



[Theater Records](#)

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For Board of Directors Only
 Penumbra Theatre Contributions Update 1991-92
 Corporate Confirmed/ Received for 1991-92:

3M	7,500	Rec.
Bush Found.	30,000	"
General Mills	15,000	"
IDS	12,000	"
Jostens	2,500	"
City of St. Paul	15,000	"
Dayton's Bridge	10,000	"
NEA	12,500	Payment Due: March, 1992
Jerome	18,000	Rec./Balance after "Shine" Report
First Bank	3,000	"
Northwest Area	70,000	Rec.
St. Paul		
Companies	50,000	Rec.-L. Range Planning
NSP	7,000	Rec.
M. L. Griggs	1,000	Rec.
Deluxe Check	3,000	Rec.
F. R. Bigelow	30,000	Rec.- 10,000

(Approved for \$30,000, PTC must match 1 to 1 remaining \$20,000, with new individual donors. Next Scheduled payment \$10,000 due June, 1992, after submission of donor listing. Final payment due \$10,000 in Dec. , 1992.)

St. Paul Foundation 40,000 Rec.-\$20,000
 (Approved \$20,000 in 1991-92, and \$20,000 in 1992-93, under the 1 to 1 matching grant formula for every new dollar raised from individual and corporate donors. The payment schedule is June, 1992, and December , 1992. However, the St. Paul Foundation has indicated that Penumbra could access these matching dollars at any time. Edie Meissner, replaced Robert Tracy, at the St. Paul Foundation. Both the F. R. Bigelow, and the St. Paul Foundation grants are transitional funds and matching gifts are approved until December, 1993.

TOTAL received to date: \$226,500

Re-submitting Lila B. Wallace \$150,000 - (2 year grant)

Proposals Submitted/Pending: 1992:

Western State Bank	1,000
IDS/American Express	15,000
NEA	25, 000
Target Stores-Midway	7,500
U. S. West	5,000
Remaining payments from F. R. Bigelow, St. Paul Foundations	
total:	40,000
Total pending:	\$245,000

Designated funds for specific projects:

1992 Summer mAx -Minnesota Arts Experience	\$18,600
FIPSE /Penumbra/General College Internship	
Program	\$20,000
National Stage Directors & Choreographers Foundation	1,860
Designated Fund totals:	\$40 460

page 2

Total Needed by June 30, 1992:

Separate Sheet for proposals needed and due dates is being compiled.

Next new funding targets should be:

Northwestern National Life Insurance

Deluxe Check to underwrite printing costs.

West Publishing Company

Cargill, Inc.

Grand Met

National foundations have been identified and will be listed separately-

PUGH Trust, Rockefeller Foundation, Lila B. Wallace Reader's Digest

Foundation Fund for Audience Development and several others.

The National Links Foundation, AT & T, AETNA Insurance,

Anheuser/Busch, and others.

6	7	8	9	10	11	12	13
5 PLAY PACKAGES			Indiv	x 5	Pkg price 50%	% To BE SOLD	
Fri/Sat Adult	(13)	15	75	60	x 20%	1200	
Thurs/Sun Adult	(12)	14	70	56	35%	1960	
Fri/Sat Stud/Sr	(11)	12	60	48	10%	480	
Thurs/Sun Stud/Sr	(10)	11	55	44	15%	660	
Opening Night Pkg							
Adult		16	80	64	3%	192	
Student/Sr		13	65	52	2%	104	
Matinee Package							
Adult		10	50	40	7%	280	
Stud/Sr		8	40	32	3%	96	
Preview Pkg - all			5	25	20	5%	100
						5072	
Ave Pkg Price					5072 % 100 =	\$50.72	
Ave ST per show price					50.72 % 5 =	\$10.14	
Ave Indiv Jct Price							
70% adult @ \$14.50 =					1015		
30% stud/sr @ \$11.50 =					345		
					1360		
1000 x \$50.72 =					\$50,720		
1500 x \$50.72 =					\$76,080		
2000 x \$50.72 =					\$101,440		
2500 x \$50.72 =					\$126,800		
3000 x \$50.72 =					\$152,160		
3500 x \$50.72 =					\$177,520		
4000 x \$50.72 =					\$202,880		

EXECUTIVE COMMITTEE

AGENDA

1. PERSONNEL AND ORGANIZATION
 - a. Cassius - Nomination committee report
 - b. Jan - Managing Dir. search committee report
 - c. Jan/Lou - Interim Mgr/Assoc. Dir. Res. search
 - d. Ervin - Staffing for Adm. Support (office mgr., etc.)
 - Grant Writer - Gloria Sneed
 - e. Cassius - Resolution for Facilities Committee
2. AUDIT STATUS REPORT - Ervin
3. PLAN/BUDGET PROGRESS REPORT - Ervin/Paula
 - a. '92-'93 Season
 - b. Promotion/Development
4. COMMITTEE REPORTS
 - a. D. Taylor - Program
 - b. E. Jones - Resources
 - c. M. Phillips - Bus. & Finance
 - d. J. Plimpton - Personnel

*
Need to meet with
Ervin before next ~~board~~
executive board meeting.
Last meeting of committee
to review staffing plan &
budget.
* come back to board
with plans for expansion
on site.

IN RESPONSE TO THE LURE OF THE DEVELOPERS

Introduction

- a. Defining the problem/opportunity
- b. Considering the alternatives
- c. Understanding the impact of decisions in resources and organization

I. The Problem: Establishing the requirements for expanding Penumbra's facilities

Questions and Concerns

- a. How Much space is needed for:
 - Audience growth (1991-1995)
 - Production rehearsal and casting
 - Workspace for staff-offices
 - Outreach and community programs (classrooms, lecture/seminars, gallery and/or presentations)
- b. What are the advantages/disadvantages of alternative location options?
 - Hallie Q. Brown/MLK
 - Satalite expansion
 - Structural additions
 - University and Dale site
 - Renovation
 - New Structure/designed to Penumbra's specifications
 - Selby-Dale site
 - New Structure/designed to Penumbra specifications
 - Projects defined as primary destination with Penumbra as a complement.
 - Future offers
 - From St. Paul Dept. of Planning and Development
 - Commercial developers
- c. What are material requirements for an expanded program?
 - Technical equipment and supplies for production and training
 - Tools and supplies for expanded stage crafts activities
 - Inventories and materials handling equipment
- d. What is the design and layout alternatives and constraints?
 - Traffic flow management
 - Options and constraints for multiple use of space and resources
 - Atmosphere and ambience to reflect Penumbras mission

II. The Solution: Determining how best to coordinate actions for maximum support of the communities served by Penumbra.

The Solution cont.:

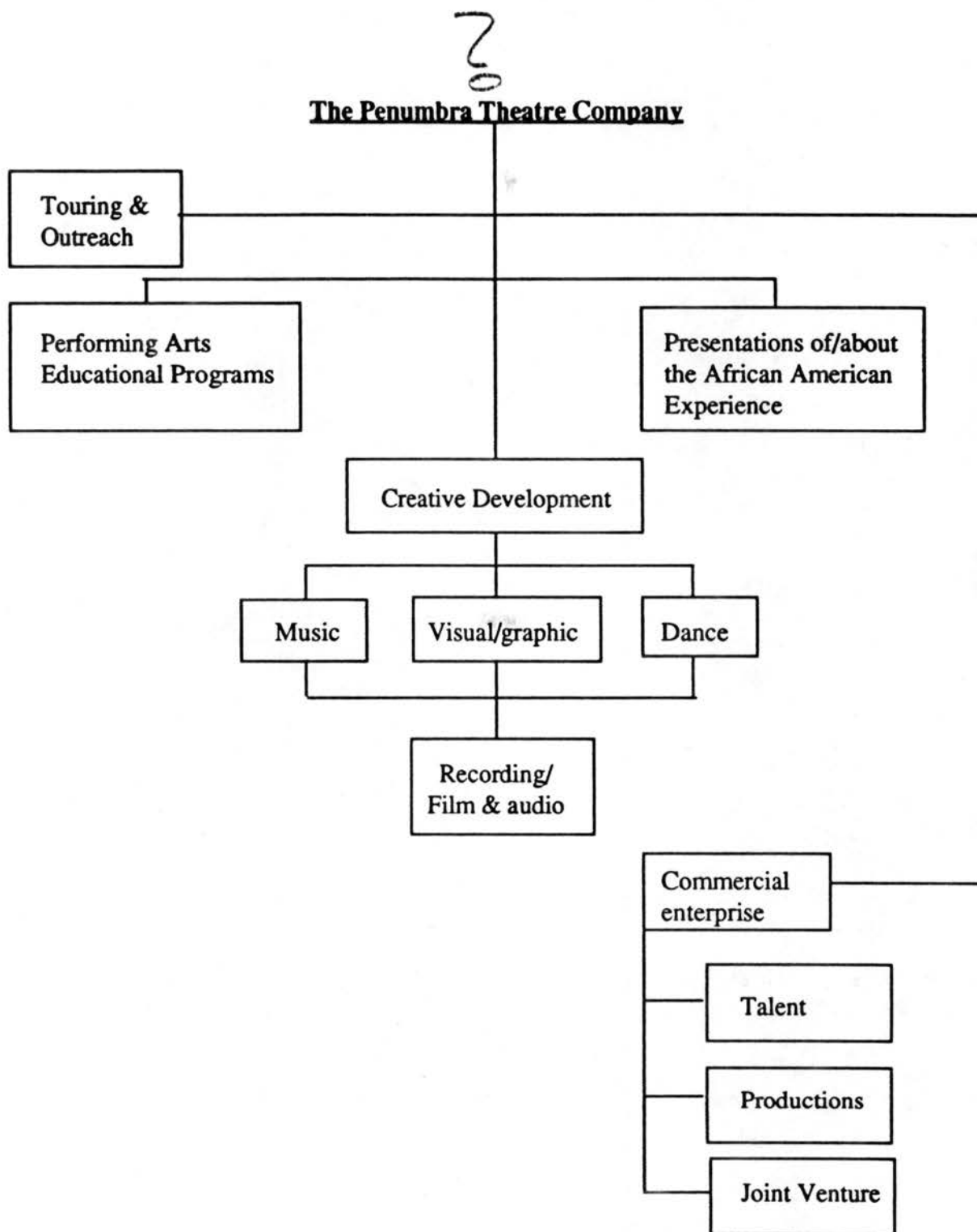
Questions and Concerns

- a. What is potential for audience growth and the implications for size and location.
- b. What is potential for developing the talents of youth and young adults implications for size and location?
- c. What is potential for increased cooperation from:
 - African American community
 - General theatre growing public
 - Twin Cities public and Philanthropic community
- d. What are longer range advantages/disadvantages of coordinating actions with the city and regional planning outlook?

III. Understanding the impact on organization and resources

- a. Are recommendations consistent with program priorities, and do they focus on the Theatre's goals?
- b. How are decisions driven by "timing" and expected life-cycles of proposals?
- c. Do recommendations enhance the program-mix and encourage a focus on longer-range goals and priorities?
- d. What are the implications for funding, what are local options; what national options exist?
- e. Do recommendations accomodate the needs of and utilization of local talent; what if the reach is extended?

A View of the Organization



PENUMBRA THEATRE COMPANY
Earned Ticket Analysis 1991-92

Season Tickets:	Sold	Avg. Price	Income
6 Play	600	48.00	28,800
3 Play	350	24.00	8,400

Single Tickets:	Sold	Avg. Price	Income
Single-full price	10,750	12.00	129,000
Single -1.00 off	4,385	11.00	48,240
Reduced -50%	3,460	6.00	20,760
Complimentary 10 Tickets per show	0	0	0

Revenue:

Season 37,200

Single Ticket Sales 198,000

TOTAL **235,000**

Attendance
Season tickets (avg. price \$7.20) 3,451

Single tickets 23,486

TOTAL **26,937***

Capacity	Capacity attendance	%Capacity
32,850	26,937 (225 seats at 146 performances)	82%

*Based on the following assumptions about those who attend: Ticket prices recommended in marketing plan from 1990-91 & 92: 60% attend on Friday/Saturday and 40% on Thursday/Sunday. 20% who attend are seniors/students and 80% are adults.

EDUCATION

* PROFESSIONAL TRAINING (Apprentice & Internships)

- Performing Arts {acting, dance, playwriting, music, directing, and literature & history}
- Production Arts {stage craft, lighting, sound, properties, costumes, stage management, and design}
- Arts Administration {communications [publicity & marketing], management, and fund development}

*YOUTH EDUCATION

- Performing Arts {acting, dance, playwriting, music, and literature & history}
- Production Arts {stage craft, lighting, sound, properties, costumes, and stage management}

*LECTURES & DEMONSTRATIONS

- Post Performance Discussions
- Preview Events
- Speakers Bureau
- Conferences {at PTC}
- Performance Demonstrations {in future}

*WORKSHOPS (1 and/or 2 time performance arts training for K- 12, colleges & universities, and civic & community organizations)

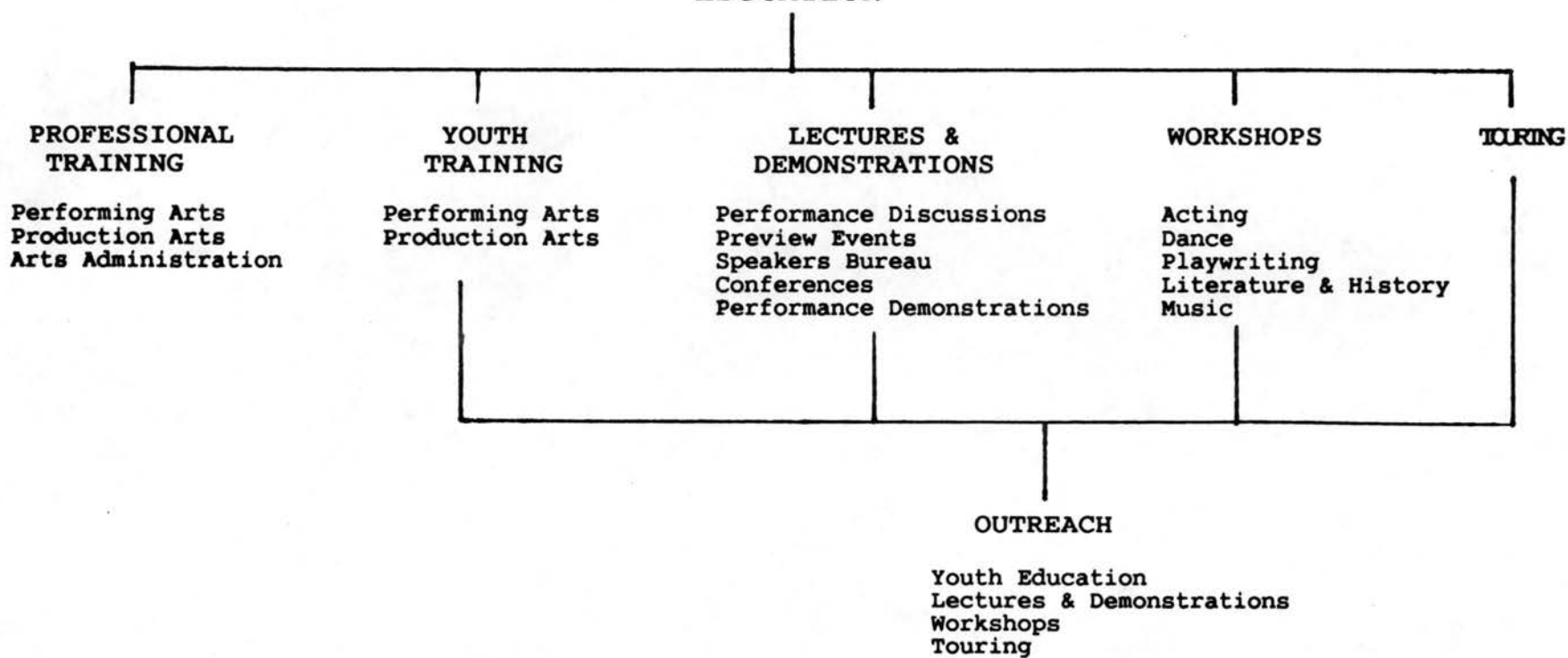
- Acting
- Dance
- Playwriting
- Literature & History
- Music

*OUTREACH

- Youth Education
- Lectures & Demonstrations
- Workshops
- Touring

*TOURING (Presentation of artistic productions away from the company's home facility, presented locally, regionally, nationally and [in the future] internationally)

EDUCATION



PROGRAM SERVICES

The Program Services Committee of the Penumbra Theater Board of Directors consist of five board members and the artistic director. The purpose of the committee is to establish policy relating to the theater's community outreach initiatives that highlights its repertoire and programs, its relationship to the contemporary metropolitan community, and its role as a forum for the discussion of contemporary issues. To this end, the Program Services Committee is a resource to the artistic director and the Program Services Outreach Coordinator.

Some of the activities that could be listed under such an outreach program are:

1. Special mini-performances, lectures and/or discussions for community groups whose participation and support is critical for the theater's success.
2. Educational forums/workshops for those interested in the mechanics of bringing plays to the stage.
3. Sponsorship of local and regional meetings designed to bring Black artists and playwrights to the Twin Cities for dialogue, discussion and renewal.
4. Increased collaboration and affiliation with public school systems, public and private colleges/universities for presenting original work and encouraging would be artists to consider the theater.
5. To present special performances for youths centered about issues of contemporary or historical concerns.
6. An official publication to be mailed to ticket holders, patrons, community groups and organizations outlining the artistic work, and accomplishments of the theater.

In an effort to accomplish the above, it is recommended that a part-time Program Services Coordinator be hired to implement the plan once it has been developed. Although salaried, that person would be responsible for writing funding proposals that will eventually support both salary and program efforts.

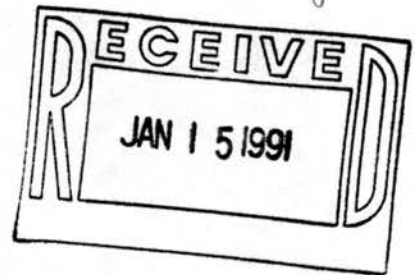
Beginning fiscal year 1991-92 (July 1, 1991) a comprehensive plan should have been approved by the Board, a search for the coordinator initiated, and limited programmatic goals set for the fall season.

January 11, 1991

TO: PENUMBRA BOARD OF DIRECTORS

FROM: CAROLYN BYE

Claudia Wallau-Gardner



1. MEETING UPDATES FOR THE BALANCE OF THE FIRST BOARD TERM - a reminder as you get your 1991 calendars up to date:

FULL BOARD MEETINGS

- ✓ WEDNESDAY, JANUARY 30, 1991 @ 11:45 - 1:00 PM
- ✓ WEDNESDAY, APRIL 24, 1991 @ 11:45 - 1:00 PM
- WEDNESDAY, JULY 24, 1991 @ 11:45 - 1:00 PM - vacation
- ✓ WEDNESDAY, OCTOBER 23, 1991 @ 11:45 - 1:00 PM (ANNUAL MEETING)

EXECUTIVE COMMITTEE MEETINGS

- March 6th special meeting*
- ✓ WEDNESDAY, FEBRUARY 27, 1991 @ 11:45 - 1:00 PM
 - ✓ WEDNESDAY, MARCH 27, 1991 @ 11:45 - 1:00 PM - Can't attend at Haselma mty
 - WEDNESDAY, MAY 22, 1991 @ 11:45 - 1:00 PM - Soviet Union
 - WEDNESDAY, JUNE 26, 1991 @ 11:45 - 1:00 PM - USSR
 - ✓ WEDNESDAY, AUGUST 28, 1991 @ 11:45 - 1:00 PM - confirmed lunch 8/23
 - ✓ WEDNESDAY, SEPTEMBER 25, 1991 @ 11:45 - 1:00 PM

RESOURCES/BUSINESS AND FINANCE COMMITTEE MEETING (individuals to attend include Jones, Kingman, Owens, Phillips, Ellis, Bellamy, Bye, Managing Director) After weeks of trying, this meeting has finally been scheduled for February 9 from 1:00 - 5:00 pm. It will be held at Hallie Q. Brown and the meeting room will be posted.

2. Minutes from the last Executive Committee meeting are enclosed. An agenda will be mailed to you closer to the January 30 meeting date. This meeting will have a very full agenda which will include the final approval of the lease and separation agreement.

PENUMBRA THEATRE

EXECUTIVE COMMITTEE MEETING - DECEMBER 19, 1990

MEMBERS PRESENT: ELLIS, PLIMPTON, JONES, KINGMAN, COOK

MEMBERS ABSENT: LANGE, TAYLOR, PHILLIPS

STAFF PRESENT: BYE, BELLAMY

Minutes from the November meeting were read. It was noted that a section was missing from the meeting regarding the recommendations of the Business and Fiance Committee regarding cash reserve. It was also noted that the Board had asked Bye to talk with Penumbra's bank regarding the establishment of a line of credit. Ellis moved\Plimpton seconded moved that the minutes be approved with such corrections. Motion passed.

A discussion was held regarding how Penumbra should enter into contracts. It was agreed that the board should set a policy regarding this matter so that prior to contracts being signed there is an understanding about second party liability, the organization's financial liabilities and what the material impact could be in case of "non-performance."

Cook indicated that it is critical that the by-laws be adopted and that Lou's contract needs to be completed. Once that is completed, the board needs to set specific policies in place. Ellis asked that Cook, Plimpton and Lou prepare policy recommendations for presentation at the next board meeting. Ellis also instructed that approval of the by-laws should be the first item on the January board meeting agenda.

Cook distributed copies of the current draft of the separation agreement. He then reviewed the separation agreement and updated the board on the status of that agreement. Cook then distributed and reviewed the proposed lease agreement. He indicated that the major item which needs to be completed before the documents can be readied is for Hallie to provide Penumbra with financial detail of expenses for the period July 1, 1990 through October 1, 1990. Discussion followed.

Board members were unanimous in their agreement that the lease should provide Penumbra control over bathroom cleanliness and security during performances. They asked that Bye negotiate to have increased bathroom maintenance and performance security provided by off duty police officers or a licensed, bonded security firm included in the lease. If it is not possible to have Hallie share in those costs, Bye was instructed to have the items included as an item in the lease for which Penumbra would reimburse Hallie. They also asked that Bye attempt to secure agreement from Hallie that they will have auditorium seats repaired before the lease is executed. Ellis moved/Jones seconded a motion to approve the separation agreement and the lease with the inclusion of the above recommendations.

Executive Committee Meeting - Page 2

Plimpton updated the committee on the status of the Managing Director search. The list of candidates has been narrowed to 8 and interviews are being held over the next week and a half. She and Lou plan to have three finalists who will go through more extensive interviews. She indicated that they expected to have action by the end of the month.

Ellis asked Bye to write a letter on his behalf asking board members for year-end contributions.

Bye provided the board with a financial update which indicated that income is ahead of projections. She distributed a preliminary copy of the accountants financial statements covering the period 7-1-90 through 11-30-90.

Bellamy discussed Penumbra's need for a new light board to replace the current equipment which is beyond repair. He presented the estimate from Gopher Lighting which quoted \$14,000 for the equipment and installation of a new board. Bye indicated that \$9,000 has currently been raised toward the cost and that she has another likely prospect (Gannett Foundation) for the balance. Ellis moved/Jones seconded a motion authorizing Bellamy to purchase the equipment.

Bellamy discussed the response he has had from the community regarding interest in helping Penumbra to renovate or relocate. Jones volunteered to organize and lead a committee to oversee the effort.

The committee discussed the need to have a full board retreat to discuss strategic direction. Ellis asked that the staff organize a full board retreat for March, 1991.

Respectfully submitted,

Carolyn Bye
Managing Director

for Jeff Cook, Secretary

UNIVERSITY OF MINNESOTA
TWIN CITIES

General College
109 Appleby Hall
128 Pleasant Street S.E.
Minneapolis, Minnesota 55455
(612) 625-6663

January 25, 1991

MEMORANDUM

TO: James Bransford, Reuben Larson, Rev. Earl Miller

FROM: David V. Taylor

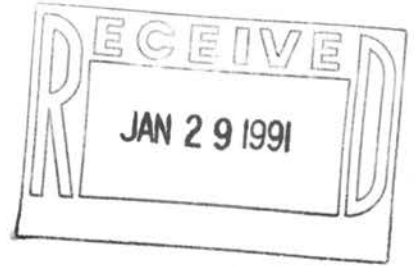
SUBJ: Penumbra Theatre Program Services Committee

The results of my secretary's canvas suggests that Monday, Feb. 4, at 12:00 noon is a good time for members of our committee to meet. Therefore, let us plan on meeting at Tommy K's restaurant in St. Paul (Selby near Western) where a reservation has been made in my name. I will attempt to keep the meeting to an hour.

Enclosed you will find materials that may assist in shaping the direction of our work.

DVT:jlh
DTM1/25/91.1
Enclosures

bcc: Cassius Ellis



PENUMBRA THEATRE - BOARD OF DIRECTORS
Wednesday, January 30, 1991
11:45 - 1:00 p.m.

AGENDA

1. 11:45 - 12:00 - Lunch & Socializing
2. 12:00- Call to order (Cassius Ellis)
3. Review of minutes (October Meeting)
4. Treasurer's report (Plimpton)
5. Committee report - Resource Committee (Jones)
6. Old Business
 - Financial update (Bye)
 - Approval of lease agreement (Cook)
 - Approval of separation agreement (Cook)
 - Approval of bylaws (Cook)
7. New Business
 - Corporate Resolution (Bellamy)
 - New Staff (Bellamy)
 - August Wilson Benefit - Resource Committee
 - State Arts Board Administrative review, site visit (Bye)
8. Other business
9. Adjournment

****Reminders**

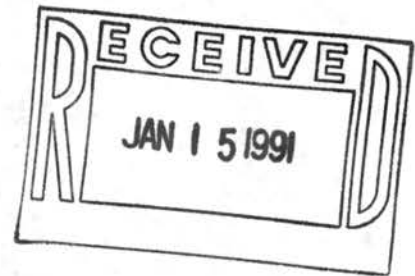
- *Please call Cindy at 224-4601 ext.283, by 10:00 a.m. Tuesday to place order for lunch.
- *Very full agenda. Please be on time, we'll try to accomplish everything in one hour.

To Deane Taylor

January 11, 1991

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Respectfully submitted,

Carolyn Bye
Managing Director

for Jeff Cook, Secretary

AGREEMENT

THIS AGREEMENT (the "Agreement") is made and effective this 31st day of December, 1990, by and between Hallie Q. Brown Community Center, Inc., a Minnesota non-profit corporation ("Hallie Q. Brown"), and Penumbra Theatre, Inc., a Minnesota non-profit corporation ("Penumbra Theatre").

WHEREAS, Hallie Q. Brown is a non-profit tax exempt corporation and human service organization located in the Martin Luther King Center since 19__ at 270 North Kent Street, Saint Paul, Minnesota 55102; and

WHEREAS, Hallie Q. Brown has sponsored, promoted, administered and developed separate divisions of community service over the years including, among others, Cultural Arts, Day Care, Senior Citizens Consortium, and Community Center Programs; and

WHEREAS, the Hallie Q. Brown Cultural Arts division of community services, having functioned under the name of Penumbra since 1976, ("Penumbra"), has grown and developed into a separate artistic and organizational force within the Twin Cities community and the State of Minnesota; and

WHEREAS, in 1986, Penumbra Theatre was incorporated as a non-profit corporation by its artistic director, Lou Bellamy, in contemplation of its continued artistic, organizational, and financial growth; and

WHEREAS, the time has now come for Penumbra Theatre to emerge as a separate and independent legal entity incorporating the Cultural Arts division of Hallie Q. Brown known as Penumbra and to withdraw and separate from the sponsorship, promotion, administrative and development considerations heretofore provided by Hallie Q. Brown; and

WHEREAS, Hallie Q. Brown is desirous of withdrawing any sponsorship, promotion, administrative and/or development duties it has provided for its Cultural Arts division known as Penumbra and for Penumbra Theatre; and

WHEREAS, the Board of Directors of Hallie Q. Brown is further desirous of amicably terminating its symbiotic relationship with its Cultural Arts division known as Penumbra and, instead, creating an arms length legal relationship between Hallie Q. Brown and the separate legal entity known as Penumbra Theatre; and

WHEREAS, Hallie Q. Brown and its Cultural Arts division known as Penumbra have certain financial and administrative considerations which must be met and resolved by way of this Agreement in order to effect the separation of the symbiotic relationship and the creation of the complete separate legal relationship between Hallie Q. Brown and Penumbra Theatre; and

WHEREAS, however, Hallie Q. Brown and Penumbra Theatre are desirous of continuing the common goal of providing support and artistic and social services to the community;

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants hereinafter set forth, and other good and valuable consideration, the receipt, adequacy and sufficiency whereof are hereby acknowledged, the parties hereto hereby agree as follows:

1. Effective July 1, 1990, Penumbra Theatre became a separate legal entity operating by and for itself pursuant to its Articles and Bylaws. The period of time between July 1, 1990 and December 31, 1990, inclusive (the "Bridge Period"), has been a transition period during which time Penumbra Theatre and Hallie Q. Brown have worked intimately and amicably to negotiate and resolve any outstanding administrative, financial, operational and/or legal issues remaining and/or existing by virtue of Penumbra's separation from Hallie Q. Brown, its metamorphosis into Penumbra Theatre and/or any considerations arising therefrom.

2. Subject to the terms and conditions set forth in the Agreement, Hallie Q. Brown agrees to convey, transfer and assign to Penumbra, and Penumbra agrees to acquire, accept and take possession of, as of July 1, 1990, for the consideration herein provided, the following property and assets of Hallie Q. Brown as they existed on July 1, 1990 (all of which are hereinafter sometimes referred to collectively as the "Transferred Assets"):

a. All of the personal property described in paragraph 4 of this Agreement;

b. All interests of Hallie Q. Brown in the name "Penumbra" and any tradenames, trademarks, servicemarks, copyrights, or logos used by Hallie Q. Brown in the operation of its Cultural Arts Division known as Penumbra; provided, however, that Hallie Q. Brown shall have the right to use the name "Penumbra" to refer to its theatre activities prior to July 1, 1990; and

c. Except as set forth under this Agreement, all other assets of Hallie Q. Brown of any kind or description, used by Hallie Q. Brown prior to July 1, 1991, exclusively in connection with the operation of its Cultural Arts Division known as Penumbra.

Penumbra Theatre agrees and covenants that all assets transferred by Hallie Q. Brown pursuant to this Agreement shall be used exclusively to further the purposes of Penumbra Theatre as set forth in its Articles of Incorporation and for purposes that are consistent with those set forth in section 501(c)(3) of the Internal Revenue Code.

3. Employees Lou Bellamy, Richard D. Thompson, Cindy Lewis, Carolyn Bye and Willetha Carter are terminated from their employment with Hallie Q. Brown effective July 1, 1990. Hallie Q. Brown has paid accrued vacation benefits to Lou Bellamy in the true gross amount of \$ _____. In addition, Hallie Q. Brown will continue to offer benefits available to Lou Bellamy, Richard D. Thompson and Cindy Lewis under the Consolidated Omnibus Budget Reconciliation Act (COBRA) and other provisions as provided by law.

4. Attached as Exhibit A is an inventory of personal property used by Penumbra over the years, including, among other things, costumes, props, scenery, lumber, hardware, tools, lighting instruments and equipment, office furniture and supplies, folding chairs, ticket office kiosk and sound equipment, computer equipment (including software) and the Hallie Q. Brown mailing list all of which Hallie Q. Brown has agreed to sell and Penumbra Theatre has agreed to buy for sum of One and No/100 Dollar (\$1.00) which sale transaction will be memorialized by way of a Bill of Sale in a form substantially similar to Exhibit B. Penumbra Theatre agrees and covenants that the aforementioned personal

property shall be used exclusively to further the purposes of Penumbra Theatre as set forth in its Articles of Incorporation.

5. During the Bridge Period, the National Endowment for the Arts (NEA) awarded Hallie Q. Brown a grant in the amount of \$10,000 which funds were restricted insofar as they could only be used by its Cultural Arts division known as Penumbra. Hallie Q. Brown continues to hold these grant funds in its accounts for its Cultural Arts division known as Penumbra. Hallie Q. Brown agrees to convey by way of check these grant monies to Penumbra Theatre upon receipt of permission to do so from the National Endowment for the Arts. The itemized accounting regarding the aforementioned NEA grant will be included in the reconciliation contemplated by Paragraph 9 of this Agreement.

6. Hallie Q. Brown agrees that it will conduct a financial audit by a reputable audit firm and obtain a final report by February 28, 1991 regarding Penumbra's financial activity within Hallie Q. Brown from July 1, 1989 through June 30, 1990. The cost of the Penumbra audit shall be borne equally by Hallie Q. Brown and Penumbra Theatre. Hallie Q. Brown further agrees that it will conduct, at its expense, a financial audit by a reputable audit firm and obtain a final report by March 31, 1991 for Hallie Q. Brown's fiscal year beginning January 1, 1990 ending December 31, 1990. To the extent any additional Penumbra accounts or grants receivable or accounts payable are identified by way of the audits, Hallie Q. Brown shall promptly notify Penumbra of same and make arrangements for the resolution of the accounts. Penumbra or Penumbra Theatre shall not be liable for any or all accumulated deficit of Hallie Q. Brown posted for any fiscal year prior to December 31, 1991. To the extent any disputes arise resulting from the parties' review of the audits, the president of the respective parties shall meet to resolve any differences.

7. During the Bridge Period, Hallie Q. Brown has collected and deposited in its accounts funds from a Jerome Foundation Grant designated for the 1991 Penumbra Cornerstone Competition ("Cornerstone Grant") in the amount of \$9,000.00. Upon the execution of this Agreement, Hallie Q. Brown shall pay Penumbra Theatre the amount of \$9,000, less expenses in the amount of \$_____ directly attributable to the 1991 Cornerstone Competition paid prior to July 1, 1990 by Hallie Q. Brown on behalf of Penumbra Theatre. The specific expenses aforementioned are itemized and set forth in the attached Exhibit D. The total net Cornerstone Grant payment to Penumbra Theatre from Hallie Q. Brown is \$_____. The Jerome Foundation approves of the considerations set forth in this paragraph. Exhibit E. The itemized accounting regarding the aforementioned Jerome Foundation Grant will be included in the reconciliation contemplated by Paragraph 9 of this Agreement.

8. Prior to July 1, 1990, The Northwest Area Foundation awarded Hallie Q. Brown a Northwest Area Grant ("Grant") in the amount of \$80,000.00 which funds were restricted insofar as they could only be used by its Cultural Arts division known as Penumbra. In addition, certain Penumbra expenses anticipated by the terms of the Grant and incurred between January 1 and June 30, 1990, were paid by Hallie Q. Brown on behalf of its Cultural Arts division known as Penumbra and were to be reimbursed by the Grant funds pursuant to the terms of the Grant. The specific expenses aforementioned are itemized and set forth in the attached Exhibit F. Hallie Q. Brown and Penumbra Theatre agree that the expenses set forth in Exhibit F were offset against the amount of the Grant and the remainder has been paid to Penumbra Theatre. The Northwest Area Foundation has been contacted and has approved the conveyance of the \$80,000.00 Grant (less the expenses aforementioned) from Hallie Q. Brown to Penumbra Theatre. Exhibit G.

9. Hallie Q. Brown has, during the Bridge Period, received certain income attributable to Penumbra Theatre and paid certain expenses on behalf of Penumbra Theatre some of which expenses Penumbra Theatre has since reimbursed to Hallie Q. Brown. These revenues and expenses and reimbursements are itemized, reconciled as between the parties subject to audit, and are set forth on the attached Exhibit H. The net result is that a balance is due and owing Hallie Q. Brown from Penumbra Theatre. Penumbra Theatre shall pay Hallie Q. Brown the amount of \$_____ as payment in full, subject to the NEA approval provisions of Paragraph 5. The considerations set forth in this paragraph are subject to the audits contemplated in Paragraph 6 of this Agreement.

10. It is the understanding of the parties hereto that any contracts which existed between Hallie Q. Brown and third parties for the benefit of Penumbra have now been terminated. To the extent additional contracts are discovered between Hallie Q. Brown and other third parties, which contracts involve only activities that are to be conducted by Penumbra Theatre and that will no longer be conducted by Hallie Q. Brown, the parties will work together to transfer Hallie Q. Brown's obligations thereunder to Penumbra or to terminate the contracts.

11. Penumbra Theatre shall continue to physically operate its theatre at Hallie Q. Brown on a non-exclusive basis and as a tenant of Hallie Q. Brown as landlord. Contemporaneous with the execution of this Agreement, Penumbra Theatre and Hallie Q. Brown shall enter into a lease agreement substantially similar in form to that attached as Exhibit I.

12. Hallie Q. Brown shall defend, indemnify and hold harmless Penumbra Theatre against and in respect of:

(i) Any and all loss, damages, deficiency or liability resulting from any misrepresentation, breach of warranty or nonfulfillment of any covenant on the part of Hallie Q. Brown;

(ii) Any and all liabilities and obligations of Penumbra and/or Penumbra Theatre and Penumbra Theatre's employees for any and all loss, damage, deficiency or liability arising from occurrences on or before June 30, 1990, except to the extent assumed and agreed to be paid pursuant to this Agreement;

(iii) Any and all claims, actions, suits, proceedings demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees, incident to the foregoing;

provided, however, that indemnification against amounts described in subparagraphs (ii) and (iii) of this Paragraph 12 shall be available only to the extent that such amounts over time exceed the fund balance attributable to the activities of the Cultural Arts Division of Hallie Q. Brown known as Penumbra, as of June 30, 1990, as set forth in the audited financial statement for the Cultural Arts Division as of June 30, 1990.

13. Penumbra Theatre shall defend, indemnify and hold harmless Hallie Q. Brown against and in respect of:

(i) Any and all loss, damages, deficiency or liability resulting from any misrepresentation, breach of warranty or nonfulfillment of any covenant on the part of Penumbra Theatre;

(ii) Any and all liabilities and obligations of Hallie Q. Brown and Hallie Q. Brown's employees for any and all loss, damage, deficiency or liability arising from occurrences after June 30, 1990, except to the extent assumed and agreed to be paid pursuant to this Agreement;

(iii) Any and all claims, actions, suits, proceedings demands, assessments, judgments, costs and expenses, including reasonable attorneys' fees, incident to the foregoing.

provided, however, that indemnification against amounts described in subparagraphs (ii) and (iii) of this paragraph 13, to the extent they arise from acts or omissions occurring prior to July 1, 1990, shall be available only to the extent that such amounts over time are less than or equal to the fund balance attributable to the activities of the Cultural Arts Division of Hallie Q. Brown known as Penumbra as of June 30, 1990, as set forth in the audited

financial statement for the Cultural Arts Division as of June 30, 1990.

14. In the event any demands, claims, actions, suits or proceedings are asserted or commenced by a third party against either party to this Agreement, for which one party hereto is obligated to indemnify the other party hereto, then the party to be indemnified may immediately give notice thereof to the indemnifying party. Within fifteen days after such notice, the indemnifying party shall, at its expense, assume the defense thereof, with counsel chosen by it or its insurer and reasonably acceptable to the other party. If the indemnifying party fails to assume or pursue the defense, the other party shall have the right, but not the obligation, to undertake the sole defense of, and to compromise or settle, the claim on behalf, for the account, and at the risk and expense, of the indemnifying party.

The indemnifying party shall not settle or compromise any demands, claims, actions, suits or proceedings for which the other party has sought indemnification unless the indemnifying party shall have given the other party at least ten days' prior written notice of the proposed settlement or compromise and afforded the other party an opportunity to consult with the indemnifying party, and shall not consent to the entry of any judgment or enter into any settlement or compromise (without the consent of the other party) which does not include as an unconditional term thereof the release of the other party by claimant from all liability in respect of such claim.

15. Penumbra Theatre does not assume, accept or undertake any obligations, duties, debts or liabilities pursuant to this Agreement, other than (a) those specifically set forth herein, and (b) any and all obligations, duties, debts or liabilities incurred by Hallie Q. Brown on behalf of its Cultural Arts Division known as Penumbra or on behalf of Penumbra Theatre, Inc. prior to July 1, 1990.

16. Hallie Q. Brown warrants, covenants, represents and states that it has full and complete and express authority to enter into this Agreement and to bind Hallie Q. Brown to the terms hereunder.

17. Penumbra Theatre warrants, covenants, represents and states that it has full and complete and express authority to enter into this Agreement and to bind Penumbra Theatre to the terms hereunder.

18. This Agreement contains the understanding of the parties hereto in respect of the transactions contemplated hereby and supersedes all prior agreements and understandings between the parties with respect to such subject matter.

19. The provisions of this Agreement shall be applied and interpreted in the manner consistent with each other so as to carry out the purposes and intent of the parties hereto, but if for any reasons any provision hereof is determined to be unenforceable or invalid, such provision or such part thereof as may be unenforceable or invalid shall be deemed severed from this Agreement and the remaining provisions shall be carried out with of same force and effect as if the severed provision or part thereof had not been a part of this Agreement.

20. This Agreement may be executed in two or more counterparts, all of which shall be considered one in the same Agreement and shall become effective when one or more counterparts have been signed by each of the parties and delivered to the other parties.

21. This Agreement shall be construed and enforced in accordance with the laws of the State of Minnesota.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the day and year first above written.

Hallie Q. Brown Community
Center, Inc.
By its President

Penumbra Theatre, Inc.
By its President

Hallie Q. Brown Community
Center, Inc.
By its President

Penumbra Theatre, Inc.
By its Secretary

Address:
The Martin Luther King Bldg.
270 North Kent Street
St. Paul, Minnesota 55102

Address:
The Martin Luther King Bldg.
270 North Kent Street
St. Paul, Minnesota 55102

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1990, on behalf of Hallie Q. Brown, Inc., by its President.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1990, on behalf of Hallie Q. Brown, Inc., by its Secretary.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1990, on behalf of Penumbra Theatre, Inc., by its President.

Notary Public

STATE OF MINNESOTA)
) ss.
COUNTY OF RAMSEY)

The foregoing instrument was acknowledged before me this ____ day of
_____, 1990, on behalf of Penumbra Theatre, Inc., by its Secretary.

Notary Public

**PENUMBRA THEATER- Board of Directors Meeting
October 17, 1990**

Members Present: Thomas, Plimpton, Ellis, Cook, Bransford, Owens, Lange, Taylor, Kingman

Members absent: McKinney, Phillips, Larson, Jones, Miller

Staff Present: Bellamy, Bye, Carter

The meeting was called to order at 12:00 by Vice President LeJune Lange.

Jeff Cook asked that minutes of the August meeting be amended to reflect who comprised the Executive Committee. Plimpton moved/Thomas seconded that the minutes be approved with that amendment. Motion carried.

Treasurer's Report: Plimpton reported that because the theatre's records have not yet been computerized, it is not possible to present an accurate Treasurer's report. She indicated that there would be a Treasurer's report at the next Board meeting and hopefully at the December Executive Committee meeting. She noted that all indications from staff show that the theatre's income/expense is on target.

Committee Reports:

Executive Committee: Cook presented a review of the Executive Committee's discussion regarding conflicts of interest and presented the policies adopted at the October 3 Executive Committee meeting, and outlined in its minutes, regarding such potential conflicts. Discussion followed. Owens requested that Board fill out disclosure forms to avoid potential conflicts.

On behalf of the Executive Committee, Bye presented the recommendation from the committee that the Board accept the quote for insurance from the Twin City Group and that the staff be authorized to move ahead and put the insurance in place. Discussion followed. Lange discussed the disclosure by Ezell Jones regarding potential conflict. Owens moved/Plimpton seconded that the Twin City Group quote be accepted. The motion carried. Note: Ezell Jones was not present for the discussion or vote.

Business and Finance: Plimpton discussed the committee's budget review process and how the income/expenses will be monitored. Copies of the budget were distributed to the Board. Plimpton presented the committee's recommendation that the budget be approved and moved that the Board accept that recommendation. Kingman seconded. Motion carried.

Plimpton announced that the Hallie lease and the theatre's separation agreement are still in process and that both parties are committed to having everything finalized by the end of December.

Resources Development: Kingman reported that the committee has not met, but that a meeting is scheduled for late October. A discussion of staff's needs regarding advance Board approval of certain funding requests followed. Kingman moved/Cook seconded that the the Board approve and authorize the Managing Director to submit operating and/or special project funding requests for grants to cover any and all expenses included in the 1990-91 budget approved by the Board of Directors. Motion carried.

Old Business

Cook reported that the organization's by-laws need major overhaul and that they and the articles have inconsistencies. He requested that he be approved to draft updated/consistent articles and by-laws. Ellis authorized Cook to perform these duties as Penumbra's counsel.

New Business

Thomas moved/Lange seconded that Bill Conner be elected to the Board effective immediately. Discussion followed. Motion carried with one abstention. Ellis asked that Conner be assigned to the Resources Development Committee.

Thomas addressed the Board in his capacity of representative of Hallie Q. Brown and discussed the process that that Board is going through in its work to facilitate the smooth separation of Hallie and Penumbra. He indicated that the Hallie Board was committed to a smooth transition and to helping ensure that Penumbra remain financially sound and well managed.

Ellis asked Bye to bill Board members for lunches for the meetings they are scheduled to attend for the balance of the year (Board and committee meetings) to simplify and provide a kitty for Bye's purchase of lunches.

Toni Carter, Penumbra Communication Director was introduced. She announced that the theatre is setting aside a block of 60 tickets for the THURSDAY, NOVEMBER 29 performance of Black Nativity. She asked that Board Members serve as hosts for guests of their choosing who they would like to introduce to Penumbra, particularly those who they might like to contact at a future date to be potential individual or corporate contributors. At the close of the performance Carter will provide a brief reception and refreshments where Board members and their guests can meet the cast, Artistic Director Lou Bellamy and staff

PENUMBRA BOARD OF DIRECTORS MEETING - October 17, 1990 - Pg 3

members. Board members were asked to contact Bye or Carter to reserve their seats.

There was no new business. Thomas moved/Bransford seconded that the meeting be adjourned. Motion carried.

The meeting was adjourned at 1:00 PM.

Respectfully submitted:

Jeffrey Cook
Secretary

cb

PENUMBRA THEATRE

EXECUTIVE COMMITTEE MEETING - DECEMBER 19, 1990

MEMBERS PRESENT: ELLIS, PLIMPTON, JONES, KINGMAN, COOK

MEMBERS ABSENT: LANGE, TAYLOR, PHILLIPS

STAFF PRESENT: BYE, BELLAMY

Minutes from the November meeting were read. It was noted that a section was missing from the meeting regarding the recommendations of the Business and Fiance Committee regarding cash reserve. It was also noted that the Board had asked Bye to talk with Penumbra's bank regarding the establishment of a line of credit. Ellis moved\Plimpton seconded moved that the minutes be approved with such corrections. Motion passed.

A discussion was held regarding how Penumbra should enter into contracts. It was agreed that the board should set a policy regarding this matter so that prior to contracts being signed there is an understanding about second party liability, the organization's financial liabilities and what the material impact could be in case of "non-performance."

Cook indicated that it is critical that the by-laws be adopted and that Lou's contract needs to be completed. Once that is completed, the board needs to set specific policies in place. Ellis asked that Cook, Plimpton and Lou prepare policy recommendations for presentation at the next board meeting. Ellis also instructed that approval of the by-laws should be the first item on the January board meeting agenda.

Cook distributed copies of the current draft of the separation agreement. He then reviewed the separation agreement and updated the board on the status of that agreement. Cook then distributed and reviewed the proposed lease agreement. He indicated that the major item which needs to be completed before the documents can be readied is for Hallie to provide Penumbra with financial detail of expenses for the period July 1, 1990 through October 1, 1990. Discussion followed.

Board members were unanimous in their agreement that the lease should provide Penumbra control over bathroom cleanliness and security during performances. They asked that Bye negotiate to have increased bathroom maintenance and performance security provided by off duty police officers or a licensed, bonded security firm included in the lease. If it is not possible to have Hallie share in those costs, Bye was instructed to have the items included as an item in the lease for which Penumbra would reimburse Hallie. They also asked that Bye attempt to secure agreement from Hallie that they will have auditorium seats repaired before the lease is executed. Ellis moved/Jones seconded a motion to approve the separation agreement and the lease with the inclusion of the above recommendations.

Executive Committee Meeting - Page 2

Plimpton updated the committee on the status of the Managing Director search. The list of candidates has been narrowed to 8 and interviews are being held over the next week and a half. She and Lou plan to have three finalists who will go through more extensive interviews. She indicated that they expected to have action by the end of the month.

Ellis asked Bye to write a letter on his behalf asking board members for year-end contributions.

Bye provided the board with a financial update which indicated that income is ahead of projections. She distributed a preliminary copy of the accountants financial statements covering the period 7-1-90 through 11-30-90.

Bellamy discussed Penumbra's need for a new light board to replace the current equipment which is beyond repair. He presented the estimate from Gopher Lighting which quoted \$14,000 for the equipment and installation of a new board. Bye indicated that \$9,000 has currently been raised toward the cost and that she has another likely prospect (Gannett Foundation) for the balance. Ellis moved/Jones seconded a motion authorizing Bellamy to purchase the equipment.

Bellamy discussed the response he has had from the community regarding interest in helping Penumbra to renovate or relocate. Jones volunteered to organize and lead a committee to oversee the effort.

The committee discussed the need to have a full board retreat to discuss strategic direction. Ellis asked that the staff organize a full board retreat for March, 1991.

Respectfully submitted,

Carolyn Bye
Managing Director

for Jeff Cook, Secretary

Board of Directors - Executive Committee Meeting 12-19-90

FINANCIAL UPDATE

Income Report (includes received and committed funds)

<u>CONTRIBUTED</u>	<u>Budget</u>	<u>Through 12-18</u>	<u>Difference</u>
Corp/found	406,240	370,350.50	(35,890.00)
Individuals	22,000	7,144.50	(14,855.50)

EARNED

Season Tickets	23,598	32,101.82	8,503.82
Fences	178,000	201,574.55	23,574.55
Cope	24,358	24,370.50	12.50
Playboy	8,500	11,439.42	2,939.42
Nativity	90,250	89,322.75	(927.25)
Cornerstone	6,500	---	(6,500.00)
Spell	17,000	---	(17,000.00)
Turner	46,100	---	(46,100.00)
Other	30,000	4,712.04	(25,287.96)

1990/91 Income Goal: \$852,540

Received to Date: 741,015

Balance to be earned/raised: \$111,525
=====

cb/12-19-90

CORPORATE AUTHORIZATION RESOLUTION

THIS IS TO CERTIFY: That at a meeting of the Board of Directors of

Penumbra Theatre Inc - ~~Amend~~a corporation under the laws of the State of Mn

(insert name of corporation)

duly called and held on 1-30, 1994, the following resolutions were adopted:Restricted Fund

RESOLVED, That

Western State Bank of St. Paul

is hereby designated as a depository for the funds of this corporation, and any officer or other person hereinafter named is hereby authorized for and on behalf of this corporation to open or to continue an account or accounts with said Bank and to execute and deliver to said Bank signature card or cards supplied by said Bank containing specimen signatures of the officers or other persons hereinafter named and agree to said Bank's Rules and Regulations Governing Bank Accounts, and that any officer of this corporation or any other person hereinafter named is hereby authorized, for and on behalf of this corporation, to endorse or cause to be endorsed, to negotiate or cause to be negotiated, and to deposit or cause to be deposited in such account or accounts from time to time checks, drafts and other instruments and funds payable to or held by this corporation.

RESOLVED, That checks, drafts or other withdrawal orders and any and all other directions and instructions of any character with respect to funds of this corporation now or hereafter with said Bank may be signed by any TWO

(insert "one" or "two")

Cassius Ellis

, Pres.

Jeffrey Cook

, Sec.

Janis Plimpton

, Vice Pres.

Claudia Wallace-Gardner

, Treas.

Lee Bellamy, Artistic Director

and said Bank is hereby fully authorized to pay and charge to such account or accounts any checks, drafts or other withdrawal orders so signed, and to honor any directions or instructions so signed, whether or not payable to the individual order of or deposited to the individual account of or inuring to the benefit of any of the foregoing officers or persons.

RESOLVED, That any

TWO

(insert "one" or "two")

of the following:

Cassius Ellis

, Pres.

Jeffrey Cook

, Sec.

Janis Plimpton

, Vice Pres.

Claudia Wallace-Gardner

, Treas.

Lee Bellamy, Artistic Director

hereby is or are authorized, for and on behalf of this corporation, at any time or from time to time to borrow money from

In such amounts, for such times, at such rate or rates of interest and upon such terms as he or they may see fit; to execute and deliver notes or other evidences of indebtedness of this corporation therefor, and renewals and extensions thereof; to sell, assign, transfer, pledge, mortgage or otherwise hypothecate to said Bank any bills receivable, accounts, contracts, warehouse receipts, bills of lading, stocks, bonds, chattels, real estate or other property of this corporation as security; to give guaranties and other undertakings to said Bank; to discount with said Bank bills receivable of this corporation and to authorize modifications and extensions with respect thereto and to waive demand, presentment, protest and notice of dishonor; and to do, authorize and agree to any and all other things at any time or from time to time in connection with any of the foregoing as he or they may deem appropriate.

RESOLVED, That said Bank shall be entitled to rely upon a certified copy of these resolutions until written notice of modification or rescission has been furnished to and received by said Bank.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affirmed the seal of said corporation this 30day of January, 1994.

Jeffrey Cook
Secretary
Cassius Ellis
Attest by any Director

(Affix Corporate Seal)

BUDGET DETAIL

Budget (figures are year one):

Personnel:	<u>Federal</u>	<u>Local</u>
1. Internship Director 50% 10 months	\$15,000	
2. University Liaison/Transition Counselor 50% 12 months (doctoral student)	\$ 6,500	6,500
3. High School Outreach, Penumbra 40% 10 months	\$10,000	
4. Research Assistant Evaluator 50% 10 months (graduate student)	\$ 8,800	
5. Penumbra personnel supervising interns (3 @ 10% each 10 months)	\$ 8,500	
6. Clerical support -- Penumbra 10% 12 months	\$ 2,000	
7. Dissemination Director 10% 9 months	\$ 5,000	
8. Principal Investigator 10% 9 months		5,500
9. Budget coordinator, Univ. of Minnesota 5% 12 months		1,800
10. Clerical Support, Univ. of Minnesota 10% 12 months (student worker)		1,460
11. Evaluation support and data analysis 5% 12 months		1,800
Total personnel	\$55,800	\$17,060

Fringe on personnel items		
University of Minnesota non-student items @30% (items 7, 8, 9, 11)	\$ 1,500	\$ 2,730
University of Minnesota student items @9.17% (items 2, 4, 10)	\$ 1,403	\$ 730
Penumbra Theater items (subcontracted) @12% (items 1, 3, 5, 6)	\$ 4,260	
Total fringe	\$ 7,163	\$ 3,460

Supplies:

Postage	\$ 580
Phone	\$ 600
Printing	\$ 900
Expendibles	\$ 1,300
Total supplies	\$ 3,380

Travel

Director's meeting (required)

airfare Minneapolis-Washington	\$ 600
hotel x 3 days	330
meals x 3 days	102

Total travel	\$ 1,032
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TOTAL DIRECT COSTS:	\$63,995	\$23,900
Indirect costs (8%):	\$ 5,119	\$ 1,912
TOTAL REQUEST (YEAR ONE):	\$69,114	\$25,812

Fringe rates for University of Minnesota and Penumbra sub-contracted personnel are those charged within the institutions.

Salary rates reflect either existing salaries of personnel reassigned or salary bases used at the University of Minnesota and Penumbra Theatre in equivalent hires.

Indirect cost is charged at the posted rate.

Supply, expendible, and travel costs not itemized will be borne locally.

2/91

WELCOME TO THE ABYSS

Playwright Michael Henry Brown dramatizes the dark side of life in the inner city.

By N. Graham Nesmith

Michael Henry Brown's pleasant manner would not suggest that he is the author of one of this season's most controversial productions, *Generations of the Dead in the Abyss of Coney Island Madness*. Long Wharf Theatre of New Haven Conn.'s staging of Brown's brutally graphic portrayal of inner-city life led critics to both praise and condemn it as "obscene, violent and brave," "a threatening portrait of urban insanity," and "the most corrosive and unsparing drama to emerge from the pen of an African-American writer since the angry days of Ed Bullins and Richard Wesley."

Unswayed by the arts censorship debates, Long Wharf's artistic director Arvin Brown gave the green light on the play, which the playwright says many regional theatres optioned but ultimately backed away from. Long Wharf's publicist David Mayhew typifies audience reaction as "calling it everything from brilliant and stunning to reprehensible and vile." While mixed reactions and reviews are nothing new, strong reactions to *Generations* even affected the casting

process—certain actors refused to audition for the play, deeming it "morally reprehensible."

While the play confronts disturbing subject matter and holds fast to its dark vision, bringing that vision to the stage was not an easy process. Brown tempers his praise for director L. Kenneth Richardson—the co-founder and former artistic director of New Brunswick, N.J.'s Crossroads Theatre—with references to the difficulties involved. "He's a genius and he makes me look like a genius; I have found someone who can translate my ideas to the stage," Brown says of Richardson, "but I still fight with him all the time. It's a real love/hate relationship."

Regardless of the controversies and difficulties, Arvin Brown stands behind his decision to present Brown's play. "Michael's is a unique new voice in the theatre. This gritty play deals powerfully with a brutal aspect of modern life in our cities. It was certain to be controversial; but if I thought the play was untruthful, I wouldn't do it."

The playwright views his truth as arising from the need to give stage



Michael Henry Brown: "I care about the good guys. But I care more about not hiding the bad guys."

lives to the dark forces and characters in society. "Characters intrigue me," he says. "I am very much a character writer. I am attracted to menacing characters, and I don't know why. I don't live on the edge, like my characters do, but most of my plays have this ominous quality of menace or violence. I care about the good guys. But I care more about not hiding the bad guys."

Director Richardson understands the production as a first step in resolving the tragic circumstances it portrays: "This play presents an environment that is rarely portrayed on stage. The characters live in poor, urban conditions most of us would prefer to believe don't exist. However, the longer this harsh reality is ignored, the worse it will get."

Generations of the Dead unmasks and contrast two African-American realities—one of middle-class values, safety and security, and another of underclass poverty and desperation. It doesn't take long to realize which of these worlds Brown considers more compelling and powerful—it is the one in which accidental death, self-mutilation, murder and drug dealing are diurnal occurrences. When Cody Cooper, a product of a suburban upbringing, enters the poverty-ridden Coney Island housing project to rescue his sweetheart Lena and her twin brother Reed, his failure and downfall are inevitable.

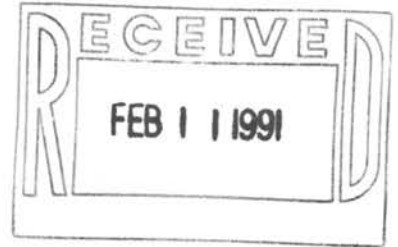


Lorey Hayes as the scheming Lenore and Isaiah Washington as Reed in *Generations of the Dead in the Abyss of Coney Island Madness* at Long Wharf Theatre.



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PENUMBRA THEATRE
BOARD MEETING - JANUARY 30, 1991

MEMBERS PRESENT: LARSON, PLIMPTON, JONES, COOK, BRANSFORD,
TAYLOR, LANGE, ELLIS, KINGMAN

MEMBERS ABSENT: OWENS, PHILLIPS, MCKINNEY, THOMAS, MILLER

STAFF PRESENT: BELLAMY, WALLACE-GARDNER, BEECHAM

GUESTS: BYE

The meeting was called to order at 12:00 pm by Vice President
LaJune Lange.

Bellamy introduced Penumbra's new Managing Director Claudia
Wallace-Gardner and announced that she will be starting full time
in late February. He also introduced Penumbra's new Director of
Marketing/Communications Kathy Beecham. New staff spoke briefly
about themselves and were welcomed by board members.

Bellamy explained the role of consultant that Bye is currently
performing for the theatre since her December 31 termination and
explained her purpose at the meeting. Lange requested that the
minutes reflect the board's recognition for Bye's work and the
contributions which she has made for the theatre.

Lange indicated that minutes from the October board meeting had
been included in the board's meeting packet. There were no
additions/corrections and Plimpton/Kingman moved/seconded that
the minutes be approved as written.

Treasurer's Report

Plimpton and Bye presented the Treasurer's report and an update
on Penumbra's financial position.

. Plimpton reviewed the December balance sheet and year to date
expense/income activity report prepared by Penumbra's accountant
Fraser and Carpenter and the contributed income update prepared
by Bye. She indicated that future reports will contain a line on
the balance sheet which reflects the amount of 91/92 (or future
fiscal year) income received to date and placed in a restricted
fund. Plimpton explained that the report indicates that Penumbra
will likely exceed budgeted income projections in 1990/91 and
that expenses will be less than budgeted. Bye is currently

MINUTES - BOARD OF DIRECTORS MEETING - JANUARY 30, 1991
Page 2

working to estimate the potential year end surplus.

Discussion followed on the following items:

. Plimpton asked that the Executive Committee together with the staff relook at the 90/91 budget and determine what their recommendations are for changes in the board approved budget as well as strategy for how surplus funds will be explained to funding organizations.

. Jones asked that future financial reports include an indication of monthly and year to date projections to allow for more informed comparisons of the budget actuals and a clearer organizational financial picture. Bye indicated that such an accounting format was in progress.

. Lange mentioned a possible Penumbra educational project on racial bias and the supreme court. She indicated that if this project comes to pass that it will be a statewide effort which might be comparable in scope to Illusion's "touch" educational programs.

. Plimpton encouraged that the board and staff work on theatre staffing and management issues in coming months. She said that it is important to insure that community perception is that Penumbra is a "well managed" theatre. Larson volunteered to work with the theatre on staff planning and management issues.

Committee Reports

Jones mentioned that a combined Resources/Business and Finance retreat is scheduled for February 9. At that meeting the committees will look at Penumbra's financial needs and develop the board's strategy for participation in fund raising efforts.

Taylor stated that the Artistic Committee will be holding its first meeting mid-February.

Old Business

Ticketing/Box Office - Lange asked for an update on how Penumbra plans to solve the box office accountability and problems created as a result of the theatre's increased attendance. Bye announced

MINUTES - BOARD OF DIRECTORS MEETING - JANUARY 30, 1991
Page 3

that the theatre is entering into an agreement with the Connection which will provide Penumbra with full box office services including the option for the Connection to handle Penumbra's "night of show" box office. Beginning with the production of Pill Hill all ticket reservations will be made through the Connection, the Connection will be responsible for all performance reports, deposits of ticket revenue and box office audits. (They will not be responsible for performance and "night-of-show" audits if they are not providing the night-of-show service.) (Bellamy indicated that he has decided not to use the Connection's night of show services.) Beginning with the production of Spell #7 the Connection will institute a soft ticketing system at Penumbra and all seats will be reserved. Discussion followed about the advantages/disadvantages of reserved seating as well as the new system not allowing Penumbra to provide immediate service to patrons who walk in during the week to purchase tickets. Bye indicated that since it will be a soft-ticketing system and tickets will only be printed once they are paid, that Penumbra will need to find ways to respectfully assist patrons who assume they can purchase a ticket in advance at Penumbra. However, because one of the purposes of changing the system is to provide Penumbra with an adequate system which is accurate and will stand up to a financial audit it is important that the theatre implement a system which provides the accountability which is available in the system which Penumbra/Connection have developed.

Lease Agreement: Cook explained that there has been a slowdown in the lease negotiations due to Hallie's lawyer's recommendation that Hallie revise its standard lease. Bye and Cook indicated that both parties have currently come to agreement on the monetary and service issues of the lease and that the questions now were one of style and language.

Separation Agreement: Cook updated indicating that Wilbur Thomas, President of the Hallie Board had spoken to him following Hallie's board meeting and that there appeared to be agreement among the Hallie board regarding approval of the separation agreement. Cook and Bye discussed the remaining issues needing to be completed before the separation agreement can be finalized. These issues include language, legal form and some errors in the content of exhibits provided by Hallie. Jones moved/Lange seconded a motion to approve the lease and separation agreements,

MINUTES - BOARD OF DIRECTORS MEETING - JANUARY 30, 1991
Page 4

together as one document, conditional on the completion and approval by Bye/Cook of the exhibit and language issues still in process and that the Executive Committee vote the final approval on behalf of the board once such changes are complete. The motion carried.

By-laws - Cook asked that the full board approve the by-laws which were distributed at a previous meeting and recommended for approval by the Executive Committee. Ellis moved/Jones seconded that the by-laws be approved and adopted. Motion carried.

NEW BUSINESS

Bye announced that Penumbra has opened a special savings account for the deposit of restricted funds and funds for next fiscal year. He read the corporate resolution, Attachment A, and asked for board approval of the resolution. Ellis moved/Jones seconded approval of the resolution. Motion carried.

Bellamy announced that August Wilson has agreed to attend a "preview" performance of Joe Turner's Come and Gone on May 8. Jones moved/Ellis seconded that the board do a fundraiser in conjunction with the preview and Wilson's appearance. Jones said that details would be forthcoming following his committees meeting in February.

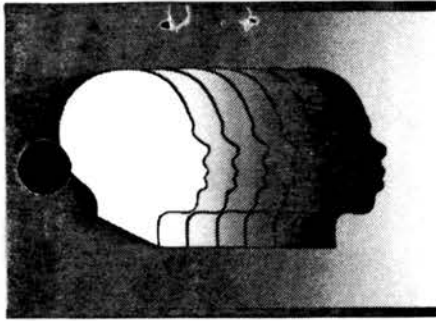
Bellamy announced that Penumbra's first meeting to defend the Minnesota State Arts Board proposal has been scheduled for the end of February. Bye will assist and coach the staff in preparing for the review and will also participate in the meeting since she wrote the grant proposal. Jones asked to be included as part of the group that meets with the arts board staff.

Bye announced that the Penumbra's 501(c)(3) has been approved and finalized.

The meeting was adjourned at 1:05 pm.

Respectfully submitted:

Carolyn Bye for
Jeff Cook, Secretary



PENUMBRA THEATRE COMPANY

270 North Kent Street • Saint Paul, Minnesota 55102 • (612) 224-4601

Lou Bellamy Artistic Director

BOARD OF DIRECTORS

Dr. Cassius Ellis, President
James Bransford
Jeffery Cook
Ezell Jones
Kathleen Kingman
Judge LaJune Lange
Reuben Larson
Bill McKinney
Rev. Earl Miller
Dr. Jerry Owens
Dr. Mary T. Phillips
Janice Plimpton
Dr. David Taylor
Wilbur Thomas

BOARD OF ADVISORS

Ervin Dixon
Erin
Larence Jackson
Denise Johnson
Reatha Clark King
Archibald Leyasmeyer
Mayor James Scheibel
David Spears
John Warder
August Wilson
Dr. John Wright

THE COMPANY

Lou Bellamy
Terry Bellamy
Horace Bond
Joe Carter
Dara Ceaser
James Craven
Edna Duncan
Hassan Al-Amin
Abdul El-Rassac
Denise Ellis
Kathryn Gagnon
W.J.E. Hammer
Beverly Mahto
Tia Mann-Evans
Marion McClinton
Otis Montgomery
Faye Price
Claude Purdy
Lucca Rice
Thompson
Rick Thompson
Lewis Whitlock III
James A. Williams
August Wilson

PENUMBRA THEATRE
February 9, 1991

Resource Development/Business & Finance Committee Meeting SUMMARY

Board members present: Ezell Jones, Chair; Dr. Ellis, Mary Phillips, Jerry Owens, Kathy Kingman

Staff present: Carolyn Bye, Lou Bellamy

- * A Corrected Transaction Legend was presented and discussed between Penumbra and Hallie Q. Brown by Carolyn Bye. A motion was moved and seconded that Penumbra will have to rescind their decision and renegotiate with the Hallie Board of Directors in light of the new information and a completed audit report is necessary. *Plan an emergency board meeting for March 6 to discuss with board of directors with new corrected information 11:45 - 1:00 p.m. in Hallie Library.
- * Earned income/expense and contributed income was discussed. See attached sheet and percentages. Carolyn roughly estimated that the Guthrie's earned income is 68%/49%. Children's Theatre - 70%/30%; Brass Tacks - 40%/60%; and Illusion 60%/65%.
- * What level are we going pitch our income/expense? Remain at same ratio or 3 year goal up to the Guthrie's ratio was discussed.
- * Board must raise \$13,469.00 by June 30, 1991.
- * Planned growth for theatre and options? Develop a two year plan for the theatre, with a dream list for background information for donors. Explore possibilities for multi-cultural education through core based earned income programming.
- * Fund Raising Event for the Board: May 8, 1991: Full house is \$2,700. Propose the Governor and Mrs. Carlson host reception for Board members and their guests with August Wilson and then attend "Joe Turner's..."

performance May 8, 1991. Explore possibilities for a give away item or signing, photo opportunity or something with August at the theatre.

- * Board members will have to sell 17 tickets a piece at a price of \$25 a ticket or \$50 a ticket. Further information is needed before final determination. The price may vary depending on a sponsor to underwrite costs.

ACTION ITEMS:

- * Claudia and Lou to prepare outline of special event for May 8, 1991 and proposed budget ASAP. Ezell will seek underwriter for the event. Kathy Kingman will contact Governor and Mrs. Carlson. Lou or Claudia will coordinate with August's staff. Kathy will work on this event.
- * Secure funding from outside source to underwrite event and/or sponsor. U.S. West, General Mills, others? Ezell will seek underwriter to increase fund raising goal.
- * Carolyn and Claudia should meet and prepare an interim budget with a 2 1/2% increase. The board will be responsible for raising \$25,000 next fiscal year -- July 1, 1991 through June 30, 1992.
- * Board requests a packet with brief history, budget, by-laws, plans for the next artistic year, and future plans for the theatre from staff.
- * The resource committee tabled the capital campaign planning until after the fund raising event in May.
- * Claudia is to coordinate a board retreat in June to organize plans and strategies for '91-92 with committee chairs and Dr. Ellis.
- * The finance committee should review the '91-92 budget with Lou, Carolyn, and Claudia and should approve before April 15, with the executive committee, and present to full board on April 24.
- * Lou to meet with the University of Minnesota Theatre Dept. Chairman, Barbara Reed, to gain support for a cooperative venture with Penumbra for undergraduate/graduate students. Lou is currently in

Page 3
Resource Committee Summary

discussion with them about a production in the spring, '91. Ezell and Cassius would like to meet with President Hasselmo regarding this issue and other multi-cultural presentations at the University.

- * Board members will be asked to submit names to Dr. Ellis for future potential board members. There will also be some determination about board members that do not participate and their status.

PENUMBRA

February 9, 1991

Resource Development/Business & Finance Committee Meeting

Summary

Board members present: Ezell Jones, Chair; Dr. Ellis, Mary Phillips, Jerry Owens, Kathy Kingman,

Staff present: Carolyn Bye, Lou Bellamy, Claudia Wallace-Gardner

- A Corrected Transaction Legend was presented and discussed between Penumbra and Hallie Q. Brown by Carolyn Bye. A motion was moved and seconded that Penumbra will have to rescind their decision and renegotiate with the Hallie Board of Directors in light of the new information and a completed audit report is necessary. **• Plan an emergency board meeting for March 6 to discuss with board of directors with new corrected information 11:45 - 1:00 p.m. in Hallie Library.**
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- Fund Raising Event for the Board: May 8, 1991:
Full house is \$2,700. Propose the Governor and Mrs. Carlson host reception for Board members and their guests with August Wilson and then attend Joe Turner's performance May 8, 1991. Explore possibilities for a give away item or signing, photo opportunity or something with August at the theatre.
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- Board members will be asked to submit names to Dr. Ellis for future potential board members. There will also be some determination about board members that do not participate.

February 19, 1991

TO: Barbara Kaufmann
3-M Community Affairs

FROM: Carolyn Bye
Penumbra Theatre

RE: May 8 Special Event Sponsorship

I am so pleased that 3-M has agreed to sponsor Penumbra Theatre's special preview performance of August Wilson's Joe Turner's Come and Gone on May 8. As we discussed, the \$7,500 sponsor fee provides 3-M:

- . Exclusive "sponsor" recognition for the May 8 performance including recognition in the program and 3-M's name on the event ticket,

- . 80 tickets to the 8:00 p.m. performance to be distributed as you choose,

- . 20 tickets to the reception at the Governor's mansion (time to be scheduled) and to the 8:00 p.m. performance to be distributed as you choose.

The balance of the tickets for the evening's performance and reception (170 tickets) will be sold by the theatre's board at \$50 per ticket.

The event Chairperson is Kathy Kingman. She will be working with Penumbra's new Managing Director, Claudia Wallace-Gardner who begins her new position next week. As the project progresses, Claudia will be the contact person.

It was most generous of you to offer to print special programs for May 8 and also to print programs for the 6-week run of the production in exchange for program credit. Once Claudia is on board she will talk to you further about the details for programs as well as the entire event.

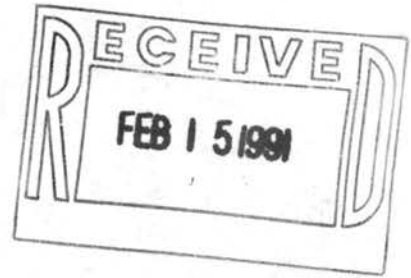
Once again, thank you for your sponsorship of this very special event. It's going to be terrific!

copies: R. Larson, C.Wallace-Gardner, K. Kingman

Penumbra Theatre Company
Executive Committee Meeting
Board of Directors, Feb. 27, 1991

Agenda

1. Call to order (Ellis)
2. Changes and update in separation agreement
 - A. Strategies and timeline to meet with Hallie Board of Directors for resolution.
3. Update on May 8- Board of Directors Fund Rasier
4. Other Business
5. Adjournment
6. Special Board Meeting-- March 6, 1991 - 11:45 a.m.



PENUMBRA THEATRE - BOARD OF DIRECTORS
~~Wednesday, March 6, 1991~~
~~11:45 - 1:00 p.m.~~

AGENDA

1. 11:45 - 12:00 - Lunch & Socializing
2. 12:00 - Call to order (Ellis)
3. Changes in separation agreement
4. Special Event / Joe Turner - May 8
5. Expanding of Board *
6. Other business
7. Adjournment

*Please come with names of potential candidates for board expansion.

*RSVP for meeting by Tuesday, March 5 - 224-4601 ext.283

920-9000
the connection

PENUMBRA THEATRE - BOARD OF DIRECTORS
Wednesday, March 6, 1991
11:45 - 1:00 p.m.

AGENDA

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2. 12:00 - Call to order (Ellis)
3. Changes in separation agreement
4. Special Event / Joe Turner - May 8
5. Expanding of Board *
6. Other business
7. Adjournment

Board
fund raiser (350)
old action theater \$50/person
Guest for Penumbra 6:30-6:50
150
\$50 = guest reception! Play

*Please come with names of potential candidates for board expansion.

*RSVP for meeting by Tuesday, March 5 - 224-4601 ext.283

SITUATION

Since July 1, Penumbra(PTC) and Hallie(HQB) were involved in a series of financial transactions as the PROGRAM called Penumbra/Cultural Arts separated from its parent agency, Hallie. The key issues which have held up the completion of the separation of Penumbra and Hallie are as follows:

1. In November, HQB paid to PTC the amount of \$14,758.66. This was the excess of Penumbra/Cultural Arts Program income over expense for the period 1/1/90-6/30/90 per HQB computer financial statement.

In January it was discovered that HQB had made an accounting error in how it handled deferred funds. This error made it appear that there was the surplus indicated above. Instead the HQB program called Penumbra/Cultural ARTs actually had a DEFICIT for the period totalling \$60,759.97.

HQB expects that PTC will return the \$14,758.66 incorrectly paid in November PLUS pay the deficit for the period of \$60,759.97.

SUMMARY

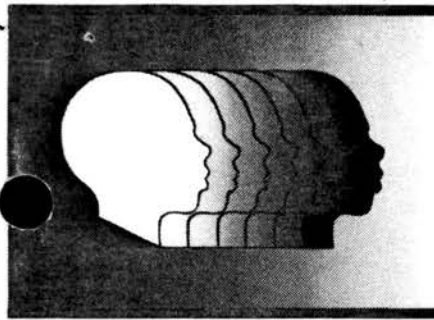
Recd from HQB for 1990/6 mo. income over expense:	14,758.66
Revised 1990/6 mo. income over expense:	<u>(60,752.97)</u>
HQB payment request to PTC:	75,518.63
	=====

NOTE: Regardless of the PTC Board's decision regarding full or partial payment of the deficit for this period, PTC does have the responsibility to return the \$14,758.66 incorrectly paid to them in November.

2. In November 1990, PTC paid \$21,545 to HQB to cover the deficit for the Cultural Arts/Penumbra Program for the period 1/1/89-12/31/89. In January 91, PTC paid an additional \$2,659.10 to HQB to cover additional 89 programming costs. In total, PTC has paid \$24,204.10 to cover HQB's Penumbra/Cultural Arts Programming deficit for 1989.

SUMMARY

To date, PTC has paid \$24,204.10 to assist HQB is covering the deficit for HQB's Penumbra/Cultural Arts program. If PTC pays the additional request made by HQB, it will have paid a total of \$84,957.07 to assist HQB in covering its operating losses for the Penumbra/Cultural Arts Program.



PENUMBRA THEATRE COMPANY

270 North Kent Street • Saint Paul, Minnesota 55102 • (612) 224-4601

Lou Bellamy Artistic Director

BOARD OF DIRECTORS March 21, 1991

Dr. Cassius Ellis, President
James Bransford
Jeffery Cook
Ezell Jones
Kathleen Kingman
Judge LaJune Lange
Reuben Larson
Bill McKinney
Rev. Earl Miller
Dr. Jerry Owens
Dr. Mary T. Phillips
Janice Plimpton
Dr. David Taylor
Wilbur Thomas

TO: Board of Directors
FROM: Dr. Cassius Ellis, President *Ellis*
SUBJECT: Executive Committee Meeting on
March 27, 1991

The next executive committee meeting will be on March 27, 1991
at the Martin Luther King Center at 11:45 a.m.

BOARD OF ADVISORS

Ervin Dixon
Ed Duren
Clarence Jackson
Rose Johnson
Heatha Clark King
Archibald Leyasmeyer
Mayor James Scheibel
David Spears
John Warder
August Wilson
Dr. John Wright

Please call Toni Presti at 224-4601 extension 283 if you plan
to attend and if you need a box lunch ordered for you, by
Tuesday, March 26, 1991. Toni can be reached after 10:00 a.m.
daily.

The agenda is enclosed and minutes will be distributed at the
meeting.

CWG/tap
Enclosure

THE COMPANY

Lou Bellamy
Terry Bellamy
Horace Bond
Joe Carter
Dara Ceaser
James Craven
Edna Duncan
Hassan Al-Amin
Abdul El-Rassac
Denise Ellis
Kathryn Gagnon
W.J.E. Hammer
Beverly Mahto
Tia Mann-Evans
Marion McClinton
Otis Montgomery
Faye Price
Claude Purdy
Rebecca Rice
Rose Thompson
Thompson
Lewis Whitlock III
James A. Williams
August Wilson

*3/26
Called to say you had a
mtg w/ Haselmo & could
not attend. gnd*

Penumbra Theatre Company
Executive Committee Meeting
Board of Directors
March 27, 1991
11:45 a.m.

AGENDA

- 1.) Call to order.
- 2.) Approval of agenda.
- 3.) Minutes:
Executive Committee Meeting - February 27, 1991
Special Board Meeting - March 6, 1991
- 4.) Committee Reports:
 - A. President (C. Ellis) - Separation Update
 - B. Managing Director Report (Informational)
 - C. Resources (E. Jones)
 - D. Board of Director's Preview Night
 - E. Other
- 5.) Recommendations for Board nominations .
(Rueben Larson, Jan Plimpton, and Mary Phillips to develop some criterion for Board of Directors.)
- 6.) Old Business.
- 7.) New Business.
- 8.) Adjournment.



March 27, 1991

TO: Board of Directors, Penumbra Theatre Company

FROM: Claudia Wallace Gardner, Managing Director
Paula J. Sanders, Public Relations Coordinator

RE: May 8 Board Fundraiser

Details are taking shape for this exciting evening being planned in conjunction with the opening of Joe Turner's Come and Gone by August Wilson. This memo should supply all of the information needed for board members to help us make this a successful event and fundraiser. Also enclosed are a budget for the event and silent auction donation verification forms.

Basic Information

Event: • Reception at Governor's Residence (limited attendance)
• Viewing of "Joe Turner's Come and Gone" at 7th Place Theatre
• Silent auction during play's intermission

Locations: • Governor's Residence, 1006 Summit, St. Paul
• 7th Place Theater, 28 West 7th Place, St. Paul

Schedule: 5:30 p.m. Reception begins
6:30 p.m. Program (brief
3M representative
Penumbra Theatre Company representative
August Wilson
7:15 p.m. Depart for theater
8:00 p.m. Performance begins

Sponsor: 3M

Board Responsibilities

1. Each board member will need to sell 8 tickets @\$50 for the reception and performance.
2. Each board member will need to sell 6 tickets @\$30 for the performance only.

Invitations are enclosed for you to send to your prospective guests. RSVP cards will be returned to the Penumbra office for tracking.

3. Each board member will need to secure 1 donation for the silent auction.

Already committed is an "I Love New York" package from Hazel O'Leary at NSP. The package will include 2 airline tickets, 2 nights lodging, and 2 tickets to a Broadway show.

Please verify your donation on the enclosed form by April 19.

It is vital to the success of this fundraiser that each board member meet their individual commitments. This event will serve as an excellent trial run for even bigger events.

Thank you and good luck!

cc: Lou Bellamy

Penumbra Theatre Company
May 8, 1991 Board of Directors Fundraiser
Budget

Income

3M Sponsorship	7500.00
128 tickets @\$50.00	6400.00
96 tickets @\$30.00	2880.00
Silent auction	<u>1000.00</u> (est.)

Total income	<u>17,780.00</u>
---------------------	-------------------------

Expense

Buffet(150 @\$5.00)	750.00
Residence staff	240.00
Printing	450.00
Postage	200.00
Award expense	300.00
Misc.	<u>100.00</u>

Total expense	<u>2040.00</u>
----------------------	-----------------------

Net profit	\$15,740.00
-------------------	--------------------

SEND THIS COPY TO PENUMBRA

AUCTION AGREEMENT

Contributor

This will acknowledge your contribution of:

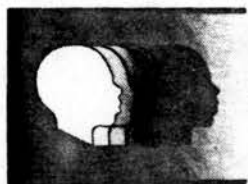
Valued at: \$ _____

Given to the Penumbra Theatre Company, for auction at their benefit on May 8, 1991. The Penumbra Theatre Company is a non-profit performing arts organization, and this contribution is fully tax deductible.

This item is: _____ given to solicitor
_____ available for pick-up no later than May 1, 1991
_____ being sent
_____ being delivered

Contributor's authorized agent/representative

Date



PENUMBRA
THEATRE COMPANY

270 North Kent Street • Saint Paul, Minnesota 55102 • (612) 224-4601

DONATING ORGANIZATION'S COPY

AUCTION AGREEMENT

Contributor

This will acknowledge your contribution of:

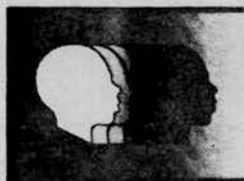
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_____ available for pick-up no later than May 1, 1991
_____ being sent
_____ being delivered

Contributor's authorized agent/representative

Date



PENUMBRA
THEATRE COMPANY

270 North Kent Street • Saint Paul, Minnesota 55102 • (612) 224-4601

PENUMBRA THEATRE
ACTIVITY STATEMENT
COPE
FOR THE PERIOD ENDED MARCH 31, 1991

TITLE	CUR MTH ACTIVITY	TO-DATE BALANCE
REVENUE		
TICKET SALES		24,304
TOTAL REVENUE		24,304
EXPENSE		
ARTIST SALARIES & CONTRACTS		45,472
PAYROLL TAXES	37	447
FRINGE BENEFITS		1,194
ROYALTIES		2,314
PRODUCTION		5,170
PROMOTION & MARKETING		2,437
TOTAL EXPENSE	37	57,035
EXCESS REVENUE OVER EXPENSE	\$ (37)	\$ (32,731)

PENUMBRA THEATRE
BALANCE
MARCH 31, 1991

ASSETS

CURRENT ASSETS:	
CASH	194,328
INVESTMENTS	41,000

TOTAL CURRENT ASSETS	235,328

EQUIPMENT:	
EQUIPMENT	6,122

EQUIPMENT-NET	6,122

TOTAL ASSETS	\$ 241,450
	=====

LIABILITIES AND FUND BALANCE

CURRENT LIABILITIES:	
ACCOUNTS PAYABLE	\$ 183
PAYROLL TAXES WITHHELD AND ACCRUED	5,863
OTHER PAYROLL WITHHOLDINGS	(157)
DEFERRED REVENUE	65,000

TOTAL CURRENT LIABILITIES	70,889

FUND BALANCE	15,607
CURRENT YEAR EXCESS (DEFICIT)	154,954

TOTAL FUND BALANCE	170,561

TOTAL LIABILITIES AND FUND BALANCE	\$ 241,450
	=====

PENUMBRA THEATRE
ACTIVITY STATEMENT
TOTAL AGENCY
FOR THE PERIOD ENDED MARCH 31, 1991

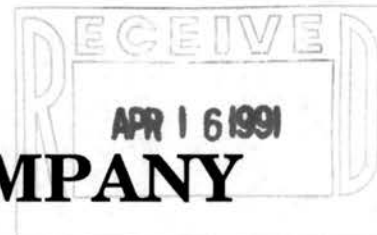
TITLE	CUR MTH ACTIVITY	CUR MTH BUDGET	DIFFERENCE	TO-DATE BALANCE	ANNUAL BUDGET	REMAINING
REVENUE						
CONTRIBUTIONS-CORP. & FOUND.	\$	\$ 2,000	\$ (2,000)	\$ 272,423	\$ 358,000	\$ 85,577
CONTRIBUTIONS-INDIVIDUALS	836		836	11,714	22,000	10,287
GOVERNMENT AGENCY GRANTS	15,500		15,500	43,000	48,240	5,240
TICKET SALES	8,640	17,000	(8,360)	384,219	394,300	10,081
PROGRAM SERVICE FEES		5,000	(5,000)	6,400	30,000	23,600
SPECIAL EVENTS-NET				12,100		(12,100)
INVESTMENT INCOME	2,967		2,967	7,487		(7,487)
MISCELLANEOUS INCOME				2,070		(2,070)
TOTAL REVENUE	27,942	24,000	3,942	739,413	852,540	113,127
EXPENSE						
ARTIST SALARIES & CONTRACTS	35,109	39,075	(3,966)	328,494	401,717	73,223
MANAGEMENT SALARIES	8,279	6,797	1,482	50,471	81,560	31,089
PAYROLL TAXES	3,072	2,487	585	14,677	23,286	8,609
FRINGE BENEFITS	(10)	3,402	(3,412)	8,576	28,536	19,960
TRAVEL AND LODGING	1,188	300	888	6,584	8,500	1,916
ROYALTIES		3,000	(3,000)	28,266	33,665	5,399
PRODUCTION	3,012	2,400	612	22,438	19,600	(2,838)
OCCUPANCY	2,110	1,833	277	31,391	34,250	2,859
PROMOTION & MARKETING	3,631	7,179	(3,548)	37,634	79,799	42,165
TELEPHONE		250	(250)	2,568	4,000	1,432
INSURANCE	(484)	154	(638)	11,278	9,277	(2,001)
PRINTING AND DUPLICATING		417	(417)	807	5,000	4,193
POSTAGE	12	83	(71)	30	1,000	970
DUES, SUBSCRIPTIONS & MEMBERSHIPS	15	42	(27)	370	500	130
ADMIN. SUPPLIES & MATERIALS	68	167	(99)	702	2,000	1,298
FINANCIAL SERVICE FEES	2,057	1,083	974	8,752	19,600	10,848
BOX OFFICE SERVICES & FEES	928		928	2,248	2,200	(48)
LEGAL FEES		83	(83)	6,930	6,000	(930)
PROFESSIONAL FEES		333	(333)	9,032	12,300	3,268
OTHER ADMINISTRATIVE	72	21	51	489	250	(239)
BOARD EXPENSE	65		65	401		(401)
EQUIPMENT PURCHASES				10,344	29,500	19,156
MISCELLANEOUS				1,977		(1,977)
TOTAL EXPENSE	59,123	69,106	(9,983)	584,459	802,540	218,081
EXCESS REVENUE OVER EXPENSE	\$ (31,181)	\$ (45,106)	\$ 13,925	\$ 154,954	\$ 50,000	\$ (104,954)

PENUMBRA THEATRE
ACTIVITY STATEMENT
TOTAL AGENCY
FOR THE PERIOD ENDED MARCH 31, 1991

TITLE	CUR MTH ACTIVITY	CUR MTH BUDGET	DIFFERENCE	TO-DATE BALANCE	TO DATE BUDGET	DIFFERENCE
REVENUE						
CONTRIBUTIONS-CORP. & FOUND.	\$	\$ 2,000	\$ (2,000)	\$ 272,423	\$ 265,000	\$ 7,423
CONTRIBUTIONS-INDIVIDUALS	836		836	11,714	10,000	1,714
GOVERNMENT AGENCY GRANTS	15,500		15,500	43,000	42,500	500
TICKET SALES	8,640	17,000	(8,360)	384,219	348,200	36,019
PROGRAM SERVICE FEES		5,000	(5,000)	6,400	15,000	(8,600)
SPECIAL EVENTS-NET				12,100		12,100
INVESTMENT INCOME	2,967		2,967	7,487		7,487
MISCELLANEOUS INCOME				2,070		2,070
TOTAL REVENUE	27,942	24,000	3,942	739,413	680,700	58,713
EXPENSE						
ARTIST SALARIES & CONTRACTS	35,109	39,075	(3,966)	328,494	313,872	14,622
MANAGEMENT SALARIES	8,279	6,797	1,482	50,471	61,171	(10,700)
PAYROLL TAXES	3,072	2,487	585	14,677	17,955	(3,278)
FRINGE BENEFITS	(10)	3,402	(3,412)	8,576	23,056	(14,480)
TRAVEL AND LODGING	1,188	300	888	6,584	6,100	484
ROYALTIES		3,000	(3,000)	28,266	27,665	601
PRODUCTION	3,012	2,400	612	22,438	16,600	5,838
OCCUPANCY	2,110	1,833	277	31,391	28,749	2,642
PROMOTION & MARKETING	3,631	7,179	(3,548)	37,634	70,006	(32,372)
TELEPHONE		250	(250)	2,568	3,250	(682)
INSURANCE	(484)	154	(638)	11,278	8,536	2,742
PRINTING AND DUPLICATING		417	(417)	807	3,251	(2,444)
POSTAGE	12	83	(71)	30	749	(719)
DUES, SUBSCRIPTIONS & MEMBERSHIPS	15	42	(27)	370	376	(6)
ADMIN. SUPPLIES & MATERIALS	68	167	(99)	702	1,501	(799)
FINANCIAL SERVICE FEES	2,057	1,083	974	8,752	12,349	(3,597)
BOX OFFICE SERVICES & FEES	928		928	2,248	2,200	48
LEGAL FEES		83	(83)	6,930	5,749	1,181
PROFESSIONAL FEES		333	(333)	9,032	11,299	(2,267)
OTHER ADMINISTRATIVE	72	21	51	489	180	301
BOARD EXPENSE	65		65	401		401
EQUIPMENT PURCHASES				10,344	29,500	(19,156)
MISCELLANEOUS				1,977		1,977
TOTAL EXPENSE	59,123	69,106	(9,983)	584,459	644,122	(59,663)
EXCESS REVENUE OVER EXPENSE	\$ (31,181)	\$ (45,106)	\$ 13,925	\$ 154,954	\$ 36,578	\$ 118,376

PENUMBRA THEATRE COMPANY

BOARD MEMO



TO: Resources Committee Members, Penumbra Theatre Company;
Ervin Dixon, Lou Bellamy, PTC; Claudia Wallace-Gardner, PTC;
Hazel O'Leary, NSP; Richard Thompson, PTC;

FROM: Ezell Jones, Co-Chair, Resources Committee *EJ*
and Dr. Cassius Ellis, President

SUBJ: Resources/Long Range Planning Committee for Penumbra

DATE: April 12, 1991

It is necessary to call a "special" meeting of the Resources Committee. I am sorry for the short notice, because I know our Resources Committee decided to table the issue of alternative sites until after our May fund raiser. However, it appears that there are some preliminary deadlines that have been set by the St. Paul Planning and Economic Development department that certainly could have significant impact on certain locations for site development.

Dr. Ellis has requested that I call together as many members of the committee, as are able to attend, to a meeting scheduled on Friday, April 19, 1991; at the Hallie Q. Brown/Martin Luther King Center for two purposes. The meeting is scheduled in two parts starting at 11:00 a.m. until Noon.

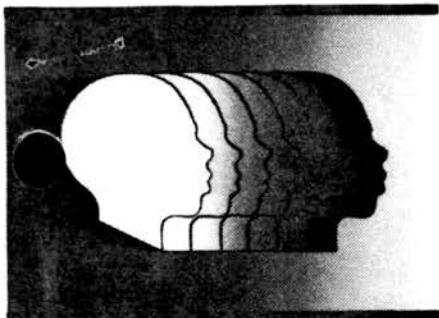
I have requested that Lou Bellamy, our Artistic Director, share his vision about the future possibilities for Penumbra at 11:00 a.m. sharp. (I have also enclosed a "vision" letter that our Board President was requested to send by our Executive Committee meeting on March 27th, to Council Member William Wilson, establishing a long-range study committee.)

Penumbra has received a ROUGH draft from one development corporation, WIND, INC, a subsidiary of Western State Bank, in writing. A copy of their draft proposal is attached. We have also been approached by the Selby Avenue Development Corporation, for a presentation to our committee. I have asked Wind, Inc., to make a 15 minute presentation at 11:30, and the Selby Avenue group at 11:45 a. m., each presentation is for informational purposes.

Please contact Claudia at 224-4601, Ext. 282 or Toni Presti, Ext. 283 if you will be able to attend.

enclosures: Ellis Letter
Wind, Inc. Draft

bcc: EXE. Committee ✓



PENUMBRA THEATRE COMPANY

270 North Kent Street • Saint Paul, Minnesota 55102 • (612) 224-4601

Lou Bellamy *Artistic Director*

BOARD OF DIRECTORS

Dr. Cassius Ellis, President
James Bransford
Jeffery Cook
Ezell Jones
Kathleen Kingman
Judge LaJune Lange
Reuben Larson
Bill McKinney
Rev. Earl Miller
Dr. Jerry Owens
Dr. Mary T. Phillips
Janice Plimpton
Dr. David Taylor
Wilbur Thomas

BOARD OF ADVISORS

Ervin Dixon
Clarence Jackson
Denise Johnson
Reatha Clark King
Archibald Leyasmeyer
Mayor James Scheibel
David Spears
John Warder
August Wilson
Dr. John Wright

THE COMPANY

Lou Bellamy
Terry Bellamy
Horace Bond
Joe Carter
Dara Ceaser
James Craven
Edna Duncan
Hassan Al-Amin
Abdul El-Rassac
Denise Ellis
Kathryn Gagnon
W.J.E. Hammer
Beverly Mahto
Tia Mann-Evans
Marion McClinton
Otis Montgomery
Faye Price
De Purdy
Becca Rice
Bruce Thompson
Rick Thompson
Lewis Whitlock III
James A. Williams
August Wilson

April 2, 1991

The Honorable William Wilson
Chairman, St. Paul City Council
City Hall
15 West Kellogg Boulevard
St. Paul, MN 55102

Dear Bill:

It is with great pleasure and anticipation that the Board of Directors of Penumbra Theatre Company would like to inform you that we have appointed a Long Range Planning Committee to study the feasibility of building a new Theatre Arts/Business Complex on the southwest corner of Dale and University Avenues in St. Paul, Minnesota. The planning committee will examine all options that we feel are needed to investigate the development of a new major facility for Penumbra Theatre Company. This facility will serve as a major African-American Arts Center that will yield not only economic development for the site, but a historic facility that will impact our city, state, as well as serve as a regional and national model.

Our interest in this location is multi-faceted as well as realistic. This valuable location serves as a crossroads for access and convenience for our patrons. Our market research indicates that Penumbra has patrons from all corners of the metropolitan area, and as far away as South Dakota. The east/west access available from Interstate #94, and the public transportation service on University Avenue enhances this location for employees as well as patrons. Additionally, Penumbra Theatre Company has been a contributing member of this vital community for the past 14 years. Our current location at the Hallie Q. Brown/Martin Luther King Center has served as a magnet to draw many members of the majority community to our theatre as loyal patrons. It is the intent of our Board of Directors and our management that we maintain our strong community ties to this particular community.

The Long-Range Planning Committee will be investigating the following possibilities for the development of this site.

- * The development and construction of a multi-purpose facility that will house two theatres. The theatres would be operated and owned by Penumbra Theatre. However, they would be available for rental by other organization's in the community. They would be ideal for jazz concerts, fund raisers, pageants, recital concerts with Walker-West School of Music, theatre productions with the Rainbo Children's Theatre, Sounds of Blackness, African-American fraternal and social organizations, and area businesses.
- * The multi-purpose complex would house a ethnic restaurant with full beverage service, a fast food franchise, an African-American bookstore reflecting African-American history and culture, Minnesota gifts and novelty store, and art gallery.
- * Penumbra's educational mission would be intensified one thousand percent! The expansion of the theatre's work with K-12 would be comparable to the program that was formerly operated by Children's Theatre Company. The scope would be multi-cultural, as well as articulate the African-American experience. The introduction of a Children's Matinee season, post-secondary training in the performance, technical, and administrative arts, along with internships.
- * Facility rooms would include: dormitory/apartment space for visiting actors/actresses, directors and designers.
- * A full recording/video taping studio for production needs and training programs, costume shop, paint and prop shop, welding, dye room, and other needs.
- * Classroom, laboratory space, rehearsal rooms, reading rooms for workshopping plays and productions.
- * Development of a library/learning resources center that would house scripts, articles, literature and artifacts relating to the African-American experience in Minnesota. This collaboration would include the Minnesota Historical Society and the University of Minnesota, along with other area undergraduate theatre arts programs for the awarding of undergraduate degrees.

Page 3
April 2, 1991

- * The center would house an Institute for Black Criticism that would sponsor annual conferences and attract directors, playwrights, journalists, authors, and poets to dialogue the past and the 21st century as it relates to the African-American experience.

As you can see, the picture is very full in real possibilities for a flagship facility that would be a hub of teaching, research, production, and a cultural brain trust with economic impact for the city of St. Paul and the state. Obviously, we will need support, not only moral but economic, and input from many resources to realize the feasibility of this facility and dream.

Please consider this as a draft of a collection of ideas, and we plan to explore the reality of this facility with many individuals, including Mr. August Wilson, who is a member of our company, and other local and national resources.

If you have any questions, please do not hesitate to contact me directly at 520-1596, or the Chairman of our Resources/Long Range Planning Committee, Mr. Ezell Jones at 924-6926.

Sincerely,

Dr. Cassius Ellis

Dr. Cassius Ellis
Chairman of the Board

CWG/tap

cc: Executive Committee

DRAFT

PENUMBRA THEATER AND CULTURAL COMPLEX

THREE MILLION DOLLAR FUNDRAISING PLAN

Goal:

Raise \$3.5 million toward a \$4 million African American cultural arts center, to be located on the southwest corner of University Avenue and Dale Street, in St. Paul, Minnesota.

Target dates:

- Raise \$3 million of equity, and an additional \$500,000 for an on-going operating and maintenance fund, and obtain necessary financing by December 31, 1992.
- Start construction in spring, 1993.
- Opening Night: December 1, 1993!! Featuring: Black Nativity.

<u>Sources of funds (in millions):</u>	<u>Mike</u>	<u>Ron</u>	<u>Group</u>
A. Fundraising benefits, promoted by August Wilson.	\$.25	\$.25	
B. Professional athlete's contributions	.75	1.50	
C. Foundations	1.50	.75	
D. Public grants (URAP, etc.)	.25	.25	
F. National Endowment for the Arts	.55		
G. National level entertainers (Bill Cosby, Quincy Jones, Opra Winfry, etc.)	.20	.50	
H. Arts/cultural society		.25	
I. Individual contributions			
Total	3.00	3.00	

WORKPLAN FOR PREDEVELOPMENT PHASE

AFRICAN-AMERICAN CULTURAL ARTS CENTER

Goal: Determine project concept and feasibility, and prepare materials for fundraising campaign.

1. Get full involvement of Board of Directors of Penumbra Theater.
2. Get full committment from August Wilson.
3. Develop solid preliminary cost estimates and pro-forma.
4. Develop preliminary footprint of site.
5. Develop "artists rendition" of project.
6. Create preliminary model of project.
7. Produce short promotional film about the Penumbra Theater, August Wilson's connection, and this project - for fundraising purposes.
8. Develop fundraising plan and timetable.
9. Conduct preliminary leasing activities for retail, office and resturant use.
10. Develop parking plan.
11. Develop relocation plan for residents and businesses displaced by project, if any.
12. Funding potential determined.
13. Consultants report on feasibility of the development.
14. Full community involvement process re. concept of project.
15. Develop house-moving plan.
16. Develop replacement housing plan.
17. Contact residents and businesses potentially effected by project, and discuss plans and their thoughts about it.
18. Work closely with City of St. Paul officials throughout.
19. Travel to five other cities to view model arts centers.

TIMELINE FOR PREDEVELOPMENT PHASE:

Nine months: April 1, 1991 - December 31, 1991.

WORKPLAN FOR PREDEVELOPMENT PHASE
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DRAFT

PENUMBRA THEATER AND CULTURAL COMPLEX

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H. Arts/cultural society		.25	
I. Individual contributions			
Total	3.00	3.00	

Penumbra Cultural Center

Dec. 5, 1990

*Early
Draft*

- University and Dale, SW corner
- WIND CDC, ASABC, Gelderman, Dovolis, Bauknight

Assumptions:

1. Penumbra Theater

	Total size
theater: 325 seats, thrust stage: 60 X 100'	6,000
classrooms: 4 @ 15 X 20' each	1,200
shop space: 40 X 40'	1,600
2 rehearsal spaces: 30 X 30' each	1,800
costume shop: 20 X 20'	400
auxiliary stage: 500 seats, "black box," 75 X 100'	7,500
dormitory space: for 4 people, central kitchen, bath, living room, w/ private BR: 40 X 40'	1,600
offices: for 10 persons: 40 X 40'	1,600
lobby and ticket office: 30 X 100'	3,000
bathrooms: 4 - 40 X 40' total	1,600
hallways: 2 @ 15 X 125'	1,875
storage, janitor, etc.: 10 X 10'	100
Total est. size	28,275

2. Sonny's Southern Cuisine Restaurant

kitchen	500
seating for 125	4,000
bathrooms: 2	800
lobby	250
Total est. size	5,550

3. Retail space (book store, gallery, etc.)

2 bays at 500 sq. feet each	1,000
2 bays at 1200 sq. feet each	2,400
Total est. size	3,400

4. Total Est. Building Size

37,225

5. 200 Parking and Circulation: 270 sq. ft. @

54,000

- additional required parking located at Uni-Dale Mall
- requirements: 1 space/5 seats in theatre, 1 per
2 employees in theatre, 1 per 2 seats in rest. & bar.

Total Est. Land Size:

91,225

Est. Annual Expenses:

debt service:	\$25,428
taxes:	\$40,000
insurance:	<u>\$10,000</u>

Total Est. Annual Expenses: \$75,428

Annual income:

Penumbra Theater	\$20,000
retail = \$8/ft.	\$44,000
restaurant = \$7/ft.	<u>\$23,800</u>

Total annual income: \$87,800

Profit (loss): \$12,372

Note 1: Est. costs for:	Purchase	Reloc.	Replcmt.	Moving
a. House # 1: move, with existing owners remaining	\$0	\$0	\$0	\$35,000
b. House #2: tax forfeiture	\$4,000	\$0	\$0	\$0
c. House #3: condemned/empty - buyer requires \$10K	\$14,000	\$0	\$0	\$0
d. House #4: condemned/empty - goes into tax forfeiture	\$4,000	\$0	\$0	\$0
e. House #5: occupied/renter	\$40,000	\$15,000	\$25,000	\$0
f. House #6: occupied/renter	\$50,000	\$15,000	\$25,000	\$0
g. commercial:				
- Liquor store	\$100,000			\$10,000
- Book store/loans	\$120,000			\$10,000
- A-1 Vacuums	\$120,000			\$10,000
- Appliances	\$220,000			\$20,000
Total est. costs:	\$672,000	\$30,000	\$50,000	\$85,000

Uses of Cash:

Building:

City land: \$2/ft.	\$28,500	
housing acquisition	\$112,000	* Note 1
house moving	\$35,000	* Note 1
hsg relocation	\$30,000	* Note 1
hsg replacement	\$50,000	* Note 1
commercial acquisition	\$460,000	* Note 1
commercial moving/relo	\$85,000	* Note 1
demolition	\$35,000	* Note 1
construction: \$45-\$70/ft.	\$2,026,125	
soil testing & survey	\$0	
sewer and water	\$10,000	
legal	\$10,000	
builder's risk	\$6,000	
architect	\$35,000	
contingency	\$50,000	
theatre equipment, lighting	\$200,000	
Yr. 1 Operating budget	\$100,000	
bank's legal	\$8,000	
title insurance	\$8,000	
developer overhead - 3%	\$70,000	
loan origination fee	\$40,000	
mortgage reg. and recording	\$8,000	
appraisal	\$4,000	
<u>construction interest</u>	<u>\$60,000</u>	

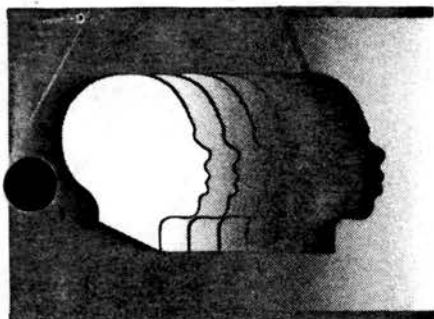
Total Est. Uses of Cash \$3,470,625

Operating Reserve \$500,000

Total Cash Required \$3,970,625

Sources of Cash :

	Ln Amt	interest	Term mths	monthly payment
1. URAP loan	\$500,000	0.02	300	\$2,119
2. Vacant Comm Bldg.	\$0	0.04	300	\$0
3. 504 Leverage loan	\$0	0.06	300	\$0
4. Owner equity	\$3,500,000	0	0	\$0
5. Bank loan	\$0	0.12	240	\$0
6. URAP grant	?	?	?	<u>\$0</u>
Total	\$4,000,000			\$2,119



PENUMBRA THEATRE COMPANY

270 North Kent Street • Saint Paul, Minnesota 55102 • (612) 224-4601

Lou Bellamy Artistic Director

BOARD OF DIRECTORS

Dr. Cassius Ellis, President
James Bransford
Jeffery Cook
Ezell Jones
Kathleen Kingman
Judge LaJune Lange
Reuben Larson
Bill McKinney
Rev. Earl Miller
Dr. Jerry Owens
Dr. Mary T. Phillips
Janice Plimpton
Dr. David Taylor
Wilbur Thomas

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Denise Johnson
Reatha Clark King
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Mayor James Scheibel
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Kathryn Gagnon
W.J.E. Hammer
Beverly Mahto
Tia Mann-Evans
Marion McClinton
Otis Montgomery
Faye Price
Claude Purdy
Rebecca Rice
Ice Thompson
Nick Thompson
Lewis Whitlock III
James A. Williams
August Wilson

April 15, 1991

TO: Board of Directors
FROM: Dr. Cassius Ellis, President
SUBJ: **REMINDER NOTICE FULL BOARD MEETING**
Wednesday, April 24, at 11:45 a.m.- 1:00 p.m.

Agenda

- I. 12:00 noon - Call to order
Dr. Ellis
- II. Review of Special Board Meeting (March 6, 1991)
 - A. Hallie Q. Brown agreement
(See attachment - prepared by Carolyn Bye for Special Board Meeting)
- III. Treasurer's Report
Jan Plimpton
- IV. Old Business
 - A. Minnesota State Arts Board On-site Review Update
Claudia Wallace-Gardner
Panel Reviewers for Penumbra (see attached list)
PTC Representatives needed
- V. Long Range Planning Committee for Penumbra
Dr. Ellis, Ezell Jones and Lou Bellamy
- VI. Director's Reports..... Claudia Wallace-Gardner & Lou Bellamy
 - A. Board of Director's Preview Night - May 8 with August Wilson, Governor Carlson and Lieutenant Governor
Paula Sanders and Kathy Kingman
- VII. Board Retreat for June, 1991
- VIII. Other Business
- IX. Adjournment

Notice: Please call Toni Presti at 224-4601, ext. 283, by 10:00 a.m. on Monday, April 22 to order lunch.

enclosures: 3

Penumbra Theatre Company Special Board Meeting

March 6, 1991

11:45 a.m. - 1:00 p.m.

Board members attending: Wilbur Thomas, Kathy Kingman, Jeff Cook, Reuben Larson, Mary Phillips, David Taylor, Hazel O'Leary, Jan Plimpton, Dr. Cassius Ellis.

Staff members present: Lou Bellamy, Claudia Wallace-Gardner, and former managing director, Carolyn Bye.

- 1.) The meeting was called to order by Dr. Ellis at 12:05 p.m. Dr. Ellis called on Claudia to introduce Carolyn for an update on the changes in the separation agreement. (See attachment/transition Update #3). Carolyn reviewed the attachment/transition Update #3 with the board. Carolyn indicated that the Hallie Q. Brown Board of Directors were not aware of this information. He also said that the Hallie Q. Brown Board is prepared to sign off on the separation agreement, as was agreed to in previous discussions.

Jeff Cook raised the issue of conflict of interest for Mr. Thomas with his chairmanship of HQB's Board. Dr. Ellis stated Hallie Q. Brown's attorney has had discussions with Mr. Cook, and the Penumbra Theatre Company Board thought that Hallie Q. Brown's Board were aware of the situation. Thomas indicated that he would not vote on this issue as a member of both Boards, and he would leave the discussion, if necessary. Dr. Ellis thanked him for his cooperative spirit and told him he would call him as soon as this meeting concluded.

O'Leary inquired about whether or not this information had been audited. Carolyn indicated that it was unaudited. The Penumbra Theatre Company Board discussed Hallie Q. Brown's last audit as reviewed by Jeff Cook. Carolyn indicated that we had asked for an audit of Penumbra Theatre Company's fiscal year for a 6-month period. The board discussed Hallie Q. Brown's responsibility for their own programs. Jeff said that Hallie Q. Brown could determine who will carry the deficit, and that we have to negotiate. The board discussed our legal, ethical, moral and political obligations with funders, Hallie Q. Brown and the public. Penumbra's long-term relationship with Hallie Q. Brown is very essential to the theatre.

The board agreed with the executive committee's recommendation. Kathy Kingman moved that the leadership of Penumbra Theatre Company and Hallie Q. Brown meet and resolve this issue. It was seconded by O'Leary. Mary Phillips offered a friendly amendment and Kathy agreed, that Dr. Ellis should be able to negotiate.

- 2.) Special Event/Joe Turner - May, Penumbra Theatre Company Board Preview Night -
Kathy Kingman updated the board on the Governor's Residence and some costs. \$5.00 for light buffet supper and that she and Ezell Jones will donate the wine if a sponsor is not identified. Various methods for tickets and ticket prices were discussed. There would be a \$50.00 ticket and a \$30.00 ticket for the play, without the Governor's Reception. O'Leary raised the idea of a Silent Auction during intermission. She volunteered two airline tickets, and will get back to Kathy or Claudia on details. The board will pursue this plan for a silent auction at the theatre.
- 3.) Expanding the Penumbra Theatre Company's Board of Directors -
Dr. Ellis requested names be submitted for consideration for board membership. Many names were submitted:
- . John Brown, Business
 - . Jean Harris, Ramsey Foundation
 - . Phyllis Harvin, U.S. West
 - . Surrel Brady, U of M
 - . Robin Robinson, Channel #5
 - . Waring Jones, PTC Supporter
 - . James C. Adams, St. Paul Companies, Chimera Theatre
 - . Carolyn Bye
 - . Tim Baylor, McDonald's Corp., former Minnesota Viking
 - . Clinton Hewitt, Associate Vice President, Physical Planning and Operations, U of M
 - . Mary L. Hicks, Director of Development, College of Liberal Arts, U of M
 - . Yusef Mgeni, President, Urban Coalition, and St. Paul leader
 - . Ellis Bullock, Josten's
 - . Larry Redmond, State Arts Board

At this time it was decided that a small group from the board should meet and prioritize our membership needs. Volunteers are: Rueben Larson, Jan Plimpton, Mary Phillips. (Claudia to schedule.)

The meeting was adjourned at 1:00 p.m. The next executive committee meeting will be held on March 27, 1991 at 11:45 at Hallie Q. Brown. If necessary, this meeting may be changed to a full board meeting, if deemed necessary by the executive committee.

Submitted by:
Claudia Wallace-Gardner

SITUATION

Since July 1, Penumbra(PTC) and Hallie(HQB) were involved in a series of financial transactions as the PROGRAM called Penumbra/Cultural Arts separated from its parent agency, Hallie. The key issues which have held up the completion of the separation of Penumbra and Hallie are as follows:

1. In November, HQB paid to PTC the amount of \$14,758.66. This was the excess of Penumbra/Cultural Arts Program income over expense for the period 1/1/90-6/30/90 per HQB computer financial statement.

In January it was discovered that HQB had made an accounting error in how it handled deferred funds. This error made it appear that there was the surplus indicated above. Instead the HQB program called Penumbra/Cultural Arts actually had a DEFICIT for the period totalling \$60,759.97.

HQB expects that PTC will return the \$14,758.66 incorrectly paid in November PLUS pay the deficit for the period of \$60,759.97.

SUMMARY

Recd from HQB for 1990/6 mo. income over expense:	14,758.66
Revised 1990/6 mo. income over expense:	<u>(60,759.97)</u>
HQB payment request to PTC:	75,518.63
	=====

NOTE: Regardless of the PTC Board's decision regarding full or partial payment of the deficit for this period, PTC does have the responsibility to return the \$14,758.66 incorrectly paid to them in November.

2. In November 1990, PTC paid \$21,545 to HQB to cover the deficit for the Cultural Arts/Penumbra Program for the period 1/1/89-12/31/89. In January 91, PTC paid an additional \$2,659.10 to HQB to cover additional 89 programming costs. In total, PTC has paid \$24,204.10 to cover HQB's Penumbra/Cultural Arts Programming deficit for 1989.

SUMMARY

To date, PTC has paid \$24,204.10 to assist HQB in covering the deficit for HQB's Penumbra/Cultural Arts program. If PTC pays the additional request made by HQB, it will have paid a total of \$84,957.07 to assist HQB in covering its operating losses for the Penumbra/Cultural Arts Program.

expenses



MINNESOTA
STATE
ARTS
BOARD

MINNESOTA STATE ARTS BOARD
FY 92 Operating Support Panelists
Group II: Budgets between \$100,000 and \$700,000

Virginia M. Dambach, Fargo, ND; Director of Development, Prairie Public Broadcasting

Patricia Davis, St. Paul; Arts Consultant

Martin D. DeWitt, Duluth; Director, Tweed Museum of Art, University of Minnesota-Duluth

Helen R. Franczyk, St. Paul; Director of Marketing, St. Paul Chamber Orchestra

Ron McCurdy, Minneapolis; Director of Jazz Studies, University of Minnesota

John Montilino, St. Paul; Managing Director, Illusion Theatre

Nancy S. Norwood, Minneapolis; Video Artist and Educator

Michele Rusinko, St. Peter; Associate Professor of Dance, Gustavus Adolphus College

Gloria Sewell, Minneapolis; Special Consultant for Music Education, KTCA-TV

**May 8 Board Fundraiser
Reservations**

Plimpton

Anne Labovitz	\$50
Jim Beattie	\$50
Nancy Anderson	\$50
Bob Anderson	\$50

Kingman

Joseph R. Kingman III	\$50
Kathleen Kingman	\$50
Lt. Gov. Joanell Dyrstad	\$50
Marvin Dyrstad	\$50
F.T. Weyerhaeuser	\$50
Nancy Weyerhaeuser	\$50
Susan Carlson	\$50
Guest of Mrs. Carlson	\$50

Marvel Norton	\$30
Norton guest	\$30

Phillips

Charmaine S. Chapman	\$50
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WINTHROP & WEINSTINE

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MAY 20 1991

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DAVID A. KRISTAL
KARL A. WEBER
ALOK VIDYARTHI

DANIEL W. HARDY
OF COUNSEL

May 16, 1991

Executive Committee
Penumbra Theatre Company
270 North Kent Street
Saint Paul, Minnesota 55102

Attention: Dr. Cassius Ellis, Jeffrey Cook, Ezell Jones, Kathleen Kingman, Judge
LaJune Lange, Dr. Mary T. Phillips, Janice Plimpton, Dr. David Taylor

Dear Executive Committee:

Enclosed please find a copy of a memorandum to Claudia from Dorothea Burns regarding the amount in dispute between Penumbra and Hallie Q. Brown. Since we have a meeting on the 22nd of May, I suggest we all review this and come to the meeting with specific ideas concerning what our "official" response will be.

Very truly yours,

WINTHROP & WEINSTINE

By -

Jeffrey W. Cook

JWC/bk
Enclosure



HALLIE Q. BROWN COMMUNITY CENTER, INC.

270 North Kent Street

St. Paul, Minnesota 55102

Telephone: 224-4601

TO: Claudia Wallace-Gardner

FROM: Dorothea J. Burns, Assistant Director

DATE: April 25, 1991

SUBJECT: Clarification of June 30, 1990 Income and Expense Statement

A NWA Foundation Grant to Penumbra in the amount of - \$80,000.00 was submitted to Hallie Q. Brown Community Center, Inc. - This grant was given as bridge money for the theatre separation process. The monies arrived in May and were receipted and deposited at First Bank St. Paul. Monies were to be used to add approximately six new staff members. In talking with the CA director it was noted staff were in process of being hired. The monies were then placed in a short term CD (3 months) at First Bank until needed. The monies appeared on the operating budget under foundation grants and should have been listed as restricted and placed on the balance sheet.

Because of the coding error on the computer for the NWA Grant it gave the Penumbra financial picture a positive balance. In fact, they were paid \$14,758.66 to close out January 1 - June 30, 1990. This was an error. As we continued reconciling monies due and payable we gave Penumbra the balance of their NWA Grant of \$76,347.97 in November. This was less the expenses of \$3,652.00 for one staff person who was hired before the end of June.

In the interim, a decision was made to close the books for Penumbra as of June 30, 1990 and try a transition period of six months of Penumbra handling their own monies and using HQB to serve as service provider in paying their expenses with the expenditures to be paid back by Penumbra to Hallie Q. Brown. We were to look at all of Penumbra expenses since 1989 and prepare documentation for payment to H.Q.B. Any monies due from grants received were submitted to Penumbra. As Penumbra expended monies for staff, fringes, taxes and some program purchases after June 30, 1990, Hallie paid the bills and in turn billed Penumbra for the same. Those expenses incurred after June 30, 1990 were paid by Penumbra to Hallie Q. Brown.



At the end of the year Penumbra still owes HQB for the expenses incurred through June 30, 1990 in the amount of \$76,347.97. (see below and the attached sheet) We were assured during this period any monies advanced by HQB for the start up of their production in 1990 would be reimbursed.

Note: On the attachment under foundation grants the amount should not have reflected the NWA Grant thus the income and net income were not properly stated:

INCOME	\$255,055.60	
EXPENSES	\$240,296.94	
NET INCOME	\$ 14,758.66	
PAID TO PTC (November)	(\$ 76,347.97)	NWA GRANT
PAID TO PTC	(\$ 14,758.66)	JUNE BAL.

BALANCE DUE HQB	\$ 76,347.97
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These figures are compiled with data provided the Assistant Director. This is not a final statement. An audit will determine if there are any other adjustments or corrections.

CC: Fred B. Williams, Executive Director/H.Q.B.
Louis R. Bellamy, Artistic Director/P.T.C.

INCOME/EXPENSE STATEMENT

FUND 1
CULTURAL ARTS

PERIOD ENDING JUNE 30, 1990

	CURRENT MONTH	Y-T-D ACTUAL	Y-T-D BUDGET	ANNUAL BUDGET	REMAINING
SUPPORT FROM PUBLIC RECEIVED DIRECTLY					
CONTRIBUTIONS		4,292.88	12,499.98	25,000.00	20,707.12
SPECIAL EVENTS	15,629.10	108,762.01	56,499.96	113,000.00	4,237.99
TOTAL RECEIVED DIRECT	15,629.10	113,054.89	68,999.94	138,000.00	24,945.11
RECEIVED INDIRECTLY					
FOUNDATION GRANTS		132,763.15	49,999.98	100,000.00	32,763.15
ST PAUL UNITED WAY	1,456.26	8,737.56	8,737.98	17,476.00	8,738.44
GRANTS FROM GOVERNMENT			2,499.96	5,000.00	5,000.00
TOTAL RCVD INDIRECTLY	1,456.26	141,500.71	61,237.92	122,476.00	19,024.71
REVENUE					
MEMBERSHIP DUES			249.96	500.00	500.00
SALES TO PUBLIC			99.96	200.00	200.00
INVEST/INTEREST INCOME			762.00	1,524.00	1,524.00
MISC REVENUE		500.00	1,275.48	2,551.00	2,051.00
TOTAL REVENUE		500.00	2,387.40	4,775.00	4,275.00
TOTAL SUPPORT & REVENUE	17,085.36	255,055.60	132,625.26	265,251.00	10,195.40
EXPENSES					
SALARIES	11,883.66	67,202.52	34,167.96	68,336.00	1,133.48
EMPLOYEE BENEFITS	1,627.76	9,937.34	4,170.96	8,342.00	1,595.34
PAYROLL TAXES	908.82	5,626.59	2,613.96	5,228.00	398.50
PROFESSIONAL FEES	19,988.40	118,939.14	62,499.96	125,000.00	6,060.80
SUPPLIES	1,574.33	17,212.41	8,250.00	16,500.00	712.41
TELEPHONE	700.00	700.00	699.96	1,400.00	700.00
POSTAGE		2,459.42	2,149.98	4,300.00	1,840.58
OCCUPANCY	7,500.00	7,900.00	7,500.00	15,000.00	7,100.00
EQUIP RENT, MAINT, PURCH.	92.50	2,156.00	249.96	500.00	1,656.00
PRINTING/PUBLICATIONS	984.29	6,905.81	5,899.98	11,800.00	4,894.19
TRAVEL		1,257.71	999.96	2,000.00	742.29
CONFERENCES & MEETINGS			249.96	500.00	500.00
MISC EXPENSE			249.96	500.00	500.00
EXPENSE RECOVERY			2,922.48	5,845.00	5,845.00
TOTAL EXPENSES	45,259.76	240,296.94	132,625.08	265,251.00	24,954.00

Penumbra Theatre - Interim Northwest Area Grant, May, 1991

Transition Expenses- Equipment and Services

Equipment

Lightboard purchase and installation	9,000 (a)
Chairs (folding theatre seats)	2,500 (b)
Phone system	18,000 (c)
Total equipment	29,500

Services:

Attorneys fees (application for 501 (c)3, lease negotiation, transition counsel	6,930
Accounting fees (consultant, set up system 800, staff training 500	7,877
Data transfer (conversion/data entry of Hallie lists to Penumbra system & mailing list correction	1,328
Consultants/staff train (box office, finance, computers & printer	23,135
Total Transition Costs	<u>52,635</u>

(a) In 1988 Penumbra purchased the console of a light board system for \$450. The value of the equipment is \$13,000. The figure indicated was the balance that is needed to purchase the additional equipment for the board and to hire the contractors to install it. The current Hallie system is inadequate and needs replacement.

(b) Penumbra finalizes our separation we will purchase our own folding chairs.

(c) Penumbra currently is tied in to Hallie's phone lines. The increased volume is overloading the Hallie system and personnel. The theatre currently cannot install additional phone lines it requires due to Hallie's switchboard and personnel.

EXPENDITURES

SALARIES

Salaries (includes FT Box office from 5-1, Mg. Dir. from 7-17, 1/2 time Marketing from 7-17-10-15, then full-time)	12,005
Benefits/fringer (to date, only one employee has taken advantage of health benefits)	2,159
TOTAL SALARIES:	<u>14,164 (a).</u>

MARKETING COSTS

Season Brochure

Typesetting & Printing (includes design)	7,332
Postage	2,409
Mail preparation	773
Contract labor	877
Misc. (photo stats, mailing, etc.)	102
Sub-Total	<u>11,493</u>

SINGLE TICKET MARKETING COSTS

FENCES (EXTENSION)	2,897
Contract Marketing labor	900
Advertising	5,982
Misc.	99
Sub-Total	<u>9,878</u>

1990-91 Season -Individual Production Marketing Costs

Typesetting & printing	3,982
Postage	1,904
Mail preparation	773
Contract labor	877
Misc.	102
Sub-total	7,638

TOTAL MARKETING/PROMOTIONAL	<u>29,009</u>
Box office needs assessment- Consultant fee	800

TOTAL EXPENDITURES 43,973 (b).

- (a) Hallie accounting system/ PTC wrote payroll
as of October, 1990.
(b) All other costs listed from PTC accounting system.

Penumbra Theatre Company

	<u>1990-91 Goal</u>	<u>As of 3/31/91</u>	<u>Difference</u>
Season Tickets (Includes 3 play package and 298 new orders)	635	741	106
Season Ticket Income	23,598	34,629	11,031
Single Ticket Sales	192,792	147,547	(44,555)
Special Project (Fences FY 90-91)	178,000	202,122	24,122

Results of Development/Fundraising Efforts

	<u>1990-91 Goal</u>	<u>As of 3/31/91</u>	<u>Difference</u>
Corporate/Foundation	358,000	337,423	(20,577)
Government	48,240	43,000	(5,240)
Individual	22,000	11,714	(10,286)
	<hr/>	<hr/>	<hr/>
Total	428,240	392,137	(36,103)

**Penumbra Theatre Company Board of Directors
Executive Committee -May 22, 1991**

AGENDA

1. Minutes of April 24, 1991 Board Meeting
2. Hallie Q. Brown Memorandum regarding separation
3. Committee Reports
 - a. Resources
 - b. Finance
4. Board Retreat- June 15, 1991
5. Board Invited Preview Night Report
6. Other business

Penumbra Theatre Company Full Board of Directors Meeting:
April 24, 1991 11:45 - 1:00 p.m.

Members present: Ezell Jones, Jeff Cook, Jerry Owens, Jan Plimpton, Rev. Earl Miller, LaJune Lange, Cassius Ellis, Mary Phillips, Rueben Larson, David Taylor, Jim Bransford. Staff present: Lou Bellamy, Claudia Wallace-Gardner, and presentation by Paula Sanders- new marketing/communications director.

11:45 a. m.

1. Ellis called the meeting to order and the minutes of the March 6, board meeting were approved. The board discussed the special board meeting and Ellis asked Claudia if we have received any additional information about the financial situation with Hallie. Claudia reported that Mrs. Burns informed her that she was writing PTC a memo, as soon as their accountant had completed his work.

2. Treasurer's Report: Plimpton indicated that she has reviewed the financial statements from Fraser and Carpenter. Plimpton and Claudia indicated that at the next full board meeting we would also present a summary sheet of each show for this season. Claudia also updated the board on some of our pending grants and their status. A complete update will be presented with the 91-92 budget. The board was reminded that PTC will present our proposal to the MN State Arts Board on May 20. It was decided that Ezell Jones and/or Jim Bransford are available to represent the board.

3. Long Range Planning Committee: Jones requested that Bellamy present his plans that were discussed in the Resources Committee meeting. (See Councilman Wilson's ltr for content.) Lou explained the African-American Cultural Arts Center concept to the board. Lou also referred to the long range planning that has already taken place for PTC. Jones said we are deserving of the attention that we are receiving, however, we need to evaluate all alternatives into our long range plans. After much discussion it was resolved that PTC's board would send a conditional letter to the WIND Development Corp, and our key funders, that we will consider being part of a new development, but we are not committed to anything until our long range planning committee can assess: the worst and best scenario, have a full view of the project, study our space needs, and make a recommendation for our involvement in any building project.

Lou requested that our board members in any of their discussions to correct and be wary of those individuals in the community that want to "designate this idea as the August Wilson building", he asked the board to stop that rumor. He also requested that the board please take the time to study all alternatives.

Page 2
Full Board Meeting
April 24, 1991

Paula Sanders updated the Board on the fund raiser for May 8, and the Silent Auction items that she needed.

The meeting adjourned at 1:00 p.m.

Submitted by:

Claudia Wallace-Gardner

SUBJ: May, 8th Board Fund Raiser- Governor's Residence

Income Received:

4/5	\$100		5/1	550	
			5/2	200	
4/16	\$580				
			5/3	300	
4/17	60		5/6	\$7,500	(3M Contribution)
			5/6	510	
4/19	450		5/8	300	
			5/9	\$1,750	
4/21	290		5/14	100	
			5/15	50	
4/24	380				
4/25	200		TOTAL:	\$ 14,220	
4/26	200				

Expenses: \$ 60.00 Wine Beverage

750.00	Food
--------	------

240.00 Governor's Staff

?? Printing

Misc. (Postage)

Prom Catering -- (7th Place Theatre Refreshments)

Gross Income planned was \$17,780.00.

Less expenses:	2,040.
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Target Net Profit: \$15,740.00.