



**Regional Arts Commission
Finance Committee Minutes
Monday, November 18, 2024 via ZOOM
8 a.m.**

Call to Order & Roll Call – Russell & Sutherlin

Russell called the November 18 meeting to order at 8:00 a.m.

Committee Members in Attendance

John Russell, Chair, Sam Fiorello, Mont Levy, Tino Ochoa, Cheryl Walker, Roz Johnson, ex-officio

Staff Attendees

Vanessa Cooksey, Savannah Babington, Rita Dillard, Ann Haubrich, Angie Peters, Chloe Smith, Leigh Winter, Lea Sutherlin

Others in Attendance

KEB - Rick Gratza, Trish Donovan

Approval of September 9, 2024 Minutes

Russell called for a motion to approve the minutes from the September 9, 2024, Finance Committee meeting.

Motion made by Levy, seconded by Walker, and unanimously carried to approve the September 9, 2024 Finance Committee minutes. Votes were as follows:

Yea –Russell, Fiorello, Levy, Ochoa, Walker, Johnson

Nay – none

Abstain - none

Russell called for the following reports from KEB:

FY 2024 Q3 Management Report

Gratza presented the FY 2024 Q3 Management Report as follows: (1) reminded that the Q3 Management Report was included in packet for this meeting; (2) highlighted receipts and disbursements compared to the nine [9] months of the prior year; (3) Hotel/Motel tax revenue; (4) expenses; (5) grants; (6) unrestricted and undesignated net asset within required percentages; (7) met statute requirement on administrative expenses; (8) net income; (9) comparisons of actuals versus budget; (10) Hotel/Motel revenues and shortfalls; and (11) expenses.

October 2024 Cash Management Update

Gratza presented the October 2024 cash management update as follows: (1) the cash flow analysis - [a] Hotel/Motel Tax Revenue; [b] end of month cash balance; [c] budget shortfalls; [d] variances; [e] salaries and





benefits; [f] building and facilities; [g] business admin and operations; [h] grants; and [i] anticipated end of year cash position; (2) ARPA for the Arts Statement of Activities - [a] total revenue and interest income; [b] total expenses; and [c] net income; and (3) Investment of ARPA funds – [a] ARPA sweep account, [b] Midwest sweep account and [c] Building Proceeds investment accumulation.

Levy inquired about the budget versus actual expenses, specifically regarding the significant reductions in staff travel and development.

Cooksey reflected on last year's participation in the Grantmakers in the Arts conference in Puerto Rico, noting its positive impact on the team's professional growth. She shared that the team opted against attending the conference this year in Chicago to honor their collective commitment to reduce travel and developmental expenses. Cooksey then expressed excitement for the Theory of Change (TOC) strategic initiative, highlighting the organization's dedication to focus on grantmaking ahead of business and operational costs.

Russell then called for the following reports from Cooksey:

RAC Accounting Policies and Procedures Manual

Cooksey provided an update on the RAC Accounting Policies and Procedures Manual, highlighting the following points: (1) most changes are on page 17; (2) the manual was approved by the committee in March 2024, updating the 2020 version; (3) revisions were made following the Vice President of Finance and Operations' departure, with minimal changes to duties and procedures; (4) focus on the Investment Policy; (5) the Unrestricted and Undesignated Net Asset Policy, voted on earlier this year, allows a range of 25% to 60%; and (6) proceeds from building sales will be used based on needs identified by the Commission. Cooksey noted that significant effort went into revising the manual.

Russell called for a motion to approve the RAC Accounting Policies and Procedures Manual as updated based on staffing changes and policy changes made by the Finance Committee. Motion made by Walker, seconded by Fiorello, and unanimously carried to approve the RAC Accounting Policies and Procedures Manual. Votes were as follows:

Yea – Russell, Fiorello, Levy, Ochoa, Walker, Johnson

Nay – none

Abstain - none

FY 2025 Budget

Cooksey noted that the FY 2025 budget could be found on page 58 of the packet for this meeting and highlighted the following: (2) different format (not new), but format this committee has been approving has been a consolidated version of the current format being presented; (3) now includes class codes because of Sunshine request received earlier this year [from Atty. Beavis Schock]; (4) expenses that are part of the 15% mandate; (5) proposed revenue; (6) grants through ARPA [funds RAC still responsible for and managing]; (7) Hotel/Motel revenue and expenditures; (8) grant totals; (9) end of year balance and rollover; and (10) forecast and leadership meeting held with Explore STL a few weeks prior to this meeting.



Open discussion held regarding budget identifiers relating to the 40th Anniversary, Theory of Change, and building sale proceeds fund respectively.

Russell called for a motion to approve the FY 2025 Budget with the following stated two (2) changes: (1) move Theory of Change into non-program; and (2) add column for building sale proceeds titled 'Quasi Endowment'. Motion made by Levy, seconded by Fiorello and unanimously carried to approve the FY 2025 Budget with the stated two changes. Votes were as follows:

Yea – Russell, Fiorello, Levy, Ochoa, Walker, Johnson

Nay – none

Abstain - none

Cooksey stated, for the record, her appreciation for the RAC staff/team as amazing work has been done – especially with ARPA along with Hotel/Motel grantmaking. Cooksey further stated that she is grateful for the RAC team and that work done in 2024 has been positive for the community and the sector, and what will be done in 2025.

Russell extended congratulations.

Adjournment

Russell called for a motion to adjourn. Motion made by Walker, seconded by Ochoa, and unanimously approved to adjourn the November 18, 2024 Finance Committee meeting at 8:40 a.m. Votes were as follows:

Yea – Russell, Levy, Ochoa, Walker

Nay – none

Abstain - none

Submitted by

L. Sutherlin, Exec. Asst. & Commission Administrator

Attachments

- Finance Committee Meeting Minutes, September 9, 2024
- FY 2024 Q3 Management Report
- October 2024 Cash Flow Analysis
- ARPA for the Arts Statement of Activities
- RAC Accounting Policies and Procedures Manual
- FY 2025 Budget

