REGIONAL ARTS
COMMISSION
OF ST. LOUIS

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Regional Arts Commission
Finance Committee Minutes
Monday, June 8, 2026 via ZOOM
8 a.m.

Call to Order & Roll Call – Russell & Sutherlin
Chair Russell called the June 6, 2026 meeting to order at 8:02 a.m.

Committee Members in Attendance
John Russell, Gerad Ewing, Mont Levy, David Wilson,

Yea – Russell, Ewing, Levy, Wilson
Nay – none
Abstain – none

Absent
Rob Arbuthnot
Cheryl Walker
Tino Ochoa, ex-officio

Staff Attendees
Vanessa Cooksey, Charlie Bosco, Rita Dillard, Ann Haubrich, Tracey Morgan, Chloe Smith-Higgins, Lea Sutherlin

Others in Attendance
KEB - Rick Gratza
Trish Donovan

Approval of April 10, 2026 Minutes
Russell called for a motion to approve the minutes from the April 10, 2026, Finance Committee meeting.

Motion made by Levy, seconded by Ewing and unanimously carried to approve the April 10, 2026 Finance Committee minutes. Votes were as follows:

Yea – Russell, Ewing, Levy, Wilson
Nay – none
Abstain – none

Russell called for the following reports:

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FY 2025 IRS Form 990 Update

Cooksey gave an update on RAC's FY 2025 IRS Form 990 as follows: (1) still working on the 990 form, for which extension was filed and is now due in November; (2) delay is due to being overwhelmed with requests from the state auditor's office, which has been prioritized; (3) collaborating with Armanino to complete the work; and (4) would normally approve the 990 at this meeting, it remains a work in progress, and having already met compliance requirements - just needed a bit more time.

FY 2026 Q1 Management Report

Gratza discussed the FY 2026 Q1 management report as follows: (1) Total Revenues - analysis of receipts, including Hotel/Motel tax performance; (2) Total Expenses - disbursements, with payroll expenses under budget; (3) Cash Balances - ending cash position, including unrestricted and undesignated funds as of March 31, 2026, with projections for July; (4) Statement of Receipts and Disbursements: detailed overview of income versus expenditures; (5) Grants and Contributions: status and timing considerations; (6) Net Income & Cash Strength - confirmation of strong cash reserves and positive net income; (7) Budget vs. Actual - comparative analysis across all areas, including revenues, expenses, and cash flows; (8) ARPA Funds - breakdown of total revenue, interest income, net income, and investment of ARPA funds across various accounts [ARPA sweep, Midwest sweep] and Investment accumulation from building sale proceeds.

Levy asked for more details on payroll, especially considering recent challenges.

Cooksey reminded the following: (1) January 2025, the Executive Committee organized an incentive program for the President & CEO, including specific metrics and a CBiz review; (2) typically, incentive payments are made at year-end, but the payment for January 2026 was delayed to ensure cash availability; and (3) this process aligns with the compensation policy approved by the full board.

Levy recommended consolidating the background information on the incentive program for transparency.

Cooksey confirmed that details are included in the rebuttal document and compensation policy will be added for clarity.

Ewing commended Cooksey on her ability to maintain a budget under challenging conditions.

May 2026 Cash Management Report

Cooksey provided the May 2026 cash management report as follows: (1) continued delays in Hotel/Motel tax receipts, with a pattern emerging; (2) legal services bills are increasing; (3) explained that work from Standing Partnership routed through Quarles will be billed similarly for the lobbyist and new communications firm Ravenyard; (4) legal expenses are expected to be significant; (5) similarly, legal bills routed through Quarles for KEB are expected to rise; and (6) while maintaining grant budgets, emphasized the importance of monitoring legal costs closely.

Levy suggested considering tapping into the Building Fund to offset these costs.

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Cooksey noted the following: (1) clarified use of the Building Fund and reminded that it is at the board's discretion; (2) stakeholder engagement regarding RAC's legal fees and potential donations; (3) a grant commitment from Edward Jones is on hold pending audit results, with a scheduled update meeting planned; and (4) delays in revenue from Explore St. Louis continue to exert pressure on cash flow, which will be closely monitored.

Gratza highlighted the low cash point in December, noting that it was just below the 25% of budgeted expenses threshold, but noted that if Hotel/Motel tax revenue exceeds expectations, reserves could rise to 27%.

Discussion held on the following: (1) the impact of legal fees on statutory spending limits; (2) legal fees are charged to General Administrative (G&A), which may impact the 15% statutory limit; and (3) a refresher on the 15% rule.

Levy raised concerns about legal fees, grants, and communication with grantees.

Open discussion

Open discussion held as follows: (1) Cooksey explained that the current policy requires approval for transactions of $500 or more, she plans to do further research to determine if this threshold should be adjusted higher or lower, and by the September meeting, will present an analysis based on trends; (2) Cooksey highlighted legal expenses, and grant adjustments; (3) Haubrich confirmed no negative feedback from grantees about funding levels; (4) Wilson inquired about potential reductions in grants; (5) Cooksey assured measures are in place to avoid further grant cuts; and (6) Levy suggested reviewing policies and communicating clearer explanations to grantees.

Adjournment

Chair Russell called for a motion to adjourn.

Motion made by Wilson, seconded by Levy, and unanimously approved to adjourn the June 8, 2026 Finance Committee meeting at 8:58 a.m. Votes were as follows:

Yea – Russell, Ewing, Levy, Wilson
Nay – none
Abstain – none

Submitted by
L. Sutherlin, Exec. Asst. & Commission Administrator

Attachments

- Finance Committee Meeting Minutes, April 10, 2026
- FY 2026 Q1 Management Report
- May 2026 Cash Management Report