

MINUTES
WAR MEMORIAL BOARD OF TRUSTEES
REGULAR BOARD MEETING
Thursday, May 8, 2025

The Board of Trustees of the War Memorial of San Francisco met in regular session on Thursday, May 8, 2025, at 2:01 p.m., in the Trustees’ Board Room, War Memorial Opera House, President Wilsey presiding.

ROLL CALL

Present: President Wilsey, Vice President Horn, Trustee Gatti, Trustee Kopp, Trustee Lam, Trustee Muduroglu, Trustee Newstat, Trustee Pelosi, Trustee Rocco, and Trustee Wright

Absent: Trustee Makras

Staff Present: Kate Sofis, Managing Director and Rob Levin, Assistant Managing Director

Assistant Managing Director Levin made an opening announcement related to remote public comment. He stated that remote public comment, except as necessary for disability accommodations, has been discontinued. He noted that members of the public are invited to observe the meeting in-person or online, but only members of the public attending the meeting in-person will have an opportunity to provide public comment. He stated that no one online will be permitted to unmute themselves or present at the Board Meeting.

Requests for accommodation for remote public comment should be made at least 48 hours prior to the meeting, by email or voicemail (WarMemorialBoard@sfgov.org or 415-554-6377).

APPROVAL OF MINUTES

On motion of Trustee Gatti, seconded by Trustee Muduroglu, the following resolution was unanimously adopted:

RESOLUTION NO. 25-14

RESOLVED, By the Board of Trustees of the War Memorial of San Francisco, the minutes of the April 10, 2025, Regular meeting of the Board are hereby approved.

PRESIDENT’S REPORT

President Wilsey reported on the celebration of Michael Tilson Thomas’ 80th Birthday concert at Davies Symphony Hall held on Saturday, April 26, 2025.

MANAGING DIRECTOR’S REPORT

Managing Director Kate Sofis reported that Police Chief Bill Scott has announced that he will be leaving for Los Angeles to create a new division for the Transit Authority. She noted that Paul Yep will be stepping in as Interim Chief and the Department looks forward to continuing to partner with the Police Department on improvements to the street conditions around the buildings.

ASSISTANT MANAGING DIRECTOR’S REPORT

Assistant Managing Director Rob Levin highlighted that with 82 percent of the fiscal year having been completed,

the Department is on track with its revenue projections. He also reported that there have been 45 new rentals since the previous meeting, including two weddings in The Green Room. He also underscored the work of Director of Booking, Emma Logan, in working with SFJAZZ on a new series that will be booked primarily on Mondays at Davies Symphony Hall with some great jazz artists, who should bring in good crowds on a day that is typically more difficult to book. Trustee Wright commended the Booking Team on this partnership and noted it will bring in new audiences to Davies.

COMMITTEE REPORT

Marketing & Community Engagement Committee Report: Chair Wright reported that the Marketing & Community Engagement Committee was tasked with reviewing the mission and vision statement for the War Memorial. She thanked staff for their work helping the Committee with the proposed edits and the Committee recommended that they return at the June regular meeting to present the updated mission and vision statements for approval by the full board.

REGULAR ITEMS

Memorandum of Understanding between the War Memorial Department and the San Francisco

Performing Arts Center Foundation: President Wilsey stated that for more than four decades, the San Francisco Performing Arts Center Foundation has served as a vital partner to the War Memorial Department, helping bridge the operational and financial limitations of a City-run performing arts center and invited Director Sofis to address the Board on the proposed Memorandum of Understanding (MOU) formalizing the 40+-year relationship between the Department and its supporting 501c(3) organization and operating partner. Director Sofis explained that the MOU was developed in response to emerging ethics rules and non-profits' relationships with City Departments and Departments have been requestee to formalize these relationships. She explained that the Foundation is less like a "Friends Of" organization and more that of an operating partner, similar to the other two charitable trust departments, the Asian Art Museum and Fine Arts Museums. She noted that with the number of outside licensees renting the venues each year, the Foundation allows the Department to be flexible and nimble enough to handle the needs of the business. Director Sofis highlighted that both the Foundation attorney and City Attorney have reviewed the agreement, which will be before the Board in June for a vote.

Director Sofis explained that the Foundation is used primarily as an operating partner for events in the venues that do not involve one of the resident companies (Symphony, Opera, Ballet). The Foundation books the revenue, holds performance bonds, and has a list of about 100 part-time as-needed staff that can be called to work specific events. She noted that these staff constitute event managers and other part-time theatrical technical staff, which would be practically impossible to staff using full-time civil service employees. She stated that it also allows the Department to engage specialized vendors, specific to the theatrical business, who would not customarily be a City vendor, like a piano tuner or marketing consultant. She explained that there are no full-time staff members of the Foundation, which relies on City department leadership to function, which the MOU lays out and formalizes the delegation of authority to those staff. She highlighted that the Foundation has really never been an independent operating entity; its own bylaws require that two sitting members of the Board of Trustees also sit on the Foundation Board. She noted that the MOU details this management agreement between the Foundation and the Department employees.

Director Sofis summarized the operational changes that have taken place throughout the course of developing the MOU which includes reducing the number of Trustees who sit on the Foundation Board from three to two, so the Trustees on the Foundation Board do not constitute a voting majority. She also stated that the number of dual employees of the Foundation and the Department was cut from forty to five. Trustee Rocco requested information on the audit of the Foundation. Director Sofis responded that a third-party auditor has audited the financial statements of the Foundation every year and the Form 990s are publicly available documents. Trustee Gatti asked about the origin of the funds in the Foundation. Director Sofis explained that currently running the outside licensee business is at-cost, rather than making a profit, and relies on the Department to do its business. She noted that there has been discussion of fundraising down the line with the resident companies for specific programs.

Budget Update: President Wilsey invited Director Sofis to give the Board an update on the budget process. Director Sofis explained that the City is in a significant budget shortfall. She noted that the Mayor will be publishing his final budget that goes to the Board of Supervisors by June 1 and all Departments were ordered to make budget cuts. She reported that the War Memorial Department's General Fund support is approximately \$17 million, and the initial target of \$2 million dollars in cuts was significant. Director Sofis explained that in investigating the way Custodial/Real Estate has been providing services to the Department, the City Administrator discovered that the cost accounting system Real Estate has does not currently allow it to transfer cost and function back to a City Department. Therefore, the transfer of custodial function to the Department will not happen this year, as expected. But because the Department has uncovered these inefficiencies, the targeted budget cuts have been reduced to \$400k, which includes the full continued cost of custodial, and also restores the non-personnel and materials/supplies budgets. She noted that even though Custodial will not be under the War Memorial helm quite yet, they are working more intentionally on how to provide services and staffing in a cost-effective and efficient manner that serves the visitors and patrons of the buildings.

MISCELLANEOUS CORRESPONDENCE

None.

GOOD AND WELFARE

Vice President Horn highlighted CJ Reeves and the American Legion War Memorial Commission's work on the exhibition *Fighting on All Fronts - Chinese Americans in Military Service*. The exhibit is focused on honoring the service of Veterans who served in the Vietnam War from 1955 - 1975, currently on view in the Veterans Gallery on the first floor of the Veterans Building. CJ Reeves spoke on the recent activities of the Commission and updated the Board on the upcoming PTSD exhibit for June in the Gallery, and celebration for the Army's 250th Birthday on June 14. Director Sofis commented on the vibrancy of the Gallery and acknowledged the great work the Commission is doing in the building. There being no further good and welfare, President Wilsey closed good and welfare.

PUBLIC COMMENT

There being no public comment, President Wilsey closed public comment.

ADJOURNMENT

There being no further business, President Wilsey adjourned the meeting at 2:58 p.m.

Francesca Cicero
Board Secretary