

Virginia Museum of Fine Arts
Draft Minutes of the Fiscal Oversight Committee
Wednesday, September 15, 2021, 10:45am
Founder's Conference Room

There were present:

David Goode, Chair
Lynette Allston
Gil Bland
Joan Brock *via videoconference; personal due to scheduling*
Marland Buckner
Betty Crutcher
Jeff Humber
Andrew Lewis
Tom Papa
Hubert Phipps
Satya Rangarajan
Pamela Royal
Charlie Whitaker
Monroe Harris, Trustee President, Ex-officio

Absent:

Ankit Desai
Martha Glasser
Rupa Tak

By Invitation:

Alex Nyerges, Director and Chief Executive Officer
Kay Baker
Candy Banks
Stephen Bonadies
Caprice Bragg
Matt Cooper
Stephanie Cooperstein
Hazel Duncan
Tom Gutenberger
Connor Hudgins
Denise Keane, Foundation Liaison
Cindy Norwood, Office of the Attorney General
Jay Olander, Foundation President
Katie Payne
Hossein Sadid
Michael Taylor
Kimberly Wilson

I. CALL TO ORDER

Chair David Goode called the meeting to order at 10:45am.

II. APPROVAL OF MINUTES

Motion: Proposed by Dr. Andrew Lewis and seconded by Mr. Jeff Humber to approve the minutes of the June 16, 2021 Fiscal Oversight Committee meeting as distributed. Motion carried.

III. FY21 YEAR-END VS ACTUAL

Mr. Hossein Sadid, Chief Financial Officer and Deputy Director for Finance and Administration, reported that, for the 85th consecutive year, the museum ended the fiscal year with a balanced budget with \$36.2 million in revenues and expenses at 87% of the budget. He noted that the Foundation's budget also ended FY21 with a balanced budget. Mr. Sadid commended staff and board members for their prudent financial management, and observed that a strong performance of endowment investments and successful fundraising helped offset shortfalls due to the pandemic. He added that despite using reserves in FY21, \$2.2 million dollars remain, which is double the amount that was predicted.

IV. FY22 BUDGET UPDATE – EARLY OUTLOOK

Mr. Sadid presented an early outlook on the budget for FY22. Although there are still unknowns related to the new covid variants, the outlook is positive. Investments are expected to hit new highs which will favor payout amounts throughout the year. At the same time, economic growth predictions and stable interest rates are a positive sign for the year ahead. Mr. Sadid noted that the budget items that are most at risk are earned revenues and enterprise revenues. He reported that the current exhibition, *The Dirty South: Contemporary Art, Material Culture, and the Sonic Impulse*, is on track to exceed goal on ticket sales and gifts, while special events and bookings continue to increase. Additionally, Mr. Sadid indicated that an application for the Shuttered Venue Operators Grant under the American Rescue Plan Act has been filed that, if awarded, would further strengthen reserves.

Mr. Sadid concluded his report by sharing that staff is working to finalize a business plan for the museum expansion, which should be available at a future committee meeting.

V. OTHER BUSINESS/ADJOURNMENT

There being no further business, the meeting adjourned at 11:35am.

Recorded by: Stephanie Cooperstein
Executive Administrator to the Chief Strategy Officer and
Deputy Director of Strategic Planning, Government and Board Relations