

**Regional Arts Commission
Finance Committee Minutes
Monday, November 13, 2023 @ 3:00 P.M. via ZOOM**

Committee Members in Attendance

John Russell, chair, Sam Fiorello, Jerry Gennaria

Absent

Rhonda Carter-Adams, Andréa Purnell

Staff in Attendance:

Staff: Vanessa Cooksey, Nichole Belford, Tony Chance, Rita Dillard, Tracey Morgan, Angie Peters, MK Stallings, Leigh Winter, Lea Sutherlin

Others in attendance:

Rick Gratza, Trish Donovan (KEB)

Call to order

Russell called the meeting to order at 3:01 p.m.

Review of September 11, 2023 Finance Committee Approvals (Russell)

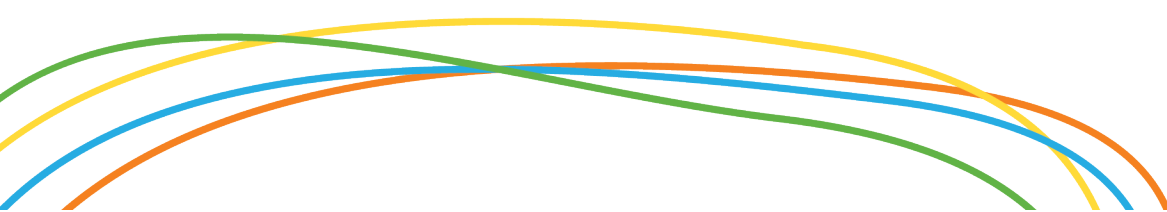
No meeting held due to lack of quorum.

Sutherlin reminded that the Finance Committee Minutes, June 5, 2023, and the Sale Proceeds Board Designation Recommendation had been unanimously approved by the Finance Committee via email on (September 11, 2023).

Russell called for the following reports:

FY 2023 Q3 Management Report (Chance, KEB)

Chance presented the FY 2023 Q3 Cash Management Update as follows: (1) report reflects first nine month of the fiscal year – January through September; (2) Hotel/Motel Tax revenue; (3) operating expenditures; (4) debt payments; (5) grants & programs expenses; (6) research & evaluation; (7) unrestricted cash balance as of September 30; (8) administrative expenses and anticipated expenditure reclassifications; and (9) budget vs actual report – revenue, miscellaneous income, grant income, payroll & benefits, building facilities, technology & computers, utilities, HR, legal, IT cloud & data services and



subscriptions, external affairs, contingency, support grants, public art grants, CAT, and research and evaluation.

October 2023 Cash Flow Analysis (Chance/KEB)

Chance highlighted the October 2023 cash flow (also included in the board packet for this meeting) as follows: (1) actual revenue and expenditures through October 2023 and projected through the end of the year – November and December 2023, [excludes ARPA funding]; (2) Hotel/Motel Tax revenue; and (3) overall revenue; (4) payroll & benefits; (5) building and facilities; (6) grants & programs; and (7) ending cash balances.

Cooksey noted cash balances, Explore STL forecasts and demand vs. budget, and that RAC is doing what needs to be done financially by spending more on the sector.

ARPA for the Arts Statement of Activities

Chance highlighted the following: (1) total revenue year-to-date through October 2023; (2) total operating expenditures; (3) total grants to date; and (4) total expenditures through end of October 2023.

Cooksey noted that CDA is impressed with how these funds have been distributed within three (3) months.

Chance then reported on interest accumulation.

Cooksey noted that interest will be used for Immersive Experience @ the Foundry location.

Facilities Update (Chance)

Chance presented the following facilities update as follows: (1) 6128 Delmar – still two (2) outstanding items from due diligence process – environmental study by Washington University and final agreement between the Pageant and Washington University regarding parking assignment agreement – once completed, then 10 days to closing; and (2) RAC at City Foundry STL – waiting on few remaining pieces of equipment for Immersive Experience; anticipate complete installation prior to Thanksgiving Holiday.

FY 2024 Budget (Cooksey)

Cooksey presented the FY2024 Budget update as follows: (1) shared recent email from Explore STL regarding the Tourism Performance Update 10/23 – 11/4/23, and RevPar for the metro area; (2) expenditures - intend to spend only forecasted Hotel/Motel Tax revenue in 2024; (3) holding on FTE hiring in 2024 – will have total of 16 team members; (4) equipment and facilities savings resulting from leasing at CIC; (5) professional development; (6) hosting events at grantee locations; (7) grants component; and (8) bottom line on total expenditures, administration and operations and grants expenses.

Brief discussion held regarding the following: (1) professional development and travel levels; (2) sale proceeds and (3) 15% rule.

Motion made by Fiorello, seconded by Gennaria, and unanimously carried to approve the FY 2024 Budget. Vote as follows:

Yea – Russell, Fiorello, Gennaria

Nay - None

Abstain - None

Open Discussion (All)

FY 2023 Audit Preparation – Chance noted the following: (1) the FY 2023 Audit is scheduled for the last week in January through the beginning of February 2024; (2) Armanino is the auditor; and (3) that he (Chance) is in contact with the auditors and waiting for the list of initial items.

Finance & Accounting Policy Manual Review – Cooksey noted the following: (1) that she and Chance are working on the Finance & Accountant Policy Manual; (2) the current manual was last reviewed by the Commission in 2020; (3) making tweaks/revisions but still needs full review; and (4) will present recommended changes and workshop with this Committee for an updated version in 2024, during Q1.

A&E Acquisition – Cooksey noted the following: (1) she and Purnell scheduled meeting with Chris Dornfeld (A&E) to be held week of November 20; (2) due diligence documents requested from A&E by Quarles have been uploaded; and (3) she will meet with Quarles on November 14 to receive their feedback on those documents.

ARPA for the Arts – Cooksey noted the following: (1) next set of funds/grants to distribute include public art murals and tourism dollars; (2) noted over 100 artists grants have been distributed and almost 30 organizations; and (3) requested contract amendment because of proof of residency challenges – CDA agreed that remaining artist income replacement grant can be changed to tourism dollars as it still goes to artists creating murals.

Cooksey then shared (1) she would be on medical leave for eight weeks; (2) currently finalizing medical leave plan with the team; and (3) KEB will assist Chance with the FY 2023 Audit.

Adjournment

There being no further business, Russell called for motion to adjourn the November 13 Finance Committee at 3:53 p.m. Motion made by Gennaria, seconded by Fiorello, vote as follows:

Yea – Russell, Fiorello, Gennaria

Nay - None

Abstain – None

RAC



Submitted by Lea Sutherlin
Exec. Asst. & Commission Administrator

Attachments

- September 11, 2023 Finance Committee Approvals
- FY 2023 Q3 Management Report
- October 2023 Cash Flow Analysis (CFA)
- ARPA for the Arts Statement of Activities
- FY 2024 Draft Budget