

**North Shore Arts Association of Gloucester, Inc.
11 Pirates Lane, Gloucester MA 01930**

Annual Meeting -- August 26, 2018

MINUTES

There being a quorum, the meeting was called to order by the President at 3:00 p.m.

Secretary's Report – Andrea van Gestel, Recording Secretary

The reading of the minutes of the August 27, 2017. Annual Meeting was waived, and those minutes were accepted as presented.

President's Report – Anne Demeter, President

I love walking into this building it has been an important part of my life. Has NSAA had the same impact on your lives, the art community and Cape Ann?

This 100-year-old structure is where we are welcomed by our friends, and the small but mighty staff. We then immerse ourselves in another world, the inspired creations of others; and we share thoughts and laughter.

The all-volunteer board of trustees is diligent in their fiduciary responsibilities, but at this annual meeting they will inform you of just how difficult their job is. Although it does not appear so by our well-attended receptions, we run a bare bones operation through your donations.

Over the past four years we have found that despite good sales of member artwork, marina income, the auction and weddings, we just cover the bills. It requires 'an event' each year to sustain NSAA.

The board of trustees has used your past donations and grants funds, to repair the waterside wall, replace windows, add lettering to the building NORTH SHORE ARTS, Est. 1922! The lighting has been replaced, alarm system upgraded, the staff painted and repaired the classroom, the front of the building, and the entire marina area has been restored.

On the 2019 agenda, we must replace the old gas heaters, paint inside and outside back walls, and with the help of abutters repave Pirates Lane.

Finally, members, I cannot say this often enough, like Deep Throat...Follow the money!

Closely follow the money and the leadership in every organization that you belong to, if its existence is important to you.

Treasurer's Report – Larry Swift, Treasurer

The table following summarizes NSAA's income and expenses for the period 2015 through June 2018. This summary was developed from reports prepared by the outside Auditing and Bookkeeping Firms.

The most relevant information is in the columns headed 2015, 2016 and 2017. The Board has carefully managed the finances resulting in gains for 2016, 2017 and, likely, for 2018. To add further perspective, NSAA has achieved a \$44,500 turn-around from 2014 when we lost \$22,600 to 2017's gain of \$21,900.

In 2017, the Marina Lease was renewed to include more favorable rental payments, a complete restoration of the waterfront and a one-time payment of \$30,000 paid in two installments (January and July). The rent amount shown under the 2018 column includes \$15,000 of this one-time payment.

You will also note a very significant increase in the General Donations amount in 2018 versus previous years. NSAA received a \$50,000 bequest from an Artist Member's estate.

The \$86,905 gain shown for 2018 is, therefore, very misleading. Excluding the two one-time windfall amounts, the "real" operating gain through June 2018 is \$21,000.

It will be important to invest the windfall amounts carefully; the old adage "the only way to make money is to spend money" is a great way to lose money. Consequently, the Board is developing a multi-year strategic financial plan which will help determine the best use of these windfall funds. Among the projects being discussed are paving the access road, rebuilding the porch, painting the off-water sides and installing a new heating system.

Additionally, a portion of this windfall will be used when applying for grants requiring matching funds.

NSSA's challenges going forward are to continue to grow income, strengthen membership and finish the stabilization of the building. NSSA really has two assets: the membership and the facility. The Board has made good progress on the building. We need to continue to build the NSAA brand which can only be done by the membership. Your Association needs your support, participation and best work to continue to be a viable and important Association.

Detailed reports are available for Artist Members.

See attachment A1.

Finance Committee Report – Jim Daly, Chair

The Finance Committee went through a "reboot" at the beginning of 2018, and we've taken a fresh look at the financial needs and reporting processes that are important to the health and welfare of the NSAA.

- The focus of the Finance Committee in 2018 has been to develop new tools, methods, processes and procedures to plan a detailed annual budget, and the use of key metrics that enable a standardized Monthly Financial Review.
- Additionally, the Finance Committee has worked with the Executive Committee to help produce a prioritized list of capital expenditures that can be implemented based on the available capital resources (Budget).

- Finally, in 2018 the Financial Committee has provided inputs to the EC regarding one-time budget windfall contributions, including the establishment of a Non-Profit Industry Standard Reserve (or "rainy-day fund").
 - For 2019, we will use the results of 2018 as a starting point, and develop a better modeled Annual Budget beginning in January. We will refine our methods and continue to try to improve our Monthly Financial Review with the goal of institutionalizing a repeatable, sustainable financial control method.
 - Drafted a new Budgeting and Financial Planning Procedure
 - *Operational Reserves Procedure*
 - *Reporting Procedure*
 - *Internal Controls and Accountability Procedure*
 - *Special Financial Committee Policies: Grants, Staff Plan, Special Events, Audits and Investments Procedure*
 - *Role of the Chair*
- See attachment A2

Gallery Director's Report – Linda Cote, Gallery Director

Exhibitions/Receptions

The 2018 season has welcomed approximately 2,500 visitors to date (down approximately 500 from same period 2017). However, art sales have exceeded the same period for 2017. Sales to date are \$64,337 up \$41,829 from the same period 2017. Of this gain, approximately \$6,500 can be attributed to our new gallery space in the studio (beautifully cleaned, painted, decorated and hung by staff members Kathy Staab and Rebecca Siswick Graham). We hope to see sales increase even further with Exhibition 4 and the Don Stone Retrospective. All receptions continue to be very well attended, beautifully appointed and lively. We are very grateful to our Hospitality Committee, with special thanks to Hospitality Co-chairs Susan Drennan and Linda Jo Nielsen and the many, many volunteers for making these gatherings so enjoyable.

Annual Fundraising Auction

The 2018 auction was a great success! NSAA raised nearly \$20,000 after expenses, exceeding expectations. The entire evening was, as our promo stated, "a fun, lively event"! Our auctioneer Rick Doucette was a super star. Food donations from eleven (11) local restaurants were delicious and abundant. Bar service from Vinwood Catering was superb and the décor was elegant. Thank you to all of our members who contributed to this success with your art, donations and volunteer efforts. A sincere and warm thank you to board members Donald Doyle (Auction Chair) and Marion Hall for their creative thinking and tenacious efforts that led to this success.

Annual Program Guide

Our Annual Program Guide continues to be a popular item, and each season has expanded in scope. The 2018 (64 page) edition included our calendar, exhibitions, awards, history, workshops, rental information, special events and a feature article on Don Stone, written by Judith Curtis. Fees collected from 44 advertisers covered printing costs and brought in \$3,050 in profit. Reservations for advertising space in our 2019 Guide will begin October 1st.

Education

One workshop, six artist demonstrations, three gallery walks, and one lecture were/are offered for 2018. A new concept this season (brainchild of Kathy Staab, Assistant Gallery Director) was to have the demonstrations during a small pop-up show of the demonstrating artists work. The idea proves to be a success, as so far, all the demonstrations attendance has exceeded our expectations. Our lecture scheduled for September 22nd is with nationally known artist Brian Rutenberg. Please visit our website for more information regarding Brian, as this is sure to be a fascinating lecture.

Rentals

We continue to expand marketing of our galleries for rental purposes, done primarily via collaboration with high end local caterers. This season we had/have two weddings, one rehearsal dinner, one cocktail party and one large corporate event. We are also offering the rental of our galleries for lectures, book signings, performing arts events and for private use by artists. Fee will be considered on a case-by-case basis.

Community Outreach

In the spirit of community outreach the following collaborations took place:

- Annisquam Art Club had a group of 15 young girls visit NSAA to sketch from Artist Members works in our galleries.
- New England Watercolor Society will be using NSAA as “home base” for their “Brushes with Nature” plein air program on September 12th. The event is chaired by artist member Marilyn Swift.
- Cape Ann Plein Air - I continue to be an active member of the CAPA Board. This year NSAA will host the gala awards ceremony and painting sale on October 13th. A portion of sales proceeds will be for the benefit of NSAA. Please visit The CAPA website www.capeannpleinair.com for more information.
- Gloucester Education Foundation will, for the third year in a row, hold their annual donor appreciation party in our galleries on October 19th.
- Rose Baker Senior Center has once again been invited to visit the galleries. The invitation was accepted, and they will be visiting mid-October.

Publicity/Marketing

Exposure for NSAA continues to increase via our website, Facebook, Twitter and Instagram. We continue to send press releases to local media outlets and have been featured (Don Stone Show) in North Shore Magazine and American Art Review. We have increased taking advantage of print media advertising opportunities as well. *Please partner with us!* We again ask our members to partner with us to cross promote NSAA via your personal websites and social media platforms. Post images of your works that are available for sale in our galleries. Let your collectors know we have your works available. Please like, follow and most importantly **SHARE** our Facebook page and posts. This may evolve (even if slowly) into online sales opportunities.

Volunteers

“Volunteers do not necessarily have the time; they just have the heart.” ~Elizabeth Andrew
I repeat this every year as there is no way to say it any better - Volunteers are the life-blood of any nonprofit. Our members repeatedly step forward to help in so many ways. I cannot name an event that did not have an abundance of volunteers. This support is what continues to make each event such a success. Know that NSAA is so very grateful for your generous contributions. A special thank you to

Rebecca Siswick Graham, Gallery Assistant and Volunteer Coordinator, whose cheerful drive and valuable talent for recruiting, training and guiding our volunteers, which greatly impacts our success and enriches our social network.

Special Thanks

The entire staff thanks the membership for their ongoing support, positive input and acts of kindness. We also thank our membership for offering ongoing contributions of incredible art, donations and volunteer hours. We are all very proud of our Association and the many, many accomplishments of the past year. We are so very grateful to be part of such a vibrant, diverse and iconic cultural organization.

Thank you to our remarkable staff: Rebecca Siswick Graham, Rob Sibelle and Kathy Staab. Their professionalism and stellar work ethic shines through even in the most difficult of situations. They work with never-ending enthusiasm, passion and good humor. In closing, I wish to express sincere and warm appreciation to the NSAA Board of Trustees for their support of the entire NSAA team and their dedication in support of our Association.

To all the membership and friends of NSAA, please know my door is always open for your comments and concerns – or just to say hello.

House Committee Report – John Strohmeier, Chair

Last year ended with painting the front of the building. The back and non-water side are the next endeavor. Windows for the bathrooms will be donated by Dolly and Malcolm Reid.

The basement studio has been converted to a small painting gallery. It has proven to be a wise move. I do not know how many paintings have been sold from there, but I hear it is significant. Many thanks to Linda, Kathy, Rebecca, and Rob for their work in painting and hanging.

2018 has been a very productive year. Starting with the repair and creation of new seawall by Brown's boatyard. The old red shack is now just a memory. Without our retiring President, Anne Demeter, Treasurer, Larry Swift and Allan van Gestel's legal expertise, we would not have gotten this done. A new lease was negotiated.

One of the first things I heard when I assumed my place on the house committee was the need to update the lighting. This became a passion for me, and after two years it came to fruition this past March. MassSave and NationalGrid stepped up and installed new ballasts and LED lighting. Our cost was approximately one third of the total. NationalGrid assumed the balance. I want to thank all those that contributed to the lighting fund, especially my wife who helped make it happen.

We have been working over the last two years to address the heat and AC needs for the lower gallery. I am happy to announce three HVAC will be installed starting Monday, August 27 this year. Plans are also moving forward to placing a heating unit in one of the air handlers in upper gallery. Quotes are still being obtained.

The window coverings on the harbor side will be replaced later this summer or early fall. The existing Azek coverings will be replaced with cedar. This is a combined effort with the contractor and NSAA. Original covers were approved by both parties.

The leak in the basement has hopefully been alleviated. Water, for years, has seeped into the studio by the foundation on the water side. The filling of voids and extending the downspouts appears to have done the job.

We are presently working with the Condo board and abutters on repaving Pirates Lane from East Main to the Gallery. This will probably not happen until next year at the earliest.

This coming year presents other challenges. Here are some of the projects that will be addressed: painting the galleries, including the ceiling in upper gallery, repair and refinish floors, camera surveillance for gallery, inside and outside, painting back and off water side of building and replacing porch floor.

These are highlights for the year. Many other small projects have been done. I want to thank all those that volunteered their time on various projects. We accomplished a lot this past year and have more to do. This is made possible through donations and timely help. Remember, this is your Gallery and it needs participation from all.

NSAA Endowment Trust Report – Allan van Gestel

The Endowment Trust is a separate legal instrument, created in 2011, solely for the long-term benefit of NSAA. Its principal is invested and cannot be touched until its market value reaches \$1 million. Its interest income, however, is distributed annually to NSAA.

By the end of December 2012, the Endowment's market value was about \$75 thousand. As of December 31, 2017, its market value had increased to about \$145 thousand, and as of June 30, 2018, its market value was at \$166,105.

The recent increase in market value came about in major part from a challenge grant, issued in late September, 2017, from Andrea and myself. We offered to match, dollar-for-dollar up to \$50,000, any gift to the Endowment Trust made by December 31, 2017. We are very pleased to announce that by that date the Endowment Trust had received about \$13,450 in gifts, which we promptly matched with our own gift of \$13,500. Andrea and I, and NSAA, much appreciate and thank those of you who rose to this challenge.

The Endowment Trust is not a rainy-day fund for short term needs of the NSAA. Rather, it is a long-term investment, with ever-increasing value. Since its creation, the Endowment Trust has made aggregate distributions to NSAA in the amount of \$14,358 through December of 2017, and just recently made its annual distribution in the amount of \$2,417.81.

As the Endowment Trust principal grows over the years, its annual gifts to NSAA will grow accordingly, and it will become a steadily increasing income stream for the long-term support of NSAA.

While every gift is welcomed, we particularly encourage each of you, as you participate in your own personal estate planning, to consider including the Endowment Trust as one of your beneficiaries. Hopefully, there will come a time when the Endowment Trust will be making annual distributions to NSAA that will be one of the significant income pillars to its annual operation. Wouldn't it have been wonderful if such an endowment were established seventy-five or even fifty years ago!

Ballot: 2019 Trustees and Jurors

Ballots were distributed to Artist Members, who voted for Trustees, the Artist Membership Jury, and the Exhibition Jury. Elected were:

Officers (elected for a two-year term): President, Judy Metcalfe; Co-Vice Presidents, Bonnie Gray and Marion Hall; Treasurer, Larry Swift; and Corresponding Secretary, Dolly Reid.

Trustees (elected for a three-year term): Donald Doyle (second term), Karl Frank (second term), Jeannie McIntyre, Leigh Slingluff, John Strohmeier (second term), and Marny Williams.

Exhibition Jury (elected for a one-year term): Jude Abbe, John Caggiano, Anne Demeter, Jim Gibbons, Ginger Greenblatt, Anita Johnson, T. M. Nicholas, Dennis Piorier, Judy Pumfrey, Larry Pumfrey, Dolores Reid, Charlotte Roberts, Lenice Strohmeier, and Jeff Weaver.

Artist Membership Jury (elected for a one-year term): Katherine Coakley, Jim Daly, Shelly Eager, Marion Hall, Jonathan Hotz, Christine Whalen-Waller, and Heidi Caswell Zander. Alternates: Nancy Colella, Annalee Johnson, Nella Lush, and Carmela Martin.

President's Award – Anne Demeter, President

The President's Award was established and endowed by Ron Straka, a past President and a continuing advisor. To be presented annually, it is an honor bestowed on a Trustee or Trustees whose service to NSAA has been extraordinary.

The President's Award for the year 2018 is awarded to Peter Tysver.

The following committee reports, although not presented at the Annual Meeting, were made available on NSAA's website prior to the meeting. Committee chairs were present at the meeting and available for questions and comment.

Arts and Exhibitions Committee – Anita Johnson and Lenice Strohmeier, Co-Chairs

The NSAA 2018 Exhibition Schedule included four major exhibitions with duration of approximately six weeks each. This has continued to work well for the artists, many of whom have their own galleries, are in other galleries and belong to many organizations that hold exhibitions during the same time as NSAA. The volunteers who design the shows appreciate the schedule as each exhibition can take up to three or four full days to layout. Importantly, the staff has more time to promote and sell artwork after the many days of preparing paper work necessary for each show. And lastly, the patrons enjoy returning to exhibitions to share the art their with family and friends.

This year the basement studio was converted into a show room for artist members to have the opportunity for additional sales. Thanks to NSAA Gallery Director, Linda Cote, House Committee Chair, John Strohmeier and Assistant Gallery Directors: Kathleen Staab and Rebecca Siswick Graham for making this a reality! The Studio Gallery, along with the shrink-wrap and small works in the first-floor gallery give patrons more options to purchase fine art.

The Art and Exhibitions Committee keeps a list for Artist Members who wish to have shows in the Gordon Grant Gallery and/or the hallway. Currently, the Gordon Grant Gallery list is very long, but there are only a few artists signed up for the hallway.

Thank you to all the hard-working volunteers who give up a total of 12 to 16 days each season to design the NSAA Exhibitions. Special thanks to Anne Demeter, Richard Giedd and Judy Metcalfe! Also, Paul Ciaramitaro who literally hangs all the paintings! It has been a pleasure serving on this committee for the last four years.

Acquisition Committee Report – Peter Tysver, Chair

In November of 2017 we received a large donation from the family of the late Rita A. Gagnon. This donation contained over fifty paintings and prints, mostly by Ms. Gagnon, who was not a NSAA member. Included in this collection, however, were a small watercolor and a small print by John Chetcuti, a former NSAA member; a small watercolor by Don Stone, former NSAA member; and a small watercolor by Claude Croney, also former NSAA member. These paintings are all of good quality and will make a welcome addition to the museum collection as we previously did not have any examples of works by these three former members. The other paintings and the prints which are of less interest will be or have been disposed of in an appropriate manner.

In January ten art books were donated by former NSAA Historian Ted Tysver. These books were from the collection of the late Mary Jean Nugent, former NSAA member and long time art instructor at Gloucester High School.

In June there were three donations:

- *Geraniums in a Pot* by Joan Judd, watercolor, 14” x 10.5”, nicely matted and framed. Joan Judd was an associate member of NSAA;
- *Bouquet* by Dorothy Russell, watercolor, 23.5” x 17.5”, also nicely matted and framed. Dorothy Russell was a member of the Rockport Art Association.
- *Still Life With Wine Bottle*, artist undetermined at this point. The painting is signed lower right, but I cannot decipher the signature. Watercolor, 10.5” x 13 .5”. This painting is also nicely matted and framed.

There have been four new donations during the past month. All four paintings are nicely framed and have gone on display in the front room of the lower gallery. The four paintings are:

- *End of The Day Pigeon Cove* by Harold Kloongian, oil on canvas 24” x 30”, donated by Agnes Kloongian.
- *Mill Pond* by Frances Butler, oil on canvas 24” x 30”, donated by Peter Kostoulakos;
- *It's a Good Life* by Helen Van Wyk, oil on canvas, 20” x 24”, donated by Peter Kostoulakos;
- *Fox Hounds* by Betty Lou Schlemm, watercolor, 21” x 29”, donated by Don and Ruth Hyer.

The installation of the new storage racks in the vault was undertaken in May. The new racks were built by John Strohmeier. The Chair would like to take this opportunity to give John a big thank you for all of the hard work that he has done on this and other projects at NSAA. To install the new racks, everything in the vault had to be removed and then re-installed after the racks had been put in place.

Helping with this task were John Strohmeier, Don Doyle, Tim Neill, and Anne Demeter. Thanks to all who helped.

The North Shore Arts Association is always interested in adding works to our Museum Collection. We welcome any donations, but please note that quality is important. We are especially interested in works by founding and early members. Many of these early members were very distinguished artists who are well known beyond Cape Ann.

Anyone interested in donating works can contact our gallery manager, Linda Cote.

Also, we note that with the acquisition of works to form a permanent collection comes a commitment to maintain and preserve the works in good condition for the enjoyment of future generations. The conservation of works of art requires the expenditure of funds. Any donation, however small, for conservation of works in our Museum Collection, would be welcome. Please contact Linda Cote if you are interested.

Education Committee Report – Bonnie Gray, Chair

Four applications were received this year for the NSAA Scholarship in the amount of \$1,000.

The decision was made to award the scholarship to: Elizabeth Silveira, who was graduating from Gloucester High School. Elizabeth is attending the Art Institute of Chicago in the Fall and is an outstanding student and artist.

The Board of Trustees wishes Elizabeth continued success in her artistic endeavors.

Grant Committee Report – Bonnie Gray, Chair

The NSAA Grant Committee submitted an application to the Massachusetts Cultural Council for its Facilities Grant in hopes of receiving funding to help with installation of heat/air conditioning on the first floor of the building as well as completing the restoration of the exterior of the building including replacing a few windows.

Unfortunately, we were not recipients of the grant. Ongoing efforts are being made to find other sources for completing these projects.

Awards Committee Report – Christine Whalen-Waller, Chair

The Awards Committee secured 7 new awards for the 2018 exhibition and one existing award was increased in value, representing an increase in awards value of \$1,810.

1. Grumbacher Award for Distinction - one gift certificate - value \$500.
2. Guerrilla Painter- three gift certificates - \$150, \$130 and \$80 - total value \$360.
3. Cheap Joe's Art Stuff - two gift certificates @ \$150 each - total value \$300.
4. Harold Rotenberg Memorial Award for Innovation in Painting - one monetary award @ \$200.
5. Tom and Gloria Nicholas Award in memory of John Calabro - one monetary award @ \$200.
6. Jon E. Erickson Memorial Award for Excellence in Graphics - one yearly monetary award @ \$100.
7. Mimi Dee Artwear Award for Artist Member - one gift certificate value \$50.

Paul Strisik Memorial Award for Excellence in Landscape was increased in value to \$350.

Five awards were retired or reduced in 2018, for a loss of value of \$950.

1. Donald Allen Mosher Memorial Award for Excellence in Landscape - loss of \$300 in value
2. First Ipswich Bank Award - loss of value \$250.
3. Movalli Family Award for Excellence in Painting - loss of value \$200.
4. Mary A. Saija Memorial Award for Excellence in Watercolor or Painting - loss of \$100 in value.
5. Tom and Gloria Nicholas Award in memory of Charles Movalli was decreased in value by \$100 to \$100.

As a result, the overall value of the awards given in the 2018 exhibition season increased by a total of \$860.

The Committee encourages our artist members, associates, and patrons to reach out to potential sponsors who might wish to give awards in memory of loved ones, mentors, or to encourage a broader scope of media, type of work or subject matter to be eligible for recognition.

The 2019 Awards Committee will consist of Dolores E. Reid and Katalin Spang, Co-Chairs, and committee member Dale Sherman Blodgett. Please consider joining the committee, and if you are the recipient of a NSAA award, contacting the donor with a thank-you for their generosity.

It has been my pleasure to serve these past five years as Chair of the Awards Committee and to work with my hard-working fellow committee members, the very supportive Board of Trustees, and our dedicated staff.

New Business

The following was presented by Artist Members James Oliver and Eileen Patten Oliver:

We would like to introduce something as part of "new business" at the Annual Meeting on August 26th. We would like the issue of the number of shows per year to be reconsidered, and see it go back to 5 shows a year. We think that a new exhibit 5 times over the course of 6 months is reasonable and that the current 4 exhibits a year is insufficient, not to mention that the last show goes on for the better part of two months. Five shows a year is more in keeping with what other organizations do over that same 6-month time frame. It keeps the work fresh and allows members one more opportunity per season to display their work. We understood when the need to raise dues came up, going from \$90 per year to \$120, but at the same time we were given one less opportunity to show our work. We feel this decision to have 4 shows a year needs to be revisited and raised to 5 a year again starting in the 2019 season.

Respectfully submitted,
Andrea van Gestel
Recording Secretary, *pro tem*