

MINUTES OF THE SEMI-ANNUAL MEETING OF THE BOARD OF TRUSTEES

OF

HALE CENTRE THEATRE, A UTAH NON-PROFIT CORPORATION

February 11, 2009

The semi-annual meeting of the Board of Trustees (the "Board") of Hale Centre Theatre (the "Theatre") was held on February 11, 2009, beginning at 4:05 p.m. at the Theatre's headquarters located at 3333 South Decker Lake Drive, West Valley City, Utah 84119.

Rob Brough, Chairman of the Board, welcomed those in attendance and called the meeting to order.

Mr. Brough confirmed that a quorum of the Board was present and excused those Board members who communicated their inability to attend.

Upon motion duly made and seconded, Kent H. Collins was elected as Secretary of the meeting. The minutes for the September 24, 2008 annual meeting of the Board, upon motion duly made and seconded, were unanimously approved.

Mr. Brough then discussed the makeup of the Board. He proposed the following:

- A. That the Chairman of the Budget, Finance and Legal Department be changed from Craig Ainge to Stephen Goalen;
- B. That Wayne Baker be removed from the Board;
- C. That Warren Tate be moved from the Board to the National Advisory Board; and
- D. That the following become members of the Board, to serve until the next annual meeting of the Board:
 - 1. Scott Brown
 - 2. Laurilee Christensen
 - 3. Grant Nielsen

After discussion, and upon motion duly made and seconded, the foregoing proposals were unanimously approved.

Mr. Brough then turned the time over to committee chairs for their semi-annual report to the Board. Those reports included the following:

A. Marty Clark, Chairman of the Marketing and Public Relations Committee, reported that the 2008 sales goals were substantially satisfied. 93.6% of the season ticket sale goal was achieved, 99.8% of the goal for sold tickets was satisfied, and 101.4% of the seats were filled. That required putting removable seats in aisles.

A discussion regarding pricing ensued. It was determined that ticket pricing would be watched carefully, given the economic recession. Mr. Clark then reported on the Theatre's outreach program stating that it was satisfying its intended purpose.

B. Ray Short, Chairman of the Development Committee, reported that the committee had a 2008 goal of reaching \$1.4 million in total donations. In fact, \$1.5 million was achieved. Mr. Short encouraged the Board members to use VIP nights at the Theatre to encourage season ticket sales and regular charitable contributions.

During 2008, 90% of the Board participated in giving to the Theatre, and 100% of the staff participated.

C. Steve Goalen, Chairman of the Budget, Finance and Legal Committee, reported that in 2008, the Theatre experienced a loss of approximately \$50,000, but emphasized that the Theatre has \$379,000 in unrestricted funds. Mr. Goalen then reviewed and compared the 2008 and 2009 budgets and discussed each of the proposed differences. Following discussion, and upon motion duly made and seconded, the 2009 budget was approved.

Kent Collins then presented to the Board an Executive Compensation Policy, a Joint Venture Policy, and a Gift Acceptance Policy. Those were carefully reviewed and, after discussion, and upon motion duly made and seconded, they were unanimously adopted. Mr. Collins also reported that the Theatre now has a drug testing policy that it utilizes and enforces.

D. Sally Dietlein, Chairman of the Artistic Committee, reviewed the 2008 and 2009 goals for her committee. *Phantom* will be performed in 2009, as will *Treasure Island*, which is a non-musical. *Hello Dolly*, *Scarlet Pimpernel*, *Curtains*, and *Christmas Carol* will round out the play list for 2009.

Mark Dietlein, the Theatre's Chief Executive Officer, then pointed out that there is a need for approximately \$18,000 to change from analog to a digital sound system by June of 2009. Some stage maintenance will be required in 2009 and, given the current economic slowdown, this year will require very careful budgeting and wise use of all available funds.

Mr. Brough then asked if there was any other business to come before the Board. After discussion regarding various miscellaneous items, music from *Phantom* was performed for the Board.

There being no further business to come before the Board, the meeting was adjourned at 5:15 p.m., and a backstage tour was given to those members of the Board who wished to participate.

Kent H. Collins, Secretary