

**MINUTES**  
**ASIAN ART COMMISSION**  
**Executive Committee Meeting**  
**Wednesday, February 14, 2024, 4:15 – 6:00 p.m.**  
**Koret Education Center**

**Commissioners:** Fred M. Levin, Chair  
Alexander D. Calhoun  
Virginia Foo  
Timothy F. Kahn  
Nanci Nishimura  
Ken Wilcox

**Absent:** Anthony Sun  
Salle Yoo (z)

**Also Present:** Yogen Dalal (z)  
Marsha Vargas Handley (z)  
Jennifer Kao (z)  
Travis Kiyota (z)  
Chong-Moon Lee  
Akiko Yamazaki (z)

**Staff Present:** Jay Xu  
Sara Lee  
Nada Perrone (z)  
Daphne Tooke  
Emiko Usui  
Laura Hathhorn

**Call to Order**

Chair Fred Levin called the meeting to order at 4:30 p.m., a quorum being present. Mr. Levin welcomed everyone attending in person and on Zoom.

**Approval of Minutes**

Minutes from April 17, 2023 were approved.

**Director's Report**

Director and CEO Jay Xu wished everyone a happy Lunar New Year of the Dragon and spoke about his participation in the upcoming Chinese New Year Parade on February 24 as well as the museum's support of the SF Symphony's annual Lunar New Year Festival and Performance at Davies Hall on February 17 plus their promotion of the museum's upcoming *Phoenix Kingdoms* exhibition. Dr. Xu presented a survey of slides, including: (i) highlights of the recently closed *Murakami* exhibition, noting 117,046 visitors during the exhibition's run and total boutique sales of \$2,655,873, (ii) appreciation to Curator of Japanese Art Laura Allen, noting her upcoming retirement on March 22 after 12 years of dedicated service, (iii) two special exhibitions on view while transitioning the pavilion – *RAD (Research And Development)* in Lee Gallery, and *Into View* in Hambrecht Gallery, (iii) preparation for the next major exhibition, *Phoenix Kingdoms*, opening April 19 in the pavilion, (iv) announcement of the October 24 Gala celebration of the arrival of the *Hallyu* exhibition this fall, expressing appreciation to Gala co-chairs, Foundation President Salle Yoo and Trustee Varsha Rao, (v) the museum's response to challenges presented by the City FY25-26 budget guidelines, and (vi) his recent trip to India and Bangladesh with the museum's newly appointed Malavalli Family Foundation Associate Curator of the Art of the Indian Subcontinent, Dr. Padma Maitland.

**Ad hoc Search Committee for the Commission & Foundation Chair**

On behalf of Committee Chair Anthony Sun, Mr. Levin reminded everyone to send in recommendations for the Chair position by the end of February.

## **Budget & Finance Committee Report**

Committee Chair Ken Wilcox introduced CFO Sara Lee who presented on FY 2025 and FY 2026 City Budget Development and the FY 2024 second quarter unaudited financial results.

FY 2025 and FY 2026 City Budget Development. Ms. Lee presented the City budget instructions, noting the rate of expenditure growth far outpaces City General Fund revenues creating a \$245 million deficit in FY 2024-25 and \$554 million in FY 2025-26 and worsening deficits in coming years. She stated the City has asked for a 1 0% budget reduction from all departments and additionally a contingency reduction of 5%. Ms. Lee noted the museum is required to submit a budget that meets the mayor's budget goals and that the Commission would be asked to approve a resolution approving the submission of the City budget. She reviewed the City budget schedule (Feb 7 – July 28).

FY 2024 Unaudited 2<sup>nd</sup> Quarter Financial Results and FY 2024 Forecast. Ms. Lee reviewed operating performance for the first six months of FY 2024 noting a deficit of \$1.9 million with revenues at \$15.6 million or 45% of budget target reflecting lagging admission revenues, expenses at \$17.5 million or 51% of budget and attendance at approximately 100,000, or 33% of budgeted target of 300,000. Ms. Lee reported on attendance and operating revenues, contributed and earned, operating expenses, operating account, endowment fund, collateral account, loan, For All campaign receivables, the FY 2024 forecast, mitigation measures for FY 2024, and FY 2025 Foundation budget development.

Ms. Lee's report emphasized the success of the store during the *Murakami* exhibition, and Mr. Levin asked that the minutes reflect appreciation to Francois Sengen and the museum store team for their outstanding work.

### **Commission Consideration and Possible Action Items:**

- a. City Budget Development and Approval of Submission of Proposed FY25-26 Budget to Mayor's Budget Office – in compliance with San Francisco Administrative Code Section 3.3 regarding Budget Process

**RESOLVED,** That the Asian Art Commission hereby approves the submission of the proposed FY 2024-2025 and FY 2025-26 budget to the Mayor's Budget Office in accordance with the Mayor's budget instructions and in compliance with San Francisco Administrative Code Section 3.3 regarding budget process; and, be it

**FURTHER RESOLVED,** That the Asian Art Commission does not agree with any reduction in the Asian Art Museum's budget for FY 2024-25 and FY 2025-26, as this will detrimentally impact the safety and security of the public, the art collection and museum building, and the ability to serve the public, promote Asian and Asian American art and cultures, and preserve the art collection.

**Adjournment.** There being no public comment or other business, the meeting was adjourned at 5:10 p.m.