

# **Richmond Art Center Board of Directors Meeting August 24, 2023**

## **Meeting Minutes**

**Location:** Zoom Conference Call

**Members present:** Michael Dear, Chair, Lina Velasco, Vice Chair, Paul Collins, Treasurer, Nettie Hoge, Secretary, Rachel Sommovilla, Susan Moffat, John Boychuk, Jane Diokas, Monique Ziesenhenne.

**Staff present:** Jose Rivera, Executive Director, Carolyn Rodkin, Chief Financial Officer.

### **Documents distributed before the Board meeting:**

Agenda for current meeting  
Minutes from RAC's July meeting  
Executive Director Report

Proposed RAC Budget 2023-24

Treasurers' Report /Finance Summary -  
Balance Sheet  
Profit and Loss Statement  
Temporarily Restricted Funds Tracking Report FY 2022/2023

Resume and statement of new Board member nominee  
Resolution regarding appointment of new Board member

Report regarding Executive Director Performance Review

### **Motions approved:**

**Motion approving Minutes of the July 2023 Board meeting**

## **Motion approving 2023-24 RAC Budget**

**Resolution appointing Christine Saavedra as a new Board member until the next meeting of the general membership.**

**Motion approving a general salary increase for 23-24, and a one time bonus for ED Jose Rivera.**

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The meeting was called to order by President Michael Dear at 5:53 pm. **The minutes from the RAC July meeting were presented and unanimously approved. Monique Ziesenhenne made the motion which was seconded by Rachel Sommovilla.**

## **Financial Statements and Report**

Carolyn reported that the Finance Committee approved the 2023-24 RAC Budget.

Next year's budget projects a deficit, and this year the RAC ended the year with a deficit which is slightly larger than projected. Carolyn pointed out that the RAC has had a deficit budget for all but one of its fiscal years since 2014. The current budget is conservative given what we know currently, and without taking account of projected earnings over the next year

The 2022-23 Budget currently shows a deficit of \$106,000. Unrestricted / general operation cash reserves stand at \$522,000. When current \$106,000 deficit is considered the organization has a little over \$300,000 in reserves.

Structurally the picture for the RAC presents familiar challenges. The City of Richmond has decreased its annual support from \$205,000 to \$55,000. Gavin's contribution of \$200,000 per year is no longer available.

In this environment, exhibitions are strained without a dedicated staff person, but Amy is "making it work".

Maintaining the skeletal staff offers savings of approximately \$105,000 per year.

The Budget report was a call to the Board to ramp up fundraising. Foundation grants, corporate contributions, and individual contributions need to be increased.

Paul Collins generally agreed with Carolyn's assessment. He expressed real concern about the projected deficit and pointed out that there is little room for belt tightening. Staff and programs have already been scaled back. The onus is on the Board to move forward on fundraising. Jose reiterated the need for general support. Targeted grants have increased, but come with the need to earmark money for specific projects. He mentioned that Google Magic Cabinet offers support to non-profits to increase support by individual donors.

A discussion between Susan and Michael confirmed that there is no budget item for Development director. Jose also mentioned the need to reconnect to legacy donors and businesses.

**Paul moved to accept the proposed budget. Nettie seconded the motion, which was approved unanimously.**

## **ED Report**

Jose summarized his written report to the Board. He detailed current fundraising efforts, emphasizing the general operations support that will come from IRS.

The Guillermo event raised about \$26,000 overall, which will be considered in the 23-24 budget. Special thanks were extended to volunteer Michelle Seville for her leadership in fund-raising and planning.

The New CEO of the East Bay Community Foundation seems to be very impressed with the RAC, so Jose is hopeful about future support.

Staff is preparing for the September 5 Fall Family Holiday.

### **Nomination of new member to RAC board of directors**

The Board then considered Cristina Saavedra, whose resume and credentials were pre-circulated, for consideration as an appointed member of the board.

Michael explained that a board resolution is necessary because although bylaws require that new board nominees be elected at a general membership meeting, the period for such election had long passed. However, RAC bylaws allow for board-sponsored appointments of a new member if the board falls below the required minimum of 12 persons. Any new board member(s) appointed by this procedure would be required to stand for election in the normal manner at the time of the next election.

**Paul moved and Rachel seconded a resolution appointing Cristina Saavedra to the RAC Board of Directors immediately because the board is out of compliance with the minimum number of directors requirement.**

**The motion was approved unanimously.**

**OPEN PORTION OF THE BOARD MEETING ADJOURNED**

### **Closed board meeting**

A closed board meeting without any RAC staff, considered a report and recommendation from the RAC Executive Committee members (Dear, Velasco, Collier, Hoge) regarding

review and compensation for the Executive Director. Michael reported on the process, including a survey filled out by all directors, rating Jose on the progress made on a set of 5 priorities established last year. Michael reported that the reviews were very positive and that the Executive Committee recommended a 5% salary increase for the ED in the 23-24 year.

Michael pointed out that headhunters had poached one staff member from RAC already, and that Jose had also been approached. As a result, the Executive Committee recommended that in addition to the 5% salary increase., Jose be given a one-time bonus of an additional 5% of his salary.

A discussion ensued. Both Paul and Rachel expressed concerns about the cost and the state of our budget.

Others questioned the impact on staff morale of an ED bonus, and asked whether all staff should receive bonuses. There was recognition that decisions on staff bonuses are the purview of the ED.

Paul stated that in spite of concerns about the tight budget, he felt strongly that sending a strong message about the Board's desire to retain our ED was important.

**Paul moved and Susan seconded a motion to approve a 5% general salary increase and a 5% one time bonus for ED Jose Rivera.**

**The motion was approved unanimously.**

Michael agreed to present salary and bonus news to Jose and to work with Jose to set up a new set of Goals for the upcoming year.

[NOTE: The actual numbers of the new salary and bonus award approved by the Board were subsequently corrected because the base numbers about ED's current salary were wrong. The revised figures (which are lower than those originally calculated) will be presented to the Board at the September 2023 Board meeting).

Submitted by Nettie Hoge, Secretary

September 25, 2023