



**Regular Meeting of the  
Cuyahoga Arts & Culture Board of Trustees**

Cleveland Public Library - Main Branch, Louis Stokes Wing  
2<sup>nd</sup> Floor Learning Commons  
325 Superior Avenue, Cleveland, OH 44114  
Thursday, September 25 - 4:00 pm

- 1. Opening of the Meeting**
  - a. Call to Order
  - b. Roll Call
  - c. **Action:** Motion to approve April 16, 2025 regular meeting minutes
  - d. **Action:** Motion to approve August 13, 2025 special meeting minutes
- 2. Public Comment on Today's Agenda**
- 3. Executive Director's Update**
- 4. Connect with Culture**
- 5. Finance and Administrative Items**
  - a. Finance Report
  - b. **Action:** Personnel Report
  - c. **Action:** Communications contract
- 6. Grantmaking Items**
  - a. Discussion: Grant Allocation Strategy
- 7. Public Comment on CAC Business**
- 8. Adjourn**

Next Regular Meeting: November 12, 2025 - 4:00 pm



**Minutes of the Annual Meeting of the Board of Trustees**  
Wednesday, April 16, 2025

A meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 4:09 pm at the Cleveland Public Library: Martin Luther King Jr. Branch, 10601 Euclid Avenue, Cleveland, OH 44106

The roll call showed that Trustees Blakemore, DiCosimo, Isenhardt, Scott Taylor and Vernaci were present. It was determined that there was a quorum.

Also in attendance were: Jill Paulsen, Executive Director and CAC staff.

**1. SWEARING IN OF TRUSTEES**

Trustee Gina Vernaci was reappointed by Cuyahoga County Council to serve on CAC's Board of Trustees for a three-year term. Trustee Isenhardt administered the oath of office for Trustee Gina Vernaci. Trustee Vernaci swore to honestly, faithfully, and impartially perform her duties while serving as a trustee of Cuyahoga Arts & Culture. Trustee Vernaci three-year term ends March 31, 2028.

**2. APPROVAL OF MINUTES**

**Action:** To approve the minutes of the February 25, 2025 Board of Trustees meeting.

Motion by – Trustee Scott Taylor

Second by – Trustee Blakemore

Vote: to approve the minutes of the February 25, 2025 Board of Trustees meeting.

Ayes: Blakemore, DiCosimo, Isenhardt, Scott Taylor, Vernaci.

The motion carried.

**3. ELECTION OF OFFICERS**

Trustee Scott Taylor presented the slate of officers for 2025 with Trustee Karolyn Isenhardt as President, Trustee Daniel Blakemore as Vice President, and Trustee Leonard DiCosimo, as Secretary.

**Action:** To approve the slate of officers: Trustee Isenhardt as President, Trustee Blakemore as Vice President, and Trustee DiCosimo as Secretary.

Motion by – Trustee Scott Taylor

Second by – Trustee Isenhardt

Vote: to approve slate of officers: Trustee Isenhart as President, Trustee Blakemore as Vice President, and Trustee DiCosimo as Secretary.

Ayes: Blakemore, DiCosimo, Isenhart, Scott Taylor, Vernaci.

The motion carried.

#### **4. PUBLIC COMMENT ON MEETING AGENDA ITEMS**

There was no public comment on today's agenda.

#### **5. EXECUTIVE DIRECTOR'S REPORT**

Ms. Paulsen thanked everyone for joining her and the Board. Ms. Paulsen's remarks can be found in the board materials on page 5.

#### **6. FINANCE AND GENERAL BUSINESS**

##### **Finance Report**

Ms. Meg Harris, CAC's director of administration, stated that tax revenue through March was \$3,217,779. This is \$8,711 (.27%) above budget and \$1,310,339 (68.7%) above the same period in 2024. She added that on a per unit rate of comparison, the sale of cigarettes at the whole sale level is 5.4% less than the first quarter of 2024. She stated interest revenue was \$155,961 and that non-grant expenses through March were \$258,112. Ms. Harris also provided an update on the status of the 2024 audit.

##### **Grant from The Cleveland Foundation**

**Action:** To accept a grant from The Cleveland Foundation in the amount of \$9,000 and the hiring of a summer intern funded by this grant per the personnel report provided to the Board.

Motion by – Trustee Scott Taylor

Second by – Trustee Blakemore

Vote: to accept a grant from The Cleveland Foundation in the amount of \$9,000 and the hiring of a summer intern funded by this grant per the personnel report provided to the Board.

Ayes: Blakemore, DiCosimo, Isenhart, Scott Taylor, Vernaci.

The motion carried.

##### **Appointment of members of the Audit and Finance Advisory Committee**

Ms. Paulsen said the purpose of this advisory committee is to ensure CAC has proper financial controls and policies in place and that its investment of inactive monies complies with its Investment Policy. She requested the Board reappoint the current members of the Audit and Finance Advisory Committee to continued one-year terms: Luis Cartagena and Ken Surratt. She also asked that the Board appoint new

committee member Meghann Marnecheck. Ms. Harris added that Gina Vernaci would serve on behalf of the Board.

**Action:** To appoint members to the audit and finance advisory committee for the period of April 1, 2025 – March 31, 2026: Luis Cartagena, Meghann Marnecheck, Ken Surratt, and Gina Vernaci.

Motion by – Trustee DiCosimo

Second by – Trustee Scott Taylor

Vote: to appoint members to the audit and finance advisory committee for the period of April 1, 2025 – March 31, 2026: Luis Cartagena, Meghann Marnecheck, Ken Surratt, and Gina Vernaci.

Ayes: Blakemore, DiCosimo, Isenhardt, Scott Taylor, Vernaci.

The motion carried.

### **Public Records Manager Designee**

Ms. Paulsen asked the Board to appoint Meg Harris and Laura Matteo to be Public Records Manager Designees. Ms. Harris has completed the annual training to be CAC's Public Records Manager Designee and Ms. Matteo will complete it in the coming months.

**Action:** to approve Meg Harris and Laura Matteo as the agency's Public Records Manager Designees.

Motion by – Trustee Vernaci

Second by – Trustee DiCosimo

Vote: to approve Meg Harris and Laura Matteo as the agency's Public Records Manager Designees.

Ayes: Blakemore, DiCosimo, Isenhardt, Scott Taylor, Vernaci.

The motion carried.

### **Approval of Updates to CAC's Bylaws**

Ms. Harris stated that the Board had received a memo outlining the modest updates to CAC's Bylaws. She stated that the Bylaws had not been updated since 2010 and the updates corrected or clarified some minor items and reflect the change to the new millage rate resulting from the recent levy.

**Action:** To approve the CAC's Bylaws as revised, effective April 17, 2025

Motion by – Trustee Scott Taylor

Second by – Trustee Vernaci

Discussion: Board discussion ensued with various questions related to Bylaws and CAC governance, but not specifically to the recommended updates.

Vote: to approve the CAC's Bylaws as revised, effective April 17, 2025.

Ayes: Blakemore, DiCosimo, Isenhart, Scott Taylor, Vernaci.

The motion carried.

**Consider Timing and Agenda for a Board Retreat (special meeting)**

**Action:** by Trustee Scott Taylor to have the Executive Director work with Trustee DiCosimo and President Isenhart to draft an agenda for a special meeting which may serve as a board retreat to allow members to review specific topics of interest.

Motion by – Trustee Scott Taylor

Second by – Trustee DiCosimo

Vote: to request that the Executive Director to work with Board President Isenhart and Trustee DiCosimo to draft an agenda for a special meeting which may serve as a board retreat to allow members to review specific topics of interest.

Ayes: Blakemore, DiCosimo, Isenhart, Scott Taylor, Vernaci.

The motion carried.

**Appointment of Two CAC board members as ex-officio board members of Assembly for the Arts**

**Action:** To designate Trustees Isenhart and DiCosimo to serve on the Assembly for the Arts Board, representing CAC in this service, from now until CAC's next annual meeting, with the instruction that they will represent CAC and CAC's interests as part of their official duties and responsibilities as CAC Trustees, and also with the understanding that this service may end at an earlier time as determined by the designated Trustees of the Board.

Motion by – Trustee Scott Taylor

Second by – Trustee DiCosimo

Vote: to designate Trustees Isenhart and DiCosimo to serve on the Assembly for the Arts Board, representing CAC in this service, from now until CAC's next annual meeting, with the instruction that they will represent CAC and CAC's interests as part of their official duties and responsibilities as CAC Trustees, and also with the understanding that this service may end at an earlier time as determined by the designated Trustees of the Board.

Ayes: Blakemore, DiCosimo, Isenhart, Scott Taylor, Vernaci.

The motion carried.

### **Approval of Updated Board Meeting Calendar for CAC**

Trustee Isenhardt stated that due to scheduling conflicts there is a need to change the September board meeting from September 10 to September 25, 2025. An updated calendar was provided in the Board materials on page 74 for review and adoption.

**Action:** To approve the CAC's updated Board Meeting Calendar

Motion by – Trustee Blakemore

Second by – Trustee Vernaci

Vote: to approve the CAC's updated Board Meeting Calendar

Ayes: Blakemore, DiCosimo, Isenhardt, Scott Taylor, Vernaci.

The motion carried.

### **7. BOARD ACTION – GRANTMAKING**

#### **Approval of 2026-27 General Operating Support and 2026 Project Support Grant Guidelines**

Mr. Jake Sinatra, CAC's director of grantmaking strategy and communications, provided the Board with an overview of the 2026-27 General Operating Support and 2026 Project Support Grant Guidelines, details of which were included in the Board materials.

- The 2026 guidelines are rooted in Board-approved grantmaking objectives (approved in Feb 2025).
- Guidelines were developed with substantial input from grantees (Grantee Connect Series), as well as feedback from national funder peers, and the public.
- Goals are to provide consistent, more predictable funding; to prioritize General Operating Support for arts and culture nonprofits of all sizes; and to further streamline and simplify grants processes.
- Programs will launch in May with a July 31, 2025, application deadline.
- The guidelines do not constitute the 2026 grantmaking budget; the grant program allocations will be discussed by the Board later this year alongside updated long-term revenue forecasts.

**Action:** To approve the 2026-27 General Operating Support and 2026 Project Support Grant Guidelines.

Motion by – Trustee Blakemore

Second by – Trustee Scott Taylor

Discussion: The Board discussed the proposed guidelines and had several questions for staff:

Changes to the General Operating Support program are positive as they allow for the inclusion of more organizations with a core mission of arts and culture. This is important to the ecosystem.

Technical assistance will be provided and the changes to the application process itself will streamline the process and give applicants more time to submit their materials. CAC will offer three types of workshops: 1) helping applicants determine which grant program is best fit; 2) succeeding in the General Operating

Support application; and 3) succeeding in the Project Support application. Additionally, CAC will provide one-on-one tech assistance.

The importance of SMU DataArts is that it provides vital data on the CAC funding and the sector. CAC shares these data with community leaders to demonstrate the positive impact CAC funding and the arts sector has on the community.

Vote: to approve the 2026-27 General Operating Support and 2026 Project Support Grant Guidelines.

Ayes: Blakemore, DiCosimo, Isenhardt, Scott Taylor, Vernaci.

The motion carried.

## **8. CONNECT WITH CULTURE**

Mr. Sinatra provided an overview of the extensive programming which takes place in libraries located in Cuyahoga County with the help of CAC funding.

## **9. PUBLIC COMMENT ON CAC BUSINESS**

There was no public comment.

## **ADJOURNMENT**

Motion by Trustee Scott Taylor, seconded by Trustee Blakemore, to adjourn the meeting.

Vote: all Ayes. The motion carried. The meeting was adjourned at 5:18 pm.

Attest:

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Leonard DiCosimo, Secretary, Board of Trustees



**Minutes of the Special Meeting of the Board of Trustees**  
**Board Retreat**  
August 13, 2025

A special meeting of the Cuyahoga Arts & Culture (CAC) Board of Trustees was called to order at 3:12 pm at the Lake Erie Nature and Science Center, 28728 Wolf Rd, Bay Village, OH 44140.

The roll call showed that Trustees Blakemore, DiCosimo, Isenhardt, and Vernaci were present. It was determined that there was a quorum. Trustee Scott Taylor arrived at 3:17 pm.

Also in attendance were: Jill Paulsen, Executive Director and CAC staff.

Discussed were the agenda items below:

- a. CAC Timeline: Key Dates for 2025+
- b. Finance Update
- c. Ohio Revised Code and CAC Governance Review with Legal Counsel

**ADJOURNMENT**

Motion by Trustee Isenhardt, seconded by Trustee Blakemore, to adjourn the meeting.

Vote: all Ayes. The motion carried. The meeting was adjourned at 5:55 pm.

Attest:

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Leonard DiCosimo, Secretary, Board of Trustees



# Executive Director's Report

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September 25, 2025

Welcome to Cuyahoga Arts & Culture's September 25th Board meeting.

Over the last year, this Board has engaged in a careful and thoughtful process to develop a long-term strategy that prioritizes consistent and more predictable operating support for Cuyahoga County arts and culture nonprofits over the next decade. Today, the Board will continue to discuss how we steward our finite resources to best serve the residents of this County.

In the materials, you will find a recap of the Board progress and decision-making, along with a memo that provides historical revenue/expense data and up to date forecasting that will allow us to plan together.

I look forward to the Board using these materials to guide its discussion, helping ensure that our agency stays on track to make grants to an estimated 300 nonprofits this November. At a time when the nonprofits we fund face so many challenges, our agency has the chance to be the stable, predictable funder that our cultural leaders have said they need to weather these complicated times.

While not on the agenda, please take a moment to review the Staff Report. The team has worked diligently since our last regular meeting to support applicants to 2026-27 General Operating Support and 2026 Project Support programs. All six of my CAC colleagues have gone the extra mile to help groups succeed. For that, I am grateful.

I appreciate your attention to matters before the Board today.

Respectfully,

Jill Paulsen  
Executive Director

# Updates from CAC Staff

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September 25, 2025

CAC's work is rooted in our 10-year community planning process that identifies the two constituents that we must serve as: 1) nonprofit arts organizations; and 2) the residents of Cuyahoga County. Every year, staff creates a work plan that is grounded in this framework and CAC's Mission, Vision & Values.

What follows is a brief update on the progress made since the last regular Board meeting in April.

## 1. GRANTMAKING: Connecting with and serving nonprofit organizations

### Core Grants: General Operating Support, Cultural Heritage, Project Support

2025 General Operating Support and Cultural Heritage grantees have completed their Mid-Year reporting to CAC. Staff have reviewed and issued payments accordingly. Many grantees met directly with their grant manager this summer to provide updates and share progress on their grant.

2025 Project Support grants continue; staff issues advance payments and approves reports throughout the year as projects take place. More than 70 Project Support grantees have completed their 2025 projects and completed reporting to date; the remainder are in progress. In September, CAC held an in-person report-out for current Project Support grant recipients as a reporting option for grants of \$5,000 or less.

The team continues to manage reporting requirements, grant payments, and site visits to strengthen relationships with grantees and help them succeed in our process.

### 2026 Grantmaking: General Operating Support and Project Support

Work continues to implement CAC's 2026 core grant programs: 2026-2027 General Operating Support and 2026 Project Support, in line with the 2026 Grantmaking Objectives the Board approved in February and the Board-approved grant guidelines.

CAC opened the 2026 grant application process in May with a variety of technical assistance opportunities (see below). Staff also carried out a robust outreach program this year to communicate changes to the grant programs and ensure all current and prospective applicants had the opportunity to apply. Upon the July 31 application deadline, CAC received 314 eligible applications for 2026, including 151 to General Operating support and 163 to Project Support. Staff anticipate its review of applications, including the Project Support panel review process, which will be complete by the end of September.

2026 Grant Programs – Application Summary	
2026-2027 General Operating Support	151
2026 Project Support*	163
<b>Total Eligible Applicants</b>	<b>314</b>

*\*19 of the 314 applicant organizations are first-time applicants.*

- Panel Review Process: 29 arts and culture professionals from 16 states across the U.S. have been recruited to serve as panelists who will evaluate applications to our Project Support grant program. All panelists have been trained and are reviewing applications online. All applicants receive detailed feedback from panelists via their grant manager after the process is complete.

### **Grantee Connect Series & Technical Assistance**

To continue to deepen relationships with and foster collaboration between CAC-funded nonprofits, CAC is continuing its Grantee Connect Series throughout 2025. The first Grantee Connect Meetup took place in February and continued with an in-person gathering on April 30, where CAC previewed 2026 grantmaking opportunities, answered questions, and held space for networking. We anticipate holding an additional Grantee Connect Meetup this fall, with a focus on CAC's 2026 grantmaking.

From May through July, staff held a variety of technical assistance opportunities, workshops (virtual and in-person), and other materials to help applicants and grantees succeed with their 2026 application. This summer, those offerings included:

- Cuyahoga Arts & Culture Grant Opportunities Workshop
- Plante Moran: Understanding and Filing a 990 workshop
- Project Support application workshop
- General Operating Support application workshop
- SMU | DataArts – Getting Started with the Cultural Data Profile and Data at Work: Introduction to DataArts Analytic Tools workshops
- Virtual application “office hours” for applicants to meet one-on-one with CAC staff to address their organizations’ application and specific questions.
- Emails and personal phone calls regarding technical assistance and reminders fielded by the entire CAC team.

After each step in the grant cycle, **staff continue to collect feedback to inform our work**. Those who submitted feedback on CAC's application process indicated that they were “very satisfied” with the process. One applicant noted about our technical assistance offering: “I enjoyed the session because I was able to learn more about the process and the thoughts of CAC regarding how upcoming dollars will be spent. It was also nice to meet other grant recipients and applicants.” Staff use regular communication with applicants and grantees to inform technical assistance planning, and to consider potential improvements for future grant cycles.

### **Resident-Led Grants & Support for Artists**

For the 12<sup>th</sup> year, CAC is co-funding resident-led arts and cultural projects, and funding quarterly Arts & Culture Network Nights in Cleveland and East Cleveland through a grant to Neighborhood Connections. The second application cycle for Action Grants closed in August, and grants will be announced in November. Three of four Arts & Culture Network Nights took place in February, May and August. The final Network Night will take place Thursday, November 20 from 6-8 pm; all are welcome. CAC has invited Neighborhood Connections to apply for a grant (\$50,000) to fund resident-led arts and culture projects in 2026, which CAC will recommend for Board approval in November.

Assembly for the Arts continues to design and manage programs funded by CAC's Support for Artists grant. The Creative Impact Fund, which will award 30 artists with \$5,000-\$10,000 in flexible funding, opened in May and received 362 applications. Awards will be announced in October. The Boost Fund,

which funds a total of 140 Cuyahoga County artists with \$1,500 each in 2025, completed its second of three cycles in August. Between 40-50 artist recipients are selected in each cycle. CAC has invited Assembly to apply for a 2026 Support for Artists grant (\$500,000), which CAC will recommend for Board approval in November.

## 2. COMMUNICATIONS

### Sharing the Impact of Public Funding

CAC continues to create and promote tools for our grantees to tell the story of how public funding from Cuyahoga Arts & Culture has impacted their organization and community. These include:

- 2024-25 Report to the Community: In June, CAC released its [2024-25 Report to the Community](#) in a digital and mailed print format. The report highlights CAC's grantmaking, including how reliable funding from CAC supports the work of our grantees, and celebrates the passage of Issue 55. The report has been viewed by hundreds of grantees, public officials, and other residents. View the report at [2024report.cacgrants.org](#).
- Grantee Spotlight Campaign: This fall, CAC will be highlighting the work of some of our nearly 300 grantee partners through a social media spotlight campaign. These posts showcase the breadth of great work being done by the organizations we support.



- ClevelandArtsEvents.com: Promotion of the Cleveland Arts Events website, where CAC grantees are required to post their CAC-funded programs and events, is yielding great results. Through mid-September, the site has been visited by more than 74,000 users, a 7% increase over 2024. More than 1,900 events have been posted on the site by CAC grantees and other groups in 2025.

**Media Placements.** In addition to consistent crediting for Cuyahoga Arts & Culture in the media by our partners, below is a sample of recent media clips focused on CAC's work:

- [Cuyahoga Arts & Culture has more money, uncertainty, as it prepares to make grants | Ideastream Public Media](#) – April 16, 2025
- [Despite fewer smokers, cigarette tax hike boosts revenue, fuels optimism for Cuyahoga Arts and Culture grants - cleveland.com](#) – April 25, 2025
- [Celebrations of arts and music are set to ignite the Juneteenth spirit](#) – June 12, 2025
- [Amid federal funding cuts, Assembly for the Arts' Creative Impact Fund is lifeline for area artists](#) – June 25, 2025
- [Possible Summit County cigarette tax for arts OK'd in Ohio budget](#) – June 26, 2025
- [Summit County cultural leaders considering a tax for the arts | Ideastream Public Media](#) – September 17, 2025

### **3. EFFECTIVE TEAMWORK AND OPERATIONS**

#### **Connecting with Community and Building Our Capacity**

CAC staff presented at or participated in the following workshops, peer groups, and trainings:

- Candid Meet the Grantmakers Series, Jake
- Creative Ohio Advocacy Leadership Institute, Maya
- Creative Ohio regional directors, Jill
- EMPOWERED AkoyaGo Conference, Dayvon, Maya
- National Leaders of Color Fellowship (completed) – Creative West/Arts Midwest, Dayvon
- National Taxing Authority working group, Jill
- Urban Arts Coalition national directors, Jill

#### **Core Racial Equity Group (CREW) Updates**

CREW is an internal advisory body to CAC for equity initiatives that lead to a more racially equitable workplace. You can find additional information in our [CREW Description](#). CREW has decided to continue its 2024 goals into 2025.-CREW has started to plan for a reassessment of CAC's Multicultural Organization Development placement and the development of actionable steps to continue the growth of CAC on this continuum. For the rest of 2025 and into 2026 CREW will refrain from focusing on grantee racial equity initiatives and focus more on internal staff operations. CAC will continue to communicate its racial equity commitments to the general public and grantees.

## FINANCIAL UPDATE

### 2025 YTD

**Revenue.** Tax revenue through August 31 was \$12,372,311. This is \$783,994 (6.77%) above estimate YTD. Interest revenue through August was \$362,706. The overall expected yield on investments, while still strong, is approximately 1% less than it was a year ago with a series of interest rate cuts on the horizon yields will continue to decrease.

**Revenue Trends.** Year-over-year unit sales of cigarettes at the wholesale level have decreased by 2.06% over the same period in 2024. The three-year rolling average of unit sales decrease is currently 7.22%.

**Expenditure.** The majority of CAC's budget is comprised of grants which were approved in 2024. These grants are accrued at the beginning of the year and recognized on the balance sheet. Non-grant expenditures through August were \$656,040 and are tracking \$82,101 below budget primarily due to timing of payments.

**Investments.** As of August 31, CAC investment account balances are as follows:

- STAR Ohio: \$5,124,370 (yield 4.49%)
- RedTree Investment Group: \$8,738,740 (yield 4.06%)

### Audit and Finance Advisory Committee

The Audit and Finance Advisory Committee met on July 9. The committee reviewed the Committee Charter and Internal Financial Controls Policy and Procedures. There were no changes recommended to the policies. The committee agreed that adding an additional section to the monthly financial report to track cigarette unit history and year-over-year changes (vs. dollars) will help to track and inform forecasts resulting from the increased unit tax.

Cuyahoga Arts & Culture				
Through 8/31/2025				
	Actual YTD	Budget YTD	\$ Over/Under Budget	% of Budget
<b>Ordinary Revenue/Expenditures</b>				
<b>Revenue</b>				
Excise Tax	\$ 12,372,311	\$ 11,588,317	\$ 783,994	106.77%
Interest	\$ 362,706	\$ 374,000	\$ (11,294)	96.98%
Other revenue	\$ 35,000	\$ 26,000	\$ 9,000	134.6%
<b>Total Revenue</b>	<b>\$ 12,770,017</b>	<b>\$ 11,988,317</b>	<b>\$ 781,700</b>	<b>106.52%</b>
<b>Expenditures</b>				
Salaries, Wages and Benefits	\$ 521,548	\$ 548,024	\$ (26,476)	95.2%
Grantmaking Expenses	\$ 35,390	\$ 46,887	\$ (11,496)	75.5%
Grants**	\$ 11,253,131	\$ 11,325,847	\$ (72,716)	99.4%
Facilities, Supplies, Equipment	\$ 41,228	\$ 49,162	\$ (7,933)	83.9%
Professional Fees	\$ 57,874	\$ 93,202	\$ (35,329)	62.1%
Depreciation	\$ -	\$ 867	\$ (867)	
<b>Total Expenditures</b>	<b>\$ 11,909,171</b>	<b>\$ 12,063,988</b>	<b>\$ (154,817)</b>	<b>98.7%</b>
<b>Net Ordinary Revenue</b>	<b>\$ 860,846</b>	<b>\$ (75,671)</b>	<b>\$ 936,517</b>	

\*\* Outstanding 2025 grant obligations are on the balance sheet.

<b>Non-grant cash disbursements YTD</b>	\$ 656,040	\$ 738,141	\$ (82,101)
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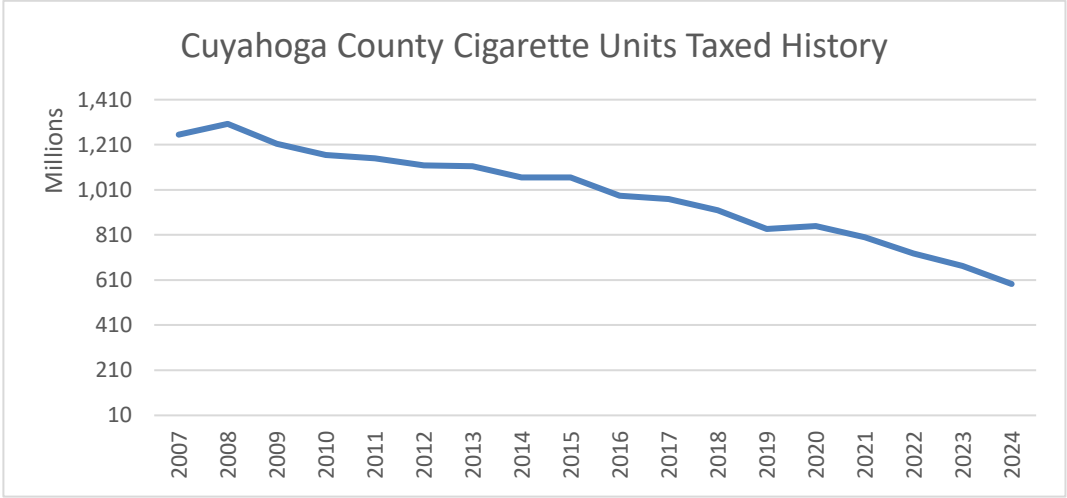
**Cuyahoga Arts and Culture**  
**Balance Sheet**  
**As of August 31, 2025**

	<u><b>Total</b></u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Bank Accounts</b>	
KeyBank	\$ 67,593
RedTree (U.S.Bank)	\$ 8,738,740
Star Ohio	\$ 5,124,370
<b>Total Bank Accounts</b>	<u>\$ 13,930,703</u>
<b>Accounts Receivable</b>	
11000 Accounts Receivable	\$ 1,635,885
<b>Total Accounts Receivable</b>	<u>\$ 1,635,885</u>
<b>Total Current Assets</b>	<u>\$ 15,566,588</u>
<b>Fixed Assets</b>	
15000 Furniture and Equipment	\$ 7,783
17000 Accumulated Depreciation	\$ (1,773)
<b>Total Fixed Assets</b>	<u>\$ 6,010</u>
<b>TOTAL ASSETS</b>	<u>\$ 15,572,598</u>
<b>LIABILITIES AND EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
24000 Payroll Liabilities	\$ 2,526
24200 GOS Grants	\$ 2,876,421
24300 PS and CH Grants	\$ 1,023,393
24400 SFA and Other (CC) Grants	\$ 424,000
<b>Total Other Current Liabilities</b>	<u>\$ 4,326,340</u>
<b>Total Current Liabilities</b>	<u>\$ 4,326,340</u>
<b>Total Liabilities</b>	<u>\$ 4,326,340</u>
<b>Equity</b>	
32000 General Fund	\$ 10,385,412
Net Income	\$ 860,846
<b>Total Equity</b>	<u>\$ 11,246,258</u>
<b>TOTAL LIABILITIES AND EQUITY</b>	<u>\$ 15,572,598</u>



CIGARETTE TAX RECEIPTS FY 24 VS FY 25 YTD					Per Unit Comparison		
Month	2024	2025	2025 \$VAR	24/25 % VAR \$	Units 2024	Units 2025	24/25 % VAR
JANUARY	\$ 720,680.19	\$ 779,850	\$ 59,170	8.2%	48,045,346	51,990,000	8.2%
FEBRUARY	\$ 585,197.39	\$ 944,786	\$ 359,588	61.4%	39,013,159	26,993,877	-30.8%
MARCH	\$ 601,562	\$ 1,501,604	\$ 900,042	149.6%	40,104,135	42,902,970	7.0%
APRIL	\$ 762,671	\$ 2,090,165	\$ 1,327,494	174.1%	50,844,755	59,718,999	17.5%
MAY	\$ 823,926	\$ 1,834,470	\$ 1,010,545	122.6%	54,928,378	52,413,441	-4.6%
JUNE	\$ 1,302,380	\$ 3,005,148	\$ 1,702,767	130.7%	86,825,348	85,861,361	-1.1%
JULY	\$ 274,154	\$ 580,403	\$ 306,250	111.7%	18,276,912	16,582,956	-9.3%
AUGUST	\$ 798,357	\$ 1,635,885	\$ 837,528	104.9%	53,223,783	46,739,577	-12.2%
SEPTEMBER	\$ 762,716						
OCTOBER	\$ 755,751						
NOVEMBER	\$ 659,755						
DECEMBER	\$ 842,362						
TOTALS	\$ 8,889,512	\$ 12,372,311	\$ 6,503,384	210.8%	391,261,817	383,203,181	-2.06%

Historical Unit Sales of Cigarettes for Cuyahoga County				
Year	Actual	Units	Annual Change	3 year average
2007	\$ 18,815,996	1,254,399,737		
2008	\$ 19,540,480	1,302,698,647	3.85%	
2009	\$ 18,222,183	1,214,812,200	-6.75%	
2010	\$ 17,456,610	1,163,773,972	-4.20%	
2011	\$ 17,241,240	1,149,415,970	-1.23%	-4.06%
2012	\$ 16,791,300	1,119,420,000	-2.61%	-2.68%
2013	\$ 16,719,606	1,114,640,400	-0.43%	-1.42%
2014	\$ 15,984,716	1,065,647,719	-4.40%	-2.48%
2015	\$ 15,986,647	1,065,776,471	0.01%	-1.60%
2016	\$ 14,767,137	984,475,779	-7.63%	-4.00%
2017	\$ 14,533,031	968,868,731	-1.59%	-3.07%
2018	\$ 13,799,929	919,995,234	-5.04%	-4.75%
2019	\$ 12,552,790	836,852,635	-9.04%	-5.22%
2020	\$ 12,732,464	848,830,953	1.43%	-4.22%
2021	\$ 12,009,236	800,615,733	-5.68%	-4.43%
2022	\$ 10,931,382	728,758,800	-8.98%	-4.41%
2023	\$ 10,083,086	672,205,752	-7.76%	-7.47%
2024	\$ 8,889,512	592,634,131	-11.84%	-9.52%
2025 YTD/August	\$ 12,372,311	383,203,181	-2.06%	-7.22%

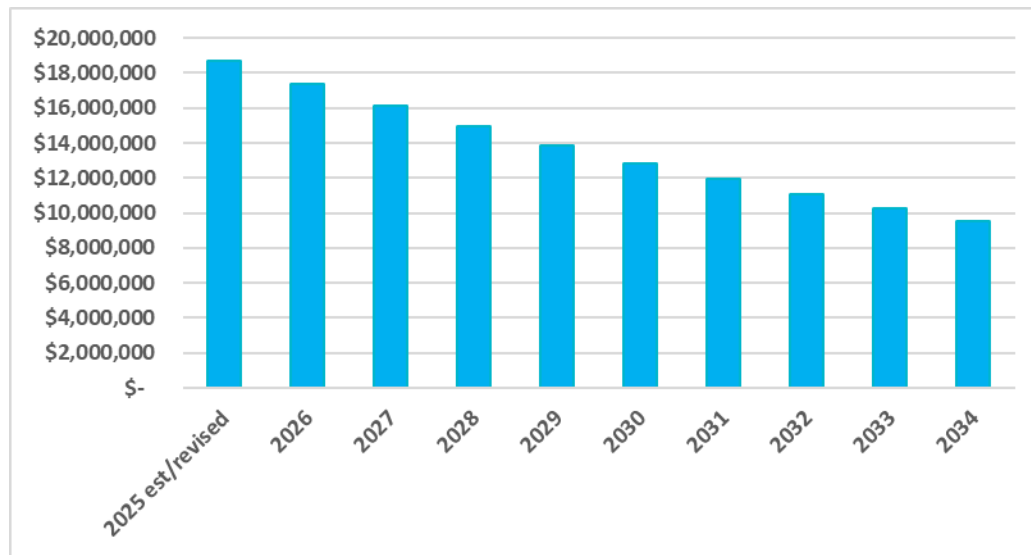


### Estimated Tax Revenue Forecast (2025-2034)

Year	Current 3/yr Avg Annual decrease - 7.22%
2025 est/revised	\$ 18,703,244
2026	\$ 17,353,043
2027	\$ 16,100,313
2028	\$ 14,938,019
2029	\$ 13,859,632
2030	\$ 12,859,095
2031	\$ 11,930,787
2032	\$ 11,069,494
2033	\$ 10,270,379
2034	\$ 9,528,952
2035	\$ 800,000
Est Total Rev.	\$ 137,412,957
Est. Interest	\$ 2,600,000
As of 9/17/25	\$ 140,012,957

### Estimated Tax Revenue Forecast (2025-2034)

3-Year Average Annual Decrease - 7.22%





## MEMORANDUM

Date: September 25, 2025  
To: CAC Board of Trustees  
From: CAC Staff  
Re: Discussion Guide: 10-year revenue forecasting, 2026-27 allocation strategy

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**Executive Summary:** Based on the Board-approved 2026 grantmaking objectives and grant guidelines, a preliminary grantmaking allocation of \$12.9 million is recommended for 2026. This proposed allocation allows CAC to make level grantmaking investments each year throughout the duration of the current levy, from 2026-2035. This long-term strategy offers stability for both the nonprofits we fund and for our agency, as we manage a finite revenue source that will decline.

**Board Action:** None requested. Discussion will inform the 2026 grant recommendations presented for Board approval in November 2025.

### Background & Board Decisions to Date

To guide the Board of Trustees in discussion regarding CAC's grantmaking allocation strategy, this memo provides current tax revenue forecasts (2026-2035) and grant allocation recommendations for 2026-2027.

The recommendation builds upon Board discussion related to CAC's:

1. Ongoing assessment of **tax revenue data, trends, and forecasts**
2. Understanding of and research on the **local and national arts funding landscape**
3. Organizational **history and learnings** from the past 18 years
4. **2026 Grantmaking Objectives** rooted in grantee feedback (Board-approved February 2025)
5. 2026-27 General Operating Support and 2026 Project Support **grant guidelines** (Board-approved April 2025)

See the document following this memo for detail on Board decisions over the last year that serve as the basis for this allocation strategy.

### Revenue & Expense: History and Forecast

CAC has a single source of revenue, a cigarette tax. This revenue stream is one that is known to decline year-over-year, a distinguishing feature that must be considered in long-term planning.

To date, CAC has received \$278 million in cigarette tax revenue over the agency’s 18-year history. This dedicated revenue source has decreased year-over-year nearly every year since CAC’s inception. Today, cigarette unit sales – the measure of the tax collection – are just 46% of what they were in 2007. Historically, CAC forecasts the next year’s annual tax revenue by using an average decrease rate from each of the last three years.

Using this approach, the estimated tax revenue for Levy 3 (2/2025-1/2035) is approximately \$137.4M.

Tax revenue from the previous decade (2015-2025) was \$125.8M. Despite the tax now more than doubling, it is forecast that the tax will bring in just 9.2% more revenue over the next 10-year period (2/2025-1/2035) as unit sales of cigarettes continue to decline.

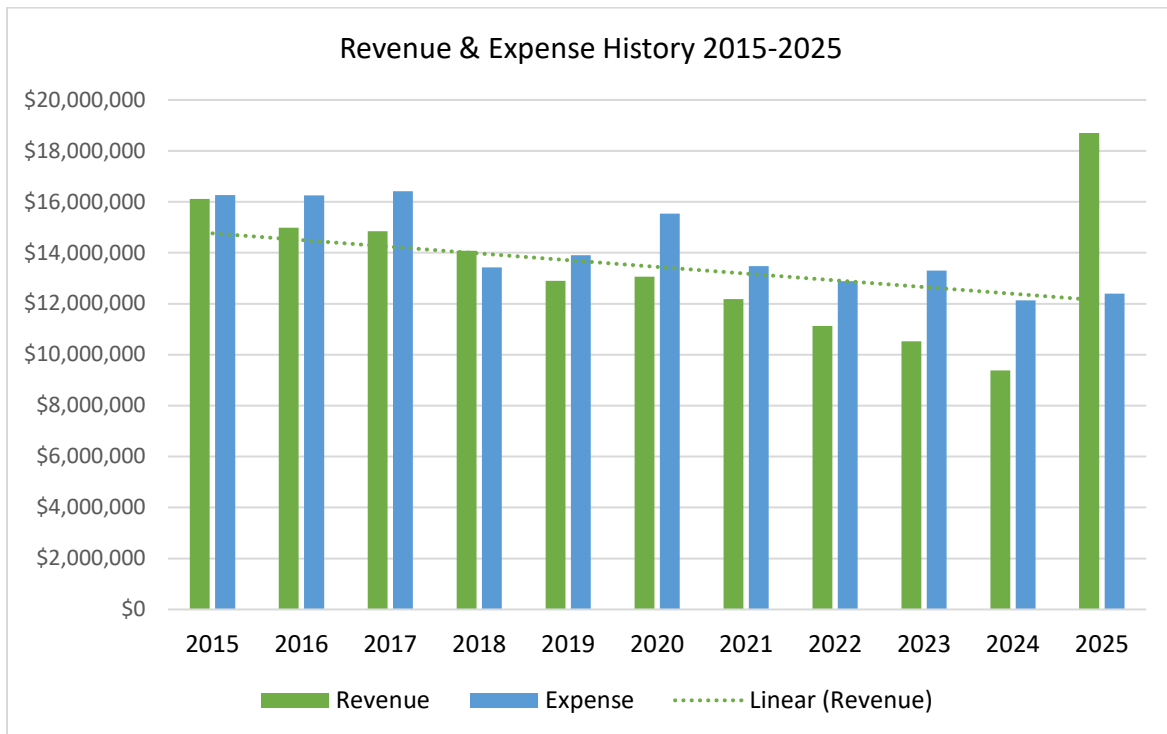
**Table 1. Revenue collected previous 10 years vs. future 10 years.**

Time Period	Revenue Collected
2/2015-1/2025	\$125.8M
2/2025-1/2035	\$137.4M *

\*estimated as of 9/25

**Chart 1: Cuyahoga Arts & Culture’s tax revenue and expenses from 2015-2025, by year.**

*Note: Grantmaking expenses are 92.4% of total expenses, on average, each year.*



### Planning for Stability: 2026-2035 Grantmaking

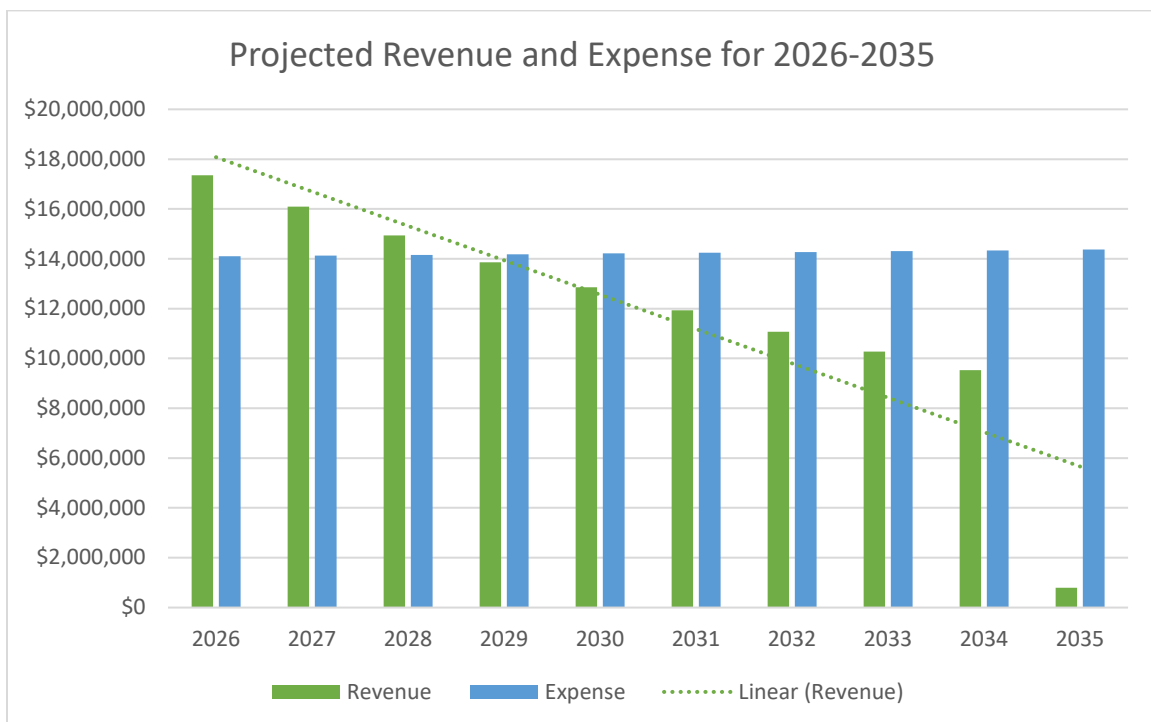
Over the last six months, this Board has held multiple meetings to develop a long-term strategy that prioritizes consistent and predictable operating support for Cuyahoga County arts and culture nonprofits over the next decade. To achieve this goal, the Board agreed that CAC must allocate a grantmaking investment for 2026 and 2027 that allows CAC to sustain a level investment through 2035. This will position CAC to best fulfill its mission to strengthen the community by investing in nonprofits for the duration of Levy 3.

In keeping with the Board's direction, CAC staff recommends a 2026-2027 grantmaking allocation totaling an estimated \$25.8M (\$12.9M in both 2026 and 2027). This proposed grant funding level of approximately \$12.9M each year is expected to be sustainable for the life of this operating levy, providing a consistent grant allocation amount from 2026 through 2035.

We have learned from the past 18 years. Cutting grantmaking every two years is destabilizing – for the nonprofits we fund, and for our agency. By budgeting for flat grantmaking for the next ten years, this agency offers the nonprofits we fund the predictability they need through varying economic conditions.

### Chart 2: Cuyahoga Arts & Culture's projected revenue and expense from 2026-2035, by year

*Note: Grantmaking expenses are 91.9% of total expenses, on average, each year.*



**2026 Grant Programs: Recommendation** *(estimate as of 9/25)*

314 General Operating Support and Project Support applicants met eligibility criteria to move forward in the grantmaking process:

- **2026-2027 General Operating Support:** Up to 151 applicants will be recommended for funding with grants ranging from \$5,000 to \$1,000,000.
- **2026 Project Support:** 163 applicants are eligible to be reviewed in the panel process for grants of up to \$7,500.

**2026 Grantmaking Projections** *(as of 9/25)*

<b>Grant Program</b>	<b>Grantmaking Budget (estimated)</b>	<b>Potential Grants</b>
General Operating Support	Up to \$11,400,000 (88%)	up to 151
Project Support	Up to \$950,000 (7%)	up to 163
Support for Artists Grant (to Assembly for the Arts)	Up to \$500,000 (4%)	1
Resident-Led Grants (to Neighborhood Connections)	Up to \$50,000 (1%)	1
<b>Total</b>	<b>Up to \$12,900,000</b>	<b>Up to 316 grants</b>

**Next Steps**

Using the policies in the grant guidelines, CAC staff will bring all 2026 grant recommendations to the Board of Trustees for approval at its November 2025 meeting.

## CAC Board Timeline: 2025 - Progress to Date

*September 2024 - February 2025*

### **Board Discussed Community Listening Project Results**

To inform grantmaking for 2026+, CAC conducted a year-long listening project called the *Grantee Connect Series*, wherein we:

- Conducted a grantee survey with a 75% organizational response rate (185 organizations)
- Held six forums to gather additional feedback from grantees
- Benchmarked our agency against nine other public funders nationwide

280+ people representing 200+ CAC-funded nonprofits participated in the listening series. View the [Grantee Connect Series summary](#).

*February 2025*

### **Board Approved 2026 Grantmaking Objectives**

- Prioritize consistent and reliable operating support funding
- Build efficient and effective grantmaking practices
- Increase awareness and transparency
- Continue CAC's emphasis on public benefit
- Deepen connection and trust with our grant recipients

### **Board Affirmed Approach for Forecasting Revenue to Plan for 10-Year Levy**

- Agreed on continued use of 3-year lookback model for forecasting revenue
- Stated desire to forecast realistically, using recent revenue trends as the mechanism to make forecasts, knowing that there are always factors beyond CAC's control

*April 2025*

### **Board Approved 2026 Grant Guidelines**

Key elements of Board-approved 2026 Project Support and 2026-27 General Operating Support include:

- Further streamlined and simplified grant applications and reporting
- Use of predictable funding categories, based on budget size, across programs
- Prioritized operating support for eligible Cuyahoga County nonprofits with a core mission of arts and culture by expanding eligibility to organizations of all budget sizes
- Continued multi-year commitments for operating support grant recipients (same grant amount for 2026 and 2027)
- 2026-27 General Operating Support grants may range from \$5,000 up to \$1M.
- 2026 Project Support grants may range up to \$5,000 or \$7,500.
- Current Cultural Heritage grantees can apply for an operating support grant.

*August 13, 2025*

### **Summer Retreat**

- Reviewed 2025+ key dates and anticipated 2025 Board actions, provided staff guidance on timing and strategy.
- Reviewed governance responsibilities and reviewed ORC 3381

## Upcoming Key Dates & Board Actions

*September 25, 2025*

### **September Regular Meeting**

- Review tax revenue to date / updated forecasting
- Discuss allocation strategy

*November 12, 2025*

### **November Regular Meeting**

- Action: 2026 Project Support and 2026-27 General Operating Support grants\*
- Action: Neighborhood Connections grant for resident-led arts projects\*
- Action: Support for Artists 2026 grant (Assembly)\*
- Preview 2026 CAC budget and other administrative matters

*December 17, 2025*

### **December Regular Meeting**

- Action: 2026 CAC Organizational Budget\*

\* *Note: All grants require CAC Board of Trustees approval.*



<b>Contractor</b>	<b>Amount</b>	<b>Purpose</b>	<b>Term</b>	<b>Requires Board Approval</b>
Elizabeth Russell, LLC	\$21,000	Communications support for CAC Board and staff.	9/1/2025-11/30/2025	Y