

**Regional Arts Commission
Finance Committee Minutes
Monday, November 7, 2022 @ 9:00AM via ZOOM**

Attendees:

John Russell - Chair, Jerry Gennaria,

Absent: Sam Fiorello, Rhonda Carter-Adams, Cheryl Walker

Staff: Vanessa Cooksey, Nichole Belford, Rita Dillard, Jay Scherder, Jason Schipkowski, Chloe Smith, Lea Sutherlin

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

Call to order

Russell called the meeting to order at 9:04 a.m.

**Review and Recommendation to approve Finance Committee Meeting Minutes
September 6, 2022**

Russell called for approval of the September 6, 2022, minutes. (Note: No quorum present; re-sent 11/7 Meeting Packet to full Committee and majority [Russell, Carter-Adams, Fiorello, Gennaria and Walker] voted via email to approve the September 6, 2022, Finance Committee meeting minutes.)

Russell asked Gratza to present the following:

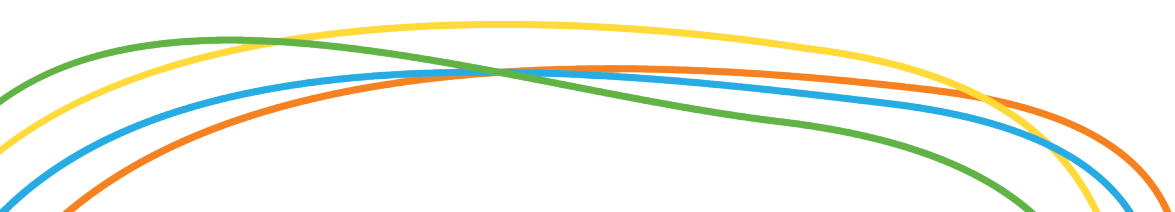
October 2022 Cash Flow Update (KEB)

Gratza highlighted the October 2022 cash flow (included in the Board packets) as follows: (1) actual November/December projected; (2) ending October cash balance; and (3) projected year end cash balance.

Brief discussion held on Hotel/Motel tax payments and anticipated revenue.

Q3 Financial Statement

Gratza highlighted the Quarterly Financial Statement (included in the Board packets) for (1) the nine-month ended through September; (2) current year to prior year comparisons including revenues, miscellaneous income, operating expenses, grants and programs expenses, net income, ending cash balance and administrative expenses; and (3) budget statement vs actual including revenue, payroll and benefits, business admin and operations, grants and programs, net income, and ending cash position.



FY 2023 Budget (Cooksey)

Cooksey explained the logic model used to create the budget and reviewed the proposed FY23 Budget (included in the Board packets) as follows: (1) forecasted cash rollover resulting from strong fiscal management; (2) October 2022 data from Smith Travel Research; (3) lack of individual donations; (4) potential for interest income; (5) limited organization contributions; (6) proposed total annual revenue; (7) necessary payroll/salaries for new hires; (8) ongoing facilities repairs and upgrades; (9) changes in annual debt payments; (10) overall business admin and operations expenses; (11) planned FY23 grants and programs; (12) updated cultural tourism outreach and included increase in partnership with Explore STL; (13) increase in research and evaluation that aligns with the Strategic Plan; (14) overall investment in the arts & culture sector; and (15) proposed goal to have rollover funds to cover annual payroll and meet the 15% rule.

Russell and Cooksey agreed additional discussion is needed regarding investments to take advantage of increased interest rates in accordance with investment policy.

Russell called for approval of the FY 2023 Budget. (Note: No quorum present; re-sent 11/7 Meeting Packet to full Committee and majority [Russell, Carter-Adams, Fiorello, Gennaria and Walker] voted via email to approve the FY 2023 Budget for presentation to the full Commission.)

Draft City ARPA Budget (Cooksey)

Cooksey shared the ARPA City funds draft “working document” including objectives and key performing indicators and reviewed in detail the following: (1) how dollars will be aligned; (2) allowable expenses; (3) meeting the regulatory requirements; (4) ensuring RAC is positioned to execute this grant’s program consistent with RAC values, efficiency, and effectiveness; and (5) breakdown on allocation and distribution year. Noted that the contract will be managed by – and regular meetings are being held - between RAC and the Community Development Agency (CDA).

Discussion held regarding non-award of ARPA County funds to RAC, and Belford highlighted research of other County funding opportunities.

Cooksey noted that City ARPA funds must utilized for City arts organizations and artists. She added that RAC negotiated with CDA for revenue replacement to make GOS whole because of lower payments resulting from COVID.

PPP Loan #2 Update (Gratza, KEB)

Gratza reported that the PPP Loan #2 application for forgiveness has been completed and accepted, and noted amount forgiven and required repayment.

Adjournment

There being no further business, Russell adjourned the November 7th Finance Committee at 9:48 a.m.

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

RAC



Attachments

- Finance Committee Meeting Minutes, September 6, 2022
- October Cash Flow Spreadsheet
- Q3 Financial Statement
- FY 2023 Budget