



Finance Committee Meeting  
Friday December 11, 2020  
10:00AM-11:00AM  
Via Zoom

**Present:**

Finance Committee:

Bret Feldman

Kerri Hines

Michael Morris

Lori Nissen (couple of minutes late)

MOSI:

Catie Benedict (recording)

Briget Hart

Julian Mackenzie

Janet White

Absent: Tom Fesler, Rob Lamke

CALL TO ORDER

Michael Morris called the meeting to Order at 10:04 AM

PUBLIC COMMENTS

No members of the public were present during the meeting.

CONSENT AGENDA (attachment)

A motion to approve the minutes from the November 18, 2020 Finance Committee was made by Bret Feldman, seconded by Kerri Hines, and approved by the Finance Committee. No further discussion. Lori confirmed that she reviewed the minutes and has no questions/comments.

REVIEW OF NOVEMBER FINANCIALS (attachments)

Julian reviewed the November P&L. Revenue for the month was 13% below budget with shortfall in Development Contributions for the month. Budget for this is flat lined over the year. Two significant donations received in December totaling \$50,000.

General admission and all experience revenue above budget. Education and Outreach continue to feel the impact of COVID; programs not happening that we expected to happen. Overall for the month, expenses were below budget and helped mitigate the shortfall to \$6,000

Question posed about online donations made with credit card. Do we get 100%? MOSI does pay fees on all credit card processing. Several committee members noted that websites accepting donations have an option for the donor to pay the fee. It was discussed that MOSI will look into this as an option. This will be an agenda item for follow up at the next meeting.

Julian reviewed the balance sheet. No further questions or discussion in reference to the financials for November.

### CASH FLOW (attachment)

Briget reviewed the cash flow with thanks to Lori for the help on reworking the layout. Actuals for November dropped in at the top, but are hidden here for better visibility. The County CARES expenses are included in the actuals for November.

Net change from previous month on receivables, payables, etc... section ties to the balance sheet. Other update is the accounts section. Three sources of available cash-Operating, Money Market, MOSI Reserve-are collapsed to one line. It is assumed that MOSI will transfer the funds accordingly here. Also assumed is that \$9,769 of the operating fund is designated as on-site cash use for daily operations.

Question about the County Reserve and what position we are in. Currently, there is \$695,000 remaining in the County Reserve after borrowing \$105,000 to make purchases that will qualify for the County CARES reimbursement. There are notes at the bottom indicating when the CD matures. In February/March funds will need to be moved. Asked for suggestions on how to reconsolidate this section. Lori offered to assist. Briget and Lori will work offline on this.

### RENAISSANCE FESTIVAL

Julian provided an update on the progress with the agreement with the Renaissance Festival. The County requested a revised opening plan from them. Julian is meeting with them again to go through it. The County is also drafting a new agreement for the use of the land. Somewhat complicated on a legal point, but moving forward in the right direction.

### PPP LOAN

Briget provided an update on the Payroll Protection Plan Loan. MOSI has the schedules and portal to Pilot Bank to apply for forgiveness. We will assess the best approach for us; 8 or 24 weeks and begin processing. Currently in the gathering information stage. Priority is the County CARES reimbursement request and audit wrap ups. We will continue to have this as an agenda item to provide further updates.

### COUNTY CARES

Briget provided an update on the County CARES reimbursement. MOSI is allocated \$105,000 in reimbursable expenses that are COVID related and out of budget. It is based on three categories: Disinfecting, Hygiene/PPE, Physical mitigation modifications. The due date to submit this to the County in full report is December 15<sup>th</sup>. All products and services must be complete, invoice paid in full with payment documentation.

This is a little bit earlier than anticipated. Due to market demand and just time line, we will not be installing motion sensor front doors. This is about \$40k. At the end of the day, we will not be utilizing all the funds allocated to us. MOSI will file for all reimbursable expenses incurred in FY21 and will also be recouping some expenses that were incurred in FY20. Completing this report is top priority and it will be submitted on time.

Discussion ensued about unused funds. It was suggested that if there are projected unused funds, they should be returned to the County Reserve account. Discussion followed on the best approach. It was agreed that since the filing date for the reimbursement request is 12/15/20 and the actual request amount is then known, MOSI will then transfer the remaining amount (from the \$105,000) back to the County Reserve account. All were in agreement.

Further discussion asked the question if the County CARES funds are subject to the single audit. It was agreed that it should not be subject to the single audit. Briget will check with Dennis from RG&Co to be sure and will follow up with committee.

### FY20 Audit

Briget provided an update on the FY20 audit. Rivero, Gordmier & Company began their 'on-site' audit work November 2<sup>nd</sup>. This is after we provided all of the audit request items.

With the times as they are now, they did not come on-site for the two full weeks. They were physically on-site at MOSI one day which allowed them time to do the walk throughs of receivables, payables, payroll, and probe with other questions. We have provided all the requested documentation and had some follow up work. They are drafting the report now and plan to present at the next meeting in January. All in all, it is going well and no issues.

### BOCC PRESENTATION (attachment)

Julian reviewed the presentation slides that he will present to the BOCC on Wednesday December 16<sup>th</sup>. He has clear understanding of what should be presented after meeting with the County and then reviewed with Bret. We will have five minutes to present to the BOCC.

MOSI is sustainable and viable but we are in this situation because of COVID. MOSI closed during the spring when attendance would be high. We took a loss in 2020 but working on returning to the black. We think it will take us a couple of years to get there. The use of the Reserve funds will be a bridge. We are asking to draw down as required and repay when we have a positive cash flow; not confined to a definite time frame.

Michael suggested that on projection page that the top read 'FYE' and date so it avoids any confusion of what the time period is and that it does include COVID months. Julian agreed and will update the slide.

Question about how the projections were determined. Julian explained that public support will remain flat with 25% increase in Admissions and 10% increase in Education revenue. By the end of 2022 it will be in line with 2019 numbers.

Briget offered an update on December's pacing and read an email from Rob who could not attend today. As expected, the time between Thanksgiving break and Winter break attendance is slow. We are at 62% pacing from last year at this time. This is on track with our current budget, which is 62% of FY20. Experience revenue is tracking where it should be and may be able to make up the minor shortfall from November.

There will be two weekends offering pictures with Santa and promoting Santa's Workshop. This should drive gate. Additionally, our new art exhibit in collaboration with Epicurean Hotel will give us something new and dynamic to talk about.

### SCHEDULE OF FUTURE MEETINGS (attachment)

Briget confirmed that the schedule provided today is the same as the one emailed a few weeks ago. This is to include it in the official record.

### OTHER BUSINESS

Michael called for any other business. No new topics or questions.

### MEETING ADJOURNED

Wishing everyone happy holidays, Michael Morris called the meeting adjourned at 10:55AM

**Next Meeting: Thursday January 21, 2021 10:45AM, via Zoom**

