

Salt Lake City Arts Council
Board Meeting Minutes
Wednesday, November 17, 2021
WebEx Online

Present:

Sonali Loomba
Dave Mortensen
Kat Potter
Larry Cohen
Torle Nenbee
Annie Dayton
Josanne Glass
Erika Hill
Sarah Longoria
Matt Castillo

Staff:

Felicia Baca
Kelsey Ellis
Sylvia Richards

Public:

Dana Howell, Accountant (Auditor-
Osborne, Robbins & Buhler)

Excused: Susan Koles Rickman

Absent: Andrea Ashdown

I. Call to Order and Welcome Guests

Mr. Dave Mortensen called the meeting to order at 5:30 PM.

II. Approve Board Meeting Minutes – October 2021

No comments or corrections were made to the October 2021 minutes. Larry Cohen moved to approve the minutes and Ms. Kathy Davis seconded that motion.

III: Programs & Operations

A. Operating Agreement & Public Benefit Study Update

Ms. Felicia Baca reported that the Executive Committee and the Governance Committee has reviewed the Operating Agreement and the Public Benefit Study. They are waiting for a bid from the legal team as to cost for review. It will probably be on the agenda for the City Council in the new year.

B. City Policy & Projects Update/discussion:

i. Update on noise regulation and Conditional Use Permit for Outdoor Dining

Ms. Baca reported that feedback had been received from the Salt Lake City Planning Department. The Department is not going to use a cutoff time of 9:00 p.m. to start noise reduction requirement related to outdoor dining as was previously a concern that it would end prior to county noise ordinance. Ms. Baca state that she would invite the Planning Department to provide an update regarding the status of requirements for the Permit.

ii. Quarterly report of all activities to report back to department re: expenditure of funds.

This report previously has not been sent to Board members but was sent for the Board's information starting November 2021. This report is a requirement of the non-departmental funding from the City. Ms. Josanne Glass noted that she found the report helpful, and Ms. Baca agreed to continue sending the regular report to the Board.

iii. Grants.

- a. Ms. Baca reported that the Board received grant for \$500K to sub grant from NEA. Some of the funds will be utilized to pay for part-time staffing, but otherwise the grant will not be used for operations but will be a pass through for the Board to fund its grant program. Ms Baca noted that only 66 people/entities nationwide were awarded this funding. NEA will announce the award of the grant to the Board and the other entities on November 18, 2021.
- b. The Board's 2-year grant was increased from \$25,000 to 40,000.
- c. The Living Traditions grant from the NEA was awarded in the amount of \$25,000.

IV. Budget/Financial Update

A. Annual Audit Review (Osborne, Robbins & Buhler, PLLC)

Ms. Dana Howell reported on the Annual Audit review and noted that the financials were "clean" and in accordance with GAAP.

Ms. Howell also noted that the Board is in a great cash position and that the assets showed prepaid \$55K from organizing/managing the Twilight Concerts. The amount under the fund balance is nonspendable; the money has already been spent, but the cost has not yet been recognized.

The financials also showed a net income of \$240,000, which consisted of \$180,000 from last year as deferred revenue. She also noted that the cancellation of Living traditions in 2020 resulted in money received from CARES in the amount of \$176,000. Ms. Kelsey Ellis noted that this financial report reflects information from January 2, 2020. So, this audit will have a number of asterisks.

Ms. Howell review page 30 of the Audit involving the budget to actual costs comparison and stated that it was pretty much within compliance. One expenditure over the amount budgeted was in grants and resulted from certain administrative expenses.

Ms. Howell also noted that a compliance letter is required when accountants perform an audit. They reviewed internal control and compliance with laws, but don't express an opinion. She didn't find anything to report except, as reflected on the last page of the audit, she noted that staff levels don't have sufficient expertise to prepare financials without auditor help. This is noted each year in the audit and is not changed from the prior audit.

Ms. Howell also noted that a governance letter to Board of Trustees will be sent with boilerplate language indicated that there were no changes to accounting policies used by The Salt Lake City Arts Foundation. Certain significant estimates such as pension liabilities are not within the control of the Board.

She indicated that she encountered no difficulties in performing the audit and noted that, to the contrary, much help had been provided. A few minor adjustments were made; no major adjustments were made or were required to be reported. Management provided the representation letter as asked. No other auditors were involved or required. No other issues were reported.

Mr. Matt Castillo stated that a "shout out" should be made to Ms. Felicia Baca, Ms. Kelsey Ellis, Ms. Wendy Evanoff, Ms. Dana Howell, and their team for completing the audit successfully.

Ms. Howell also noted that she is working on the 990/tax return which was originally due on 11/15/2021, but the time for filing was extended.

B. Review of Financials

Mr. Matt Castillo reported on the financial statements noting that there wasn't much to update and that things were moving along without issue. Ms. Kelsey Ellis reported that she is working on an amended budget to include the grants received as noted above.

V. Board Updates

A: General

i. Board Member Nominations

Ms. Kat Potter reported that she had interviewed two (2) great candidates to be new Board members: Ms Ayanna Allen, from District 1 has a background in sociology, works for Goldman Sachs as an operations analyst and is comfortable with working with numbers. She is also a singer/songwriter

Mr. Richard Taylor from District 6 has a background in engineering and physics and is an entrepreneur and visual artist.

Mr. Potter indicated that we will continue recruit for membership on the Board so that we will get to at least the minimum of fifteen (15) members. She also reported that two (2) members will rotate off the Board in the summer as they complete their second terms. She is keeping an eye on Districts 1, 2, and 7 for new members.

- ii. Ms. Nico Dicou is moving to Hawaii and leaving the Board. Ms. Baca indicated that Ms. Dicou sent her thanks and goodbye.
- iii. Other

Ms. Josanne Glass is joining the Executive Committee and Ms. Sarah Longoria is joining with Ms. Torle Nenbee on the Idea Committee

VI. Arts Event Discussion

A discussion was held as to the attendance of members at various arts events during the prior month.

VII. Public Comment

There was no public comment.

VIII. Other Business/Adjourn

Mr. Mortensen adjourned the meeting at approximately 7:15pm.