League of New Hampshire Craftsmen
Annual Meeting Minutes
May 23, 2023
Held at League Headquarters, with a Zoom option

Having observed that a quorum was present, Miriam gaveled the meeting to order at 5:11pm.

Miriam welcomed everyone to the meeting and discussed the hybrid meeting format.

Sarah Nyhan reviewed the hybrid meeting platform. Those participating by Zoom were instructed to wait until asked to speak, and to unmute themselves. For votes, there will be a Zoom poll and in-person voting will be done by a show of hands. The exception is for the vote to amend the Articles of Agreement: there will be a Zoom poll and, for in-person attendees, a secret ballot.

Secretary's Report:
Secretary Jake Marvelley presented the 2022 Annual Meeting Minutes.

Question: the draft minutes state "anomalous": should it instead say "anonymous"? Answer: no, minutes should say "anomalous" to denote rarity.

MOTION: to approve the 2022 Annual Meeting Minutes as drafted. Judith Raskin moved; Cate Pierce seconded. All in the room voted in favor; 36 people voted in the Zoom room of 48 people, and all 36 voted in favor. The motion carried.

Next, Jake presented the ballot results: everyone named on the ballot was duly elected.

Treasurer's Report.
Treasurer Patrick Ellis reviewed the financial reporting for the year. Discussion points included:

- Sponsorships were short of budget ($45k), which was due to not hitting sponsorship goals.
- Fair revenue items were $37,900 better than budgeted.
- Sharon Arts Center: we received a payment to release the League's interest in the land.
- For the Fair, we received an insurance payment for the microburst that caused damage.
- The League was under budget on professional services. We budgeted for legal expenses but those funds were not spent. This line item represents about $32k in savings compared to budget.

John Schiffman asked about whether the net operating income, as it appears and whether it squared with last year's. Miriam explained it's a pre-audit number on the printed version, compared to audited financial results.

Resuming Patrick's report:

- Patrick discussed the endowment spending policy that went into effect in 2023, which results in a 5% drawdown each year. This year, the proceeds went into the Education Fund.
- Expenses were about $20K more than budgeted.
- There was a challenging capital market in 2023 resulting in unrealized investment losses.
- Total current assets: $964K, does not include investments in property.
- Comparing financials from the previous year versus this year: there is a reduction of deferred revenue due to the timing of booth fee collections.

Question: what is the Sharon Arts Center? Miriam explained the history that there was a League gallery there, the League broke relationship but kept an interest in the property. New England College asked whether the League would like to assume the Center and the League said "no".

Question: where does the Sharon Arts money show up on the Statement of Activities by Class? Answer: "4800–other income".

John Schiffman Congratulated ED and Staff for managing through the pandemic because the bottom line is stable.

Gigi Labarge asked: 1) On event revenue, is there a breakdown showing booth fees paid by invited guests, and 2) is there a breakdown showing booth fees paid by the vendors?

Miriam: invited guests pay $100 more than the juried members. Gigi clarified that she wanted to know how much of the revenue is from invited guests. Laura from Supporting Strategies looked into it while Miriam said that 31 of 168 booths were invited guests.

Gigi's second question: what's the total we take in from food vendors? Of the $672k, how much comes from booth fair? And, for grant revenue, where do those grants come from?

Miriam: food vendors pay the League 20% of net sales after costs. Non-food-related vendors who sell handmade items are juried in by committee and pay the same booth fee as juried members pay for 10 x 10 booths.

Miriam: regarding grants, the annual report provides the grant amounts. Gigi asked how much comes from inside New England vs. outside? Miriam explained we obtain multi-year grants. NH State Council PVP, as an example, pays $15K per year for 2 years. The League is preapproved for another two years for that PVP grant. Through the state council and federal money, received an additional one-time gift of approximately $3,000. There is a JPP grant that we write and the state matches our expenditure, assuming we adhere to the JPP Guidelines. Last year, we received an individual grant through NH Charitable Foundation's Armstrong Foundation.

Laura: regarding booth revenue: of the $672K in revenue, $374K was booth revenue from juried members and visitors. Miriam said additional info will be provided to all membership.

Miriam asked Laura to report on the status of the audit, and the Board's decision in response to a change in requirements for audits in NH. Laura reported that, before this year, there was a requirement that, if a nonprofit's revenues exceed $1m, the nonprofit must submit audited financials. We've had our financials audited each year. For the current fiscal year, we are 90% through audit, which is record speed. Going forward, the threshold for an audit has been raised to $2m in annual revenues. The Board considered whether we should continue with audits since they aren't required. The options were: 1) continue to have a full audit; 2) have a review instead of an audit; or 3) discontinue audits. The Finance Committee looked at each option and recommended that the League keep the audit. It's more expensive to switch back and forth if we exceed threshold, rather than just keep the audits going, because auditors would need to go back through periods that they had missed if we dropped to a review.

John Schiffman asked: when do you expect Board to get the audit report? Laura: we try to have audit and 990 completed and present it to the Finance Committee or Board. The goal is to ensure we're all done before the Fair.

Ruth Boland asked: is Supporting Strategies, the outside bookkeeping company, also doing the audit? Miriam: no, it's a separate company.

Miriam led the attendees in applauding Laura and Patrick for their hard work.

Presentation by Board Chair.

Miriam introduced the now-former Chair John Maclean. Miriam thanked John for being a great leader.

John: Our staff, board and membership work hard this year. John has always enjoyed the people involved in the League. His outgoing predecessor handed John three envelopes marked 1, 2, and 3. She told him, if there's any trouble, 1: form a Blue-Ribbon committee. Next, 2) blame his predecessor. Then, 3) prepare three envelopes. John gave thanks to the board members and Miriam led those assembled in thanking John.

Presentation by Executive Director.

Miriam gave remarks and introduced and thanked the League's Staff.

Miriam acknowledged and thanked the Board.

Miriam spoke to the last several weeks in preparing for this annual meeting.

- At a time where arts organizations are struggling with lack of attendance and lack of membership, the League is thriving. The League works hard to produce an annual event. Incredible artists, support from NH, fair at right time of the year. In-house marketing has been an amazing help.
- $60K expense for WiFi is a recent curve ball. Miriam called commissioners and reduced cost to $10k. Credit to the IT Commissioner for the State.

- Miriam spoke about the CraftStories Series, which will be distributed to education community in the State. We protected them from YouTube because we need feedback to win more grant money. Current effort to get League story out nationally.
- Exhibitions are coming back. The League HQ' lighting system needs to be replaced. Major renovations are coming to the gallery space. The space can be used for pop up events and educational events.
- Miriam thanked the Exhibition Committee who have been reviewing our collection. Miriam is looking into purchases of work to assure the League has work from important artists to properly represent media categories.
- The League is partnering with the Maine Craft Association on a mentoring program. Miriam shared a recent success story of a mentee being juried into the leather medium.
- Chris is working with the Standards Committee to create an engaging culture on the committee.
- Miriam touched on Shop at the Fair. That group is doing a great job on engagement and is improving the Shop at the Fair program, and will have a manager.
- Plans for the League's Annual Fair (the 90th!). There is one 9-day booth open, so we may just have a full show of booth holders. The Events Committee has been great. Miriam thanked Tom McGurrin for his leadership. The League will not raise ticket prices: it's all about artists selling their work. We will upgrade entry to the Fair with a new system.

Miriam paused for questions.

The meeting recessed for 10 minutes.

Beth Mulleavey, incoming Board Chair, recognized the departing Board members and explained the gift they each received for their service.

Amendments to the Articles of Organization.

Miriam turned to the amendments to the Articles of Organization. Miriam explained that she received feedback from juried members. The Governance Committee and the Board have been working on the bylaws for a long time. Miriam talked about moving to a productive and helpful feedback/interaction process with League members.

Ensuring that members feel valued and understood is the most important part of Miriam's work. Miriam asks herself, the Board, and her staff to "stand in the mission". Cheryl Miller submitted a question over the weekend: why put photo of work on ads with no acknowledgement? It was a good and important question.

Miriam talked about ground rules for this discussion. The proposed amendment is intended for the good: it's to address the question of, how do we get engaged with the membership? Chat with the Director has been productive and juried and non-juried board members have participated. The Governance Committee wanted to broaden it, to create a Juried Members Forum where juried membership could come forward and speak to staff and to have the ability to request that the Executive Director not attend a meeting.

Miriam asked if we could bifurcate the issue of revising the Articles to change any reference to "Trustees" to "Directors".

John Schiffman recommended getting a sense of the room.

Susan Ryan introduced herself and discussed the distinction between Trustees and Directors.

John Schiffman: disagreed with Susan. Susan responded that the League checked with NHDOJ's Director of Charitable Trusts, who confirmed that "Director" is used in nonprofits to describe boards like ours.

MOTION: to change references to Directors from Trustees. Bev Wolf moved, Andy seconded. In room: all in favor. Zoom: 32 in favor, 1 against. The motion carries.

Miriam opened discussion with respect to the other proposed changes.

Andy asked Miriam to read the proposed language. Miriam noted that the Director of Charitable Trusts confirmed there can only be one board for a nonprofit.

MOTION: to accept the amended and restated articles of agreement. Andy moved; Marcia Press seconded.

DISCUSSION:
Ruth Bowland: Appreciates the clear communication. The e-mail comment that JMAB has been inactive for 4 years seems negative, given the pandemic, so maybe there could have been an active JMAB, but there was no call to get it started again. The same e-mail says there 14 trustees and 5 are juried members but, now there are only 4 juried members, and only 2 seats MUST be filled by juried members. Nobody thought to tell juried membership that this change was coming. None of the juried members are in the position to communicate with juried members, so it would help to have a representative on the Board.

Discussion ensued between Miriam and Ruth on messaging of this change. Ruth said she would like to have known sooner than 30 days before the Annual Meeting.

Ruth: Chat with the Director is really good and productive. The changes are all positive and will help with communication. But the other part of JMF was for in-group communication and that goes away if these changes are made. Communicating with the Board: it's an intimidating process. Not everyone feels comfortable talking with the Board or Miriam. Internal discussion might help those people who are intimidated.

Ruth: reading bylaws that head of JMF is supposed to be on Executive Committee if no juried member is on that committee. With these changes, there is no guarantee that there will be juried member representation on the Executive Committee.

Susan Ryan spoke to the two-year process to revise the articles and bylaws. She explained that the Bylaws cannot be changed until Articles are updated.

Ruth: opposes the change although she would like to move to bifurcate and vote on the issue of changing the Juried Members Forum's name. She opposes changes that would reduce internal communication.

Lauri Nichols: a member of the League for almost 50 years, wood carver. The League has made difference in Lauri's professional career. Lauri does not oppose the name change. When talking about nonprofit arts organizations, the difference is that we're a membership organization. The strength of the League is that feature. JMF's ideal function would be to promote grassroots discussion. The really important role of JMF and the Fair Committee: to incentivize having craftspeople put their stock in the shops. New idea about Zoom and hybrid meetings: makes it look like juried members' input to Board. JMF has failed in the past to not get the grassroots connection. Lauri said that in-person meetings are how you make connections.

Miriam thanked Lauri for the Chat with the Director idea.

Kathleen Dillon: on Board and Governance Committee, not an artist. Hears the need for connection and fellowship to rebuild the community that has been lost due to COVID. Governance Committee's intention is to look at the Articles for perpetuity. If there is discourse or you are a new artist, who do you bring concerns to and how do you do it? Point: scaffold a way to get feedback directly to the Board. Needed to lose the "Board" from the name because there are no officers, minutes, etc. The purpose is to create a pathway that is congruent with open communication. Kathleen: apologized if the change offended anyone. It's important to get it right.

Beth Mulleavey noted there would be a 2-minute limit, to ensure people had an opportunity to speak.

Susan Ryan: The Governance Committee tried to be thoughtful. The changes are not intended to stop community building.

Amee Sweet-McNamara: also on the Governance Committee. Regarding the comment that Zoom Chats with the Director might feel uncomfortable, there will always be a juried board member as part of that meeting. If you have a follow-on comment, that juried board member is available to communicate afterwards.

Adele Sanborn: nearing 50 years on the League. No concerns with proposed name change. JMF provided an opportunity for all to communicate in an independent, non-intimidating meeting. Minutes were available to all juried members, HQ and Board. It was a valuable, creative pool. Miriam previously served as the JMF chair. What is now being proposed silences the independent voice of the juried members and denies the opportunity for members to voice concern outside of Board oversight. She will vote "no" to changes and urges others to do the same.

Gigi LaBerge: juried member in glass. Just under 20 years as a booth holder at the Fair. Agrees with Adele and Ruth, and shares Lori's sentiment. She wants a safe place to share ideas, concerns, and general thinking. No longer goes to chat with director because not a place where it's comfortable share concerns. Everyone changing the model has done a great job.

Donna Zils Banfield: juried member and board member. She has only been a juried member since 2010. When Donna juried in, she did so with pride, and will do everything she can to make the organization stronger and better than in previous years. There are two people joining tonight's meeting by Zoom who were chairs of that Forum. The current ED was at one time the chair. Melinda LaBarge, Deb Fairchild were chairs. Lauri was a chair, sharing the chair seat with Karen Eisenberg. In that 10-year period, every chair left from sheer aggravation because all the Forum did was complain about things that were personal to them.

Lauri: juried members want a dedicated juried representative on the Board.

Donna: the old format didn't work. Having 12 people on the JMF get together did not work.

Wendy Jackson, clay. On JMF the whole time it was flailing and when it came back. She is Chair of Shop at the Fair. Wendy agrees with Donna, the JMF didn't have much to do.. We can reform a committee if we need to do so. If people need/want fellowship, ask the League to use the physical space at HQ.

Melinda LaBarge: getting nominated to JMF Chair was stressful and unnecessary. She looks at it from the perspective that the League is a business: it needs to function that way. She went to great lengths to set up meetings of JMF and then nobody would respond. There were so many complaints, it was toxic. One example: Miriam came and spoke and, as soon as she left, people started to complain. Melinda thanked Donna, and thanked Wendy: if you want to get together, get together. It's not the League's job to handle how you feel.

Ron Tornow: Has always related to the League as a community as well as a business. He was on the JMF for many years. The League needs a dedicated person to represent the committee or a forum to vote on an individual to be on the Board. Having someone dedicated to the JMF. Wishes everyone well.

Deborah Libby: was on JMF with Ron Tornow. Her memory was completely different from Melinda's. Horrible time to get people to meetings. We still need the group because people would listen to the complaints. JMF would air issues and the Forum's chair would take it to the Board.

Nancy Adams: looking at the Articles, under the "purpose", take away "assist craftsmen…with the sale of their work." Sounds like an arts council supporting arts. Looking at Article VI in new Articles, Chairperson of JMF indicates a Committee in place. No indication it's a formal committee. She doesn't see any indication of a requirement for the Board to include juried members as part of the Board. She doesn't see that going forward. Chat with Director is wonderful, but it doesn't need to be either/or: we can have the Chats plus JMF.

Susan Ryan: Board members know they need to advocate as a juried member. This does not preclude membership getting together and bringing that to the Board. In codifying it, we need a general way to get and give information. Should something come up that is disturbing, can establish an ad-hoc committee, but will always have a member of the Board. We need to codify things that are going to happen. We need a direct line to the Board.

Tom McGurrin, juried member and on Governance Committee. Took issue with how this was developing at the Committee level. Bylaws are for the organization now and forever: don't look at personality or director or committee…depersonalize it and do what's right for the organization. Always looking at what's best for the membership. Kristin is stepping down, but that doesn't mean we're down to just 4 board members, we'll be increasing it.

Jake Marvelley: the purpose of the Board is to interact with the membership. We're having a civil discourse now, and that's how League dynamics should go. It's a disservice to juried membership to have just one person tasked with bringing all complaints. If someone wants to change League policy: they need to advocate to the entire Board and win the votes. It's a direct democracy for League members to be encouraged to speak directly with directors.

John Schiffman: 2 minutes, Envelope 2 (referring to John MacLean's speech earlier) is the beginning of our problem. The organization has moved from a democracy to a plan, for-profit model favoring autocracy. Looked at changes to the bylaws and articles of agreement that have snuck in, quietly, over the last five years. Put them together correctly, we appear to be putting such a concentration of authority in ED. Going in wrong direction: taking voice from the juried members. If we enact, we'd move away from a model where get input.

Susan described her background in nonprofits.

Larry disagrees with the change: the bylaws should have been distributed to help understand what the changes to the Articles will mean.

John Schiffman brought a **MOTION TO AMEND**: in the memo of April 11, 2023, to the membership of the League; and whereas the Governance Committee has failed to present the exact words that will be eliminated and to also present to the meeting the proposed exact wording insofar as it affects usage of the JMAF, not the JMAB, which will henceforth be named the JMAF; and whereas it has been stated that the JMAB/JMAF has failed to meet for a period of 4 years but no specific reasons for this failure have been presented to the membership; whereas it may be possible that these proposed changes may not be in the League's interests; it is proposed to refer back to subcommittee to evaluate the impact and, should said subcommittee elect to proceed, it create a task force of no more than one juried member and one sustaining member and, if approved, be brought forward.

Adele Sanborn seconded.

Bev Wolf: juried members should gather if they want to. We are all in this together.

Voting results: 25 in favor (18 by zoom, 7 in-person); 33 no (12 by Zoom, 21 in-person). The amendment failed.

Adele Sanborn and Jake Marvelley discussed what would be voted on next. The answer is: the original motion to make all proposed changes to the Articles of Agreement.

Larry: remember the number 10. 10% of membership attend these meetings. If you want to participate, talk to Miriam whenever you want to, and get involved.

Miriam: it's really important to have this conversation. While not everyone will be happy with the results, the conversation matters

John voiced objection, stating that there isn't a definitive set of changes circulated.

A vote on the original motion was called. The motion was carried by secret ballot. Vote count: 32 in favor (13 by Zoom, 19 in-person); 23 against (15 by Zoom, 8 in-person). The amendment as initially proposed passed.

Beth Mulleavey and Miriam Carter gave closing remarks, applauding everyone for a positive discussion and reaching a decision. It is now in everyone's interests to work together to make the most of these changes.

Miriam gaveled the meeting to a close.