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REGIONAL ARTS  
COMMISSION OF ST. LOUIS



**Regional Arts Commission  
Finance Committee Minutes - DRAFT  
Monday, August 9, 2021 @ 9:00AM via ZOOM**

**Attendees:**



Sam Fiorello, Jerry Gennaria, Mont Levy

Absent: John Russell, Cheryl Walker

Staff: Vanessa Cooksey, Rita Dillard, Chloe Smith, Lea Sutherlin

Other: Trish Donovan (KEB), Rick Gratza (KEB)

Call to order: In absence of Chair Russell, Levy called the meeting to order at 9:01 a.m.

**Review and Recommendation to approve Finance Committee Meeting Minutes  
June 7, 2021**

Motion made by Fiorello, seconded by Gennaria and unanimously carried to approve the June 7, 2021 Finance Committee meeting minutes.

Levy asked Gratza to present updated cash flow projections, the Management Report Q2, and PPP Update.

**Updated Cash Flow**



Gratza presented cash flow update; January through July is actual; August – December is projected; through end of the year, revenue approximately 4% under budget; expenses under budget at approximately \$40K; noted expected ending cash balance; and although reserve is calculated on accrual basis which is required at 10-25%, on a cash basis - will be above 10% minimum.

Cooksey: Staff has been very frugal but must start making things happen; just signed agreement with Blackbaud for GMS and CRM; shared thoughts regarding forecast; hope to have Senior Grants and Program Manager and External Affairs Manager by October; off months are helpful but being careful about spending while still getting done what is needed during rebuilding.

**Management Report Q2, 2021**

Gratza highlighted balance sheet as of June 30, 2021 compared to June 2020 and expected net position; RAC's internal policy regarding unrestricted net position; effects of the pandemic; and a statement regarding RAC's compliance to internal policy.

Gratza then highlighted operating expenses; professional fees; grants and contributions; fundraising; miscellaneous; increase in net assets; reminded about 15% statutory requirement.

Discussion held regarding quarter-to-quarter compliance.

Gratza also highlighted revenue coming in on a cash basis – receipts collected May – July 2021; compared to 2020 with July still to be added.

Discussion held regarding the lag period and schedule of tax receipts and operating in pandemic vs. pre-pandemic; tracking cash receipts against projections; and variances.

Cooksey: Always tracking in real time; real cash based on Hotel/Motel tax receipts; suggested switching to cash basis budgeting process for monthly/daily operations and to accrual for audit purposes; will work with Gratza on proposal to start with 2022 budget.

### **PPP Update**

Levy asked Gratza to provide the PPP loan forgiveness update.

Gratza: Latest communication from PNC was late July; will open loan forgiveness applications on invitation only basis starting in late August.

Fiorello asked if team looked at pool of funds for venue closures.

Cooksey: RAC did not qualify because of pre-pandemic low use of building.

Levy asked Cooksey to provide the fund development update.

### **Fund Development Update**

Cooksey reminded that during April or May, the Board approved fund development line item \$25K; team met with and signed retainer with Cain Nonprofit Solutions to help RAC with grant writing; in process of applying for NEA Rescue Plan grant dollars; Cain specializes in grantmaking for arts organizations; excited to work with them as extension of staff toward accessing grants; feels strongly about RAC's possibility of receiving NEA grant.

Levy: Number of other irons in the fire on fund development and Cooksey is gearing it up; Resource Development Ad Hoc Task Force is playing a role; hope to get new commissioner nominated who can help in that area.

### **Open Discussion**

Fiorello thanked Cooksey, Gratza and team for this important work being done.

Levy adjourned the August 9<sup>th</sup> Finance Committee meeting at 9:26 a.m.

Submitted by Lea Sutherlin  
Executive Assistant & Board Administrator

## **Attachments**

- Finance Committee Meeting Minutes, June 7, 2021
- Cash Flow Spreadsheet
- Management Report Q2, 2021