

**Rose Kennedy Greenway Conservancy
Finance, Audit & Risk Management Committee Meeting
Tuesday, July 7, 2020– 12.00 p.m.**

DRAFT Meeting Minutes

Committee Members Present in Person: N/A (This meeting was available by Zoom conferencing due to suspension of the provision of the Open Meeting Law requiring an in-person quorum by an order signed by Governor Charles Baker on March 12, 2020 due to COVID-19.)

Committee Members Present: Mark Boyle, Rosalind Gorin, Deniz Johnson (left at 12.56 p.m.), Karen Johnson (Co-chair), Bud Ris (Co-chair), Linda See, David Wilkinson

Committee Members Absent: None

RFKGC Staff Present : Jesse Brackenbury, Tracey Cooke, Srivi Radhakrishnan

Non-Committee Members Present : Jeanie Gorlovsky-Schepp, AAFCPAs (left the meeting at 12.13 p.m.)

Open Session

Co-Chair Karen Johnson called the meeting to order in Open Session with a quorum present at 12:03 p.m.

1. Upon a motion made by Ms. Johnson and seconded by Mr. Ris, the minutes from the June 16, 2020 meeting were unanimously approved.
2. Ms. Cooke, introduced Jeanie Gorlovsky-Schepp to the Finance And Audit Risk Committee who informed the Committee that the 990 and Form PC had been completed and reviewed. She also confirmed that the Unrelated Business Income Tax (State and Federal) had been repealed and returns to obtain a refund for these taxes had been filed. Ms. Schepp stated that there had been no major changes in the 2019 990 when compared to 2018. Members inquired about the implications of the Paycheck Protection Program loan on the tax returns for 2020. Ms. Schepp responded that these would be initially displayed as a loan from the Government until the process of forgiveness was complete, when it would be recorded as a federal grant. Members also inquired as to why there was a decline in the investment income in 2019 compared to 2018. Ms. Cooke explained that this was because of 2 primary reasons: Higher distribution (\$1,250K) made by TIFF during 2018 vs a small loss suffered in 2019 (\$68K); and the market decline in

2019 which had resulted in lower dividends from Fidelity, \$530K in 2019 vs \$ 282K in 2020. At 12.15 p.m. after a motion made by Mr. Ris and seconded by Ms. Johnson, the 990 and Form PC were unanimously recommended to the Board of Directors.

3. At 12.16 p.m. Mr Brackenbury gave an update on the 2020 budget. He recapped that while philanthropic support was trending higher than the revised budget approved by the Board on March 24, 2020, the earned revenue had been hit hard due to a smaller presence of the Food Trucks, the Beer Garden and the City Winery on the Greenway. Revenue generated by ticket sales at the Greenway Carousel was also lower than budgeted. He mentioned that only one fourth of our food trucks were vending on The Greenway currently and they were able to generate only about one-tenth of their regular sales. He said that the Conservancy is currently charging 25% rent from operating food trucks and waiving rent for non-operating food trucks. He mentioned that the City Winery and the Trillium beer garden were planning on opening shortly. Mr. Brackenbury and the Committee agreed that they would continue to monitor the feasibility of charging rent from the food trucks and revisit as required.
4. At 12.33 p.m. Mr. Brackenbury informed the FARMC that the Federal Government had released a list of all Small Businesses that had obtained Federal assistance through the Paycheck Protection Program greater than \$150K, which included the Conservancy.
5. Committee members also discussed the outlook for expenditures for the Financial Year 2021, on the assumption that the outlook for revenue would be similar to 2020. They inquired about the Conservancy's current staffing levels and requirements for 2021 and also inquired whether it was possible to reduce other discretionary spending. Mr. Brackenbury replied that the Conservancy had instituted a hiring freeze and did not expect to be able to make the hires forecast for 2021 in the 5 Year Strategic Business Plan. He also elaborated that most funding for maintenance and horticulture was not discretionary and other annual variable expenses such as Public Art were significantly funded by private donations.
6. Mr. Brackenbury gave a brief preview of the 2 procurements that would be presented to the Board for approval on July 13, 2020.

- a. Proposal for increased spending for AECOM towards the next phase of the Chin Park Lighting design (construction documents) of \$44K, which would bring the total payments to this vendor to \$131K.
- b. Proposal to enter into a contract to build a new park at Parcel 2 with the Boston Planning and Development Agency for \$660K.

Committee members had questions about procurements for the lighting projects and whether there would be any spending restrictions on Chin Park. Mr. Brackenbury responded that this project was not being sent out to bid because AECOM had worked on the current design phase (DD). He also confirmed that there would be no spending restrictions on Chin Park.

7. No Members of the public present sought to be heard.

Upon a motion made by Mr. Ris and seconded by Ms. Johnson, The Finance, Audit and Risk Management Committee of the Rose Kennedy Greenway Conservancy Board of Directors was unanimously adjourned at 1:06 pm.