOURNMENT.

The meeting was adjourned at 4:50pm. Next meeting is tentatively set for October 16, 2013, at 4pm.

**CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
OCTOBER 16, 2013**

Attendance

Shelley Curtis (at 4:40 p.m.)
Chi Meredith
Shelley Moon
Cynthia Spencer
Joel Hirsch, City Council Liaison

Staff

Steven DeGhetto, Assistant Director
Linda Hart, Recorder

Visitors

Absent/Excused

John Hackenbruck
Bill Laing

SUMMARY OF DISCUSSION

Agenda Item	Information Only	Held for Further Review	Recommendations
I. Call to Order	X		
II. Review of Minutes- July 18, 2013	X		Approved.
III. Visitor Propositions	X		None.
IV. Public Art Selection Brochure	X		
VI. Adjournment	X		The next regular Public Art Selection Commission meeting is scheduled for 4:00 p.m., January 15, 2014 at the Parks and Recreation Conference Room.

CONTENT OF DISCUSSION

- I. CALL TO ORDER:** Co-Chair Paul Rickey, Jr. called the meeting to order at 4:10 p.m.
- II. REVIEW OF MINUTES.**
Chi Meredith moved and Shelley Moon seconded to approve the July 18, 2013 minutes as presented; motion passed.
- Steve DeGhetto said that Bill Laing has resigned, and he will be notifying Mayor Manning of this opening on the Commission. He introduced Wayne Wiegand, who will be applying for the open position on the Commission as representative of The Arts Center.
- III. VISITOR PROPOSITIONS.** None.
- IV. MANDATORY REVIEW OF COUNCIL POLICY 98-4.12: GUIDELINES FOR PUBLIC ART SELECTION.**
DeGhetto said the second review before the Human Services Committee went well, and HSC forwarded the revised policy to Council with a recommendation to approve. Board members asked to be forwarded a copy of the finalized Policy; Hart was directed to do so.

V. PUBLIC ART SELECTION BROCHURE.

DeGhetto will have John Ame, the department's graphic artist, create some sample layouts of a simple tri-fold brochure. He will email Commission members asking for volunteers to work on a sub-committee to create the brochure. The group will meet on Wednesday Dec. 18 at 4:00 p.m. to review samples and discuss content. Suggestion for content included differences between memorial donation, public art, etc. Spencer suggested asking artists who have gone through our process art on display to offer their suggestions on how it worked for them and how it might be improved.

VI. NEW BUSINESS:

Ella Rhoades has received an award for her mosaic project, and Spencer suggested that a letter of thanks and congratulations be sent to her by the Commission. DeGhetto will draft and route for review, with the intent that all Commission member will sign.

Commission agreed to meet quarterly, in January, April, July and October. The January agenda will include election of officers. Shelley Curtis stated she does not wish to continue as chair of the Commission. Meeting dates for 2014 will be January 15, April 16, July 16 and October 15.

VII. ADJOURNMENT: Meeting adjourned at 5:10 p.m.

**CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
DECEMBER 18, 2013**

Attendance

John Arne
Shelley Curtis
Josh Hackenbruck
Chi Meredith
Shelley Moon (at 4:07 p.m.)
Cynthia Spencer

Staff

Steve DeGhetto, Assistant Director

Absent/Excused

Joel Hirsch, Council City Liaison
Bill Laing
Paul Rickey, Jr.

CONTENT OF DISCUSSION

I. CALL TO ORDER: Assistant Director Steve DeGhetto called the meeting to order at 4:00 p.m.

II. REVIEW OF MINUTES.

Shelley Curtis moved and Chi Meredith seconded to approve the October 16, 2013 minutes as presented; motion passed.

DeGhetto said that prospective member Hester Coucke will be confirmed for PASC membership at the January 6, 2014 City Council meeting. The Commission will be in touch with Paul Rickey, Jr. to discuss options regarding future PASC involvement.

III. VISITOR PROPOSITIONS. None.

IV. PUBLIC ART SELECTION BROCHURE DEVELOPMENT.

DeGhetto introduced John Arne, the department's graphic artist. Arne's draft flyer was distributed for review and discussion. DeGhetto stressed that a major focus is to keep things simple, so as to encourage maximum participation, traffic, and interest. The tips section specifically should be fun and inviting.

Possibilities were discussed regarding differentiating the processes for donated art, commissioned art, and memorial art respectively. As the general timeline and steps for each are similar, the Commission may touch upon that a different process exists for donated artwork and point toward the applicable by-laws and guidelines pertaining to such. While there is the future possibility of a flyer for donated art, it was decided this would be an internal project to handle later on.

Spencer noted that the included timeline is good and will help improve proposals.

The information regarding insurance as pertaining to submission will be fact-checked and revised so as to be exact in terms of law and policy. The Commission decided this information will be placed in the timeline section.

Spencer added that if artists may be entering into a contract with the city, it could be helpful to supply a template contract ahead of time that would be accessible to the artists, and this could be referenced in the timeline as well. DeGhetto then stated that it would be a matter of selecting which template to provide.

DeGhetto added that further information could be helpful pertaining to proof of insurance for the installation (which is only during the period of installation), what the city's and artist's specific responsibilities are (which can vary due to the installation location and how many parties are involved), and that shipping costs to-and-from are covered by the city.

An inventory of sites and schedules will be assembled to aid in finding the most suitable locations in terms of visibility and easier processing, though difficulty in placement is not an exclusionary item and the Commission will review all items case-by-case. Legal will be contacted to make sure that all phrasing is accurate.

Arne suggested Commission members choose their top five previous public art pieces for possible placement in the brochure. Spencer noted that ordinance should be referenced, and linked via pdf file.

DeGhetto stated that an abbreviated mission statement should be included in the brochure, speaking to aesthetics and community heritage, possibly involving "selecting and placing art that enhances the quality of our community." DeGhetto will send this information to those members not present for their thoughts as well.

DeGhetto added that the recycle logo and information related to the brochures being printed on 90% recycled paper should be included also.

V. UPDATES.

DeGhetto noted that the letter of thanks and congratulations to artist Ella Rhoades has been sent. DeGhetto said the Commission is always interested in more and better ways to fund themselves and asked all members to consider ways that public art can generate revenue. DeGhetto will get information to Curtis regarding available grants like those related to McMinnville, some in the \$50,000 range. DeGhetto stated that maintenance, upkeep, and tracking of large art were all areas to consider.

DeGhetto will contact Commission members via email prior to the next quarterly PASC meeting, which is scheduled for Wednesday January 15th.

VI. ADJOURNMENT: Meeting adjourned at 5:04 p.m.

**CITY OF CORVALLIS
MINUTES OF THE PUBLIC ART SELECTION COMMISSION
JANUARY 15, 2014**

Attendance

Hester Coucke
Shelley Curtis
Josh Hackenbruck
Chi Meredith
Shelley Moon
Cynthia Spencer

Staff

Stephen DeGhetto, Assistant Director

Absent/Excused

John Arne
Joel Hirsch, Council City Liaison
Bill Laing
Paul Rickey, Jr.

CONTENT OF DISCUSSION

I. CALL TO ORDER: Assistant Director Steve DeGhetto called the meeting to order at 4:00 p.m.

II. REVIEW OF MINUTES.

Shelley Curtis moved and Chi Meredith seconded to approve the December 18, 2013 minutes as presented; motion passed.

DeGhetto welcomed new PASC member Hester Coucke. Curtis has been in touch with Paul Rickey, Jr. who has supplied his updated email address and has expressed his interest in remaining active with PASC. DeGhetto will be in touch with Rickey and with all PASC members to make sure that contact information on file is accurate.

III. VISITOR PROPOSITIONS. None.

IV. PUBLIC ART SELECTION BROCHURE DEVELOPMENT.

DeGhetto stated that the brochure is coming together well, and that draft checklists for commissioned and donated art are in process. PASC is looking to remain accurate to policy while remaining progressive and on-track in terms of preventing unnecessary miscues, and is looking for feedback to these ends.

Curtis mentioned that usage of the term “committee” should be changed to “commission” throughout all materials. Moon broached the topic of possible confusion for artists regarding the use of the term “sponsor.” After discussion, DeGhetto suggested using the term “sponsoring entity” in place of “sponsor” throughout materials. PASC will also include the term “verify” in the section now reading, “Contact participating agencies, landlords, and organizations to receive tentative approval and verify sponsoring entity.”

Meredith suggested finding a way to highlight that PASC is not a jury. Spencer would like the outline for artists to be improved. DeGhetto stated that if changes to policy are necessary to ensure greater communication, such changes can be made. Meredith and others will be working on revisions in the interim between PASC meetings.

V. MISSION STATEMENT DISCUSSION:

DeGhetto distributed Mission Statement and Vision Statement draft text from multiple PASC members. Moon stressed the importance of each as opportunities to inform local artists of PASC's existence, roster, and purpose. Moon stated the information should be as user-friendly as possible, and that she looks forward to PASC utilizing these materials to provide greater outreach to areas such as Southtown.

PASC voted to adopt Hackenbruck's Vision Statement text, changing only the term "enhance" to "enrich." Hackenbruck's Mission Statement text will be used as a draft template between meetings for PASC members to consider between meetings.

Curtis stated that a talk about officers should be a part of the next meeting's Agenda, and that PASC members should be selecting their five favorite previous public art images for possible use in the flyer. PASC decided that they will be meeting in February of 2014.

VI. ADJOURNMENT: Meeting adjourned at 5:13 p.m.