



**Regional Arts Commission
Finance Committee Minutes
Monday, June 10, 2024 via ZOOM
8 a.m.**

Call to Order & Roll Call – Russell & Sutherlin

Russell called the June 10 meeting to order at 8:02 a.m.

Committee Members in Attendance

John Russell, Chair, Sam Fiorello, Mont Levy, Cheryl Walker

Committee Members Absent

Roz Johnson, ex-officio

Tino Ochoa

Staff Attendees

Vanessa Cooksey, Savannah Babington, Nichole Belford, Rita Dillard, Tracey Morgan, Angie Peters, Chloe Smith, Jay Scherder, Leigh Winter, Lea Sutherlin

Others in Attendance

KEB - Rick Gratza, Trish Donovan

Approval of March 11, 2024 Minutes

Russell called for a motion to approve the minutes from the March 11, 2024, Finance Committee meeting.

Motion made by Walker, seconded by Fiorello, and unanimously carried to approve the March 11, 2024 Finance Committee minutes. Votes were as follows:

Yea – Russell, Fiorello, Levy, Walker

Nay – none

Abstain - none

Russell then called for the following reports:

FY 2023 990 (Cooksey)

Cooksey highlighted the FY 2023 990 comparisons from the FY 2022 990 as follows: (1) reminded that the FY 990 is generated from RAC's audited financial statements approved by the Board at its March meeting; (2) noted Regional Arts Commission is now officially listed as a dba with the Secretary of State of Missouri; (3) answered 'no' to part 6, section B lines 15a, as the Commission has not reviewed the President's compensation since 2022; (4)





answered 'yes' to schedule J. part 1, line 3 because all compensation is part of the annual budgeting process and includes salaries of all team members; (4) building sale transaction marked 'no' as this was not completed until 2024; and (5) grantee payments for FY 2023 were also listed in the FY 2023 990.

Russell called for a motion to approve of the FY 2023 990.

Motion made by Levy, seconded by Walker, and unanimously approved the FY23 990. Votes were as follows:

Yea – Russell, Fiorello, Levy, Walker

Nay – none

Abstain – none

Update on 6128 Delmar Proceeds (KEB)

Gratza reported that \$2M of the 6128 Delmar proceeds have been invested with Commerce bank and noted maturity dates.

Levy asked about possibility of longer investment terms.

Fiorello shared his thoughts regarding short term investments compared to long term.

Russell shared his thoughts regarding rates and noted that this could be discussed again at a future meeting.

FY 2024 Q1 Management Report (KEB)

Gratza compared the first three months of FY 2024 Q1 Management Report to the last three months of FY 2023 as follows: (1) receipts and disbursements; (2) unrestricted cash balances; (3) administrative expenses; (4) budget to actual and grants and contributions; (5) miscellaneous income; (6) changes in overall operating expenses due to Hotel/Motel tax revenue shortfalls; (7) enterprise cloud apps and data services; and (8) grant expenses.

May 2024 Cash Flow Update (KEB)

Gratza highlighted the May 2024 cash flow report as follows: (1) reminded that the first five (5) months of cash flow are actual; (2) June through December is projected; (3) revenue and operating cash; (4) Hotel/Motel tax revenue projections; (5) grants and contributions; (6) miscellaneous income; (7) salaries and benefits; (8) buildings and facilities; and (9) overall net cash position.

Revenue Trends (Cooksey)

Cooksey shared the monthly revenue comparisons chart and noted the following: (1) as previously reported, Hotel/Motel revenue is trending down; (2) team took proactive approach and operating as if revenue will be flat for the year to avoid surprises and manage resources; (3) hopeful that June and August payments will recover some of the shortfall, separate/apart from any revenue that is being generated either anonymously or through





efforts with sponsorships and 50/50 raffle sales; (4) excited about what's in store from a diverse revenue perspective; (5) addressing proactively while using 2023 revenues as the baseline; and (6) media reports of challenges at Explore St. Louis.

Brief discussion held regarding (1) loss of convention business in St. Louis; (2) the leisure travel market; and (3) anticipated rebound in 2025.

Cooksey asked Scherder to share his thoughts on summer travel and to give an update on the 50/50 raffle sales.

Scherder noted the following: (1) St. Louis sports teams and hotel stays; (2) goal of STLarts.org to increase tourism; (3) anticipation that leisure travel will be good; (3) inflation continues to be an issue; (4) Explore St. Louis reports that RevPAR is up – revenue per available room but does not necessarily mean volume; (5) RAC marketing team is being very conservative with marketing dollars while hitting the markets in the right spot with great results; and (6) 50/50 raffle going well – anticipate success through in-person events e.g. PrideFest [300K attendees], Music at the Intersection, Evolution, GrowFest and other summer concerts and events, also relying on email and some social media.

Discussion held regarding (1) possible 50/50 raffle with Explore St. Louis conventions and events at The Foundry; (2) how 50/50 endorses the RAC brand and example of Cardinals Care; (3) dollar amount projections if successful; (4) possibly contact organizers of 'Balloon Day'; and (5) RAC's moratorium of participating in STL Giving Day [so as not to compete with arts organizations who were in the same space].

Mont asked about possibility of additional ARPA funds.

Walker asked about Rams settlement money.

Cooksey noted that distribution of ARPA funds will be completed by end of summer and asked Belford to comment on both ARPA funds (City and County), and Rams settlement money. She added that the approach has been to keep elected officials informed that RAC is ready to receive additional funding and has a system in place to distribute and have a strong impact.

Belford shared that she has attended meetings with key alderpersons who are supportive, in the event RAC has an interest in additional ARPA funds, and that she maintains a presence at key sessions where the topic is discussed. Belford added that she will soon share a plan she has developed on how RAC could utilize \$15M or \$20M. Belford noted that there are some challenges with the Rams settlement money, because of issues with the completion of the convention center. Belford then noted that she continues to attend those public meetings as well.

Russell thanked staff for the reports and asked for any additional comments from Commissioners.





Cooksey added that she looked forward to seeing everyone at the Board/Staff Retreat on June 14, and the full Board meeting on June 20.

Adjournment

Russell called for a motion to adjourn. Motion made by Levy, seconded by Walker, and unanimously approved to adjourn the June 10, 2024 Finance Committee meeting at 8:57 a.m.

Votes were as follows:

Yea – Russell, Fiorello, Levy, Walker

Nay – none

Abstain - none

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

Attachments

- Finance Committee Meeting Minutes, March 11, 2024
- FY 2023 990
- 6128 Delmar Proceeds
- FY 2024 Q1 Management Report
- May 2024 Cash Flow
- Revenue Trends Chart