

Richmond Art Center Board of Directors Meeting January 26, 2023

The meeting of the Richmond Art Center Board of Directors for January 26, 2023 was held electronically via Zoom.

Members Present:

Michael Dear, President
Monique Zieshenne
Jane Diokas
Rachel Sommovilla
Stephen Nomura
Lina Velasco, Vice President
John Boychuk
Nettie Hoge, Secretary
Paul Collins, Treasurer
Susan Moffat

Staff Present:

Jose Rivera, Executive Director
Roberto Martinez, Exhibitions Director
Carolyn Rodkin, Chief Financial Officer

Documents Provided for Review:

Agenda for January, 26 Meeting
Minutes from RAC Endowment Committee Meeting
Minutes from October Board Meeting
ED Report for January 2023
July - December 2022 Financial Summary
Profit and Loss Budget Performance July-December 2022
Balance Sheet 12-31-22
Temporarily Restricted Funds Tracking Sheet

Michael Dear called the meeting to order at 5:49. Michael introduced Roberto Martinez to the Board, and Roberto gave a short presentation including highlights of his career and accomplishments. Roberto has been with RAC for one and a half years, including full time service for the past year. He has been working for ten years doing cultural and museum work. He highlighted recent successes at the RAC, emphasizing the African Diaspora show in its 26th year at the RAC. The recent opening welcomed more than 800 visitors. The work of 120 artist was on display at the RAC and more than 150 artists showed their work including at satellite exhibitions. Roberto highlighted the best moments of the exhibit and discussed other shows on display as well as plans for future exhibitions. Since time was short both Michael and Jose referred Board members to a slide presentation on line. The referral was followed up the next week with an email to all Board members reminding them of the excellent presentation and providing the URL.

The minutes from the October meeting of the RAC were unanimously approved.

FINANCIAL REPORT:

Carolyn Rodkin reviewed highlights of the financial position of the RAC. She had previously circulated copies of the Profit and Loss Budget Performance and Balance Sheet, as well as a summary analysis.

The main themes of the summary were similar to previous reports. In general, profit from all sources exceeded budgeted profit by about \$21,000. Membership fees exceeded budget by almost \$3,000.00. Arts in the Community exceeded budget by more than \$175,000, primarily as a result of un-budgeted grants awarded in late 2022. Grants from foundations also exceeded budget by about \$15,000. While the budget picture is positive, the RACs primary challenges are: slower than expected registration for studio classes; and a lower than anticipated level of personal giving.

The RAC is under budget for income from art classes by over \$70,000. Unrestricted donations are under budget by more than \$100,000. A short discussion followed the financial presentation, including some questions about over enrolled classes such as ceramics and weaving and whether there are any ways to increase capacity in these popular areas. Also the ED and staff are committed to more robust outreach for class registration, and a renewed push for individual contributions.

As of 12/31/22 RACs total equity increased by \$12,100 to \$1,254,618.

DIRECTORS REPORT:

Jose reported the following new expected income since our last meeting:

\$13,750 City of Richmond for last calendar quarter of 2022 (just billed); \$25,000 NEA approved as of April 2023; \$20,000 LOI approved, Fleischacker Foundation, May 2023; \$ 8,000 Neighborhood Public Art (billing \$4,000 now); \$ 3,000 Rotary Club Grant (pending)

Jose reported continued work on the fix for Guillermo the Golden Trout. Thanks to his negotiations Richmond has agreed to cover the \$8,000 repair bill..

Jose also reported locating a CPA to apply for the Employee Retention Credit for the RAC. This is money awarded for retaining employees during Covid. It could bring in as much as \$50,000, Jose thanked John Ziesenhenne for his help on this. Jose described the Art of the African Diaspora 2023 show. The Art of the African Diaspora is the longest running event of its kind in the Bay Area. The showcase exhibition features work by over 120 artists of African descent. This exhibition is accompanied by open studios and satellite exhibitions throughout the Bay Area. The reception on Saturday January 21 welcomed about 800 people. Jose thanked of all the board and other volunteers for their help in making the event a success.

Jose described “Connected Always”, an exhibition by Santa Rosa-based artist Amanda Ayala, who presents a series of new works that explore the extensive generational connections we have with our ancestors. As part of her ongoing Ancestor Wheel project, Ayala’s work adopts circular patterns to visualize the magnitude of seven generations.

Jose also described The Remembrance Project, a cloth memorial of activist art banners commemorating the many people who have lost their lives to systems of inequity and racist structures. These banners have been created collectively by volunteers across the country to help educate and inform communities about the human impact of systemic violence.

Jose stated that as of his report the RAC has a total enrollment of about 2,100 student-classes out of a total maximum capacity of 3,249. Of the current list of 57 classes, 36 will definitely run, 3 need just one more registration to be safe, 14 are in danger of being cancelled without more registrations, and 4 have been cancelled. In addition to these classes the staff is planning for 5 partnerships with offsite community partners; two school partnerships (Peres, Mandarin), and multiple youth arts tours throughout the year. Planning is beginning for summer camp.

Jose made a strong pitch for proactive committee work to help with the year’s big fundraiser honoring Guillermo and its artist Andrée Singer Thompson. The event will happen sometime in May (date TBD). This will be the biggest fundraiser of the year.

NEW BUSINESS:

Juneteenth holiday

The ED asked the Board of Directors to approve Juneteenth as a new holiday for the Staff. Jose stated that he felt this was particularly important given the RACs location and constituency.

Nettie moved and Rachel seconded **a motion to approve the addition of Juneteenth as a new staff holiday for RAC staff.**

A short discussion followed, Stephen asked whether this would be an entirely new holiday or a substitution for an existing holiday. The ED stated that it would be an additional holiday. There was further discussion about whether the city of Richmond currently offers the day as a holiday. **The Board voted nine in favor of the motion with one abstention.**

RAC Endowment Fund:

Michael Dear described the RAC endowment fund and its oversight. The current value of the fund is \$52,000. Pursuant to the 2019 foundation document the Endowment fund is administered by the Endowment Committee (EC). The members of the committee currently include Matt Jacobsen, (chair pro tem), Byron Brown, and Carlos Privat. Paul

Collins, Michael Dear and Jose Rivera serve as the three members of the RAC Finance Committee. The Endowment Committee has not been active in the recent past and is out of compliance with some of its obligations. Current finance committee members have taken the initiative to get things back on track. The Endowment Committee met in early January.

The EC's principal responsibility is managing the Endowment Fund, dedicated to the preservation of capital and increasing the fund's total return, with special attention on capital appreciation and generating income to support RAC's activities.

Distributions from the Endowment are in principle scheduled once per year, and are usually measured as a percentage of 'income distribution' from the funds. Five percent is typically regarded as a prudent target. In recent years, no distributions have been made.

At its recent meeting the EC passed a motion recommending transfer of all assets in the Endowment Fund from Mechanics Bank to Charles Schwab, keeping Equities and Fixed assets intact, but liquidating the Cash account and re-investing it at Schwab. The RAC Board must take the action. The recommendation was made because Mechanics is not proactively managing the account and because Schwab has more incentive to participate actively since they are our banker for all other RAC accounts.

The EC also took action to appoint Matt Jacobson as its Chair, and to appoint Carlos Privat as Secretary.

After discussion by RAC Board members Paul Collins moved and John Boychuk seconded **a motion to move the endowment fund account from Mechanics Bank to Schwab, keeping Equities and Fixed assets intact, but liquidating the Cash account and re-investing it at Schwab.** The motion **passed unanimously.**

A discussion about growing the endowment rather than using it for on going operations followed.

At the end of the meeting a push from the ED and the President to enlist the HAF committee members to work to support the May event celebrating 50 years and the re-invigoration of Guillermo was well received.

The meeting was adjourned by motion and unanimous approval at 7:03.

Signed:
Nettie Hoge, Secretary

Dated: February 23, 2023