

North Shore Arts Association

Annual Meeting – August 26, 2018

Treasurer's Report

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.

A 2017 Profit & Loss Statement is available for Artist Members.

SUMMARY OF OPERATING INCOME AND EXPENSES				
	<u>2015</u>	<u>2016</u>	<u>2017</u>	<u>2018 YTD (1)</u>
<u>INCOME</u>				
Art Sales (2)	\$63,050	\$50,850	\$53,170	\$14,300
Workshops	\$8,420	\$8,285	\$2,900	\$725
Auction (3)	\$51,795	\$31,000	\$33,140	\$0
General Donations	\$15,635	\$18,845	\$6,205	\$55,625
Dues	\$34,075	\$32,955	\$40,135	\$35,010
Rent (4)	\$56,570	\$58,900	\$56,925	\$50,500
Special Events (5)	\$15,400	\$13,275	\$39,115	\$300
Other (6)	<u>\$4,345</u>	<u>\$26,490</u>	<u>\$12,810</u>	<u>\$12,600</u>
TOTAL INCOME	\$249,290	\$240,600	\$244,400	\$169,060
<u>EXPENSES</u>				
Payments to Artists (7)	\$60,425	\$55,400	\$45,410	\$6,260
Awards	\$9,500	\$6,975	\$6,660	\$4,625
Professional Fees (8)	\$24,520	\$18,960	\$16,855	\$3,295
Facilities/Utilities (9)	\$22,075	\$17,230	\$33,295	\$12,040
Office & Related (10)	\$17,395	\$11,100	\$13,005	\$5,590
Insurance	\$7,300	\$6,150	\$5,825	\$2,370
Payroll	\$80,250	\$80,900	\$85,740	\$40,830
Special Events (5)	\$25,035	\$5,000	\$3,180	\$120
Other (11)	<u>\$16,515</u>	<u>\$17,250</u>	<u>\$12,525</u>	<u>\$7,025</u>
TOTAL EXPENSES	\$263,015	\$218,965	\$222,495	\$82,155
OPERATING GAIN/LOSS	-\$13,725	\$21,635	\$21,905	\$86,905
Notes:				
(1) Through June 2018				
(2) Paintings, Sculptures, Bin & Mini, Hats, Books, Solo Shows				
(3) Includes Tickets				
(4) Marina/Building Rental				
(5) Includes Retrospective Shows				
(6) Exhibition Guide, Interest, Awards, Endowment				
(7) Art Sales/Auction/Workshops/Cards				
(8) Accounting/Bookkeeping/Bank & Credit Charges Fees				
(9) Includes RE Taxes & Depreciation				
(10) Supplies/Postage/Office Expense, Advertising				
(11) Miscellaneous, Exhibition Guide				