

North Shore Arts Association
Annual Meeting – August 18, 2019
Treasurer’s Report

This Report presents a comprehensive summary of NSAA’s operating income and expenses for the years 2016, 2017, 2018 and through the first six months of June 2019.

This information was compiled from the Financial Statements prepared by the outside Accounting Firm and from NSAA’s Profit and Loss Statements prepared by the outside Bookkeeping Firm.

Areas of note include:

- Art Sales tend to run about the same year over year. For 2019, NSAA has created the Studio and First Floor Revolving Showroom and it is interesting to note that, through June, the Exhibition Sales pale in comparison to the Showroom sales.
- The General Donations for 2018 were inflated by a One-time \$50,000 bequest from an Artist’s estate. Donations are very important to the viability of NSAA and are much appreciated.
- Most of the Artist Dues for 2019 have been collected; they show a DECREASING trend from 2016.
- The Rental category for 2018 was the beneficiary of a one-time \$30,000 payment when the Marina Lease was renegotiated.

The Operating Gain for 2018 is, as identified above, inflated due to the bequest and the marina one-time payment. The Effective Operating Gain for 2018 was \$27,365 – a bit higher, but similar to 2016 and 2017.

The 2019 Year to Date Actual (not Planned) Operating Gain is deceiving in that Expenses for the second half of the year are generally higher than the first six months; Income for the second half of 2019 will be less than 2017 since there are no Retrospective Shows scheduled; and the Auction Results are not known.

NSAA’s challenges going forward include determining the reasons for the low levels of art work sales, strengthening the membership, improving NSAA’s Brand, involving members in growing the organization, and continuing to improve the physical structure.

The Profit & Loss Statement for 2018 is available on request.

SUMMARY OF OPERATING INCOME AND EXPENSES				
	<u>2016</u>	<u>2017</u>	<u>2018</u>	<u>2019 YTD (1)</u>
<u>INCOME</u>				
Art Sales (2)	\$50,850	\$53,170	\$47,950	\$5,755
Showroom Sales	\$0	\$0	\$0	\$19,420
Total Arts Sales	\$50,850	\$53,170	\$47,950	\$25,175
Workshops	\$8,285	\$2,900	\$1,525	\$1,100
Auction (3)	\$31,000	\$33,140	\$33,315	---
General Donations (4)	\$18,845	\$6,205	\$62,920	\$9,940
Dues	\$32,955	\$40,135	\$39,030	\$33,475
Rent (5)	\$58,900	\$56,925	\$110,700	\$35,750
Special Events (6)	\$13,275	\$39,115	\$56,990	---
Other (7)	<u>\$26,490</u>	<u>\$12,810</u>	<u>\$30,065</u>	<u>\$13,090</u>
TOTAL INCOME	\$240,600	\$244,400	\$382,495	\$118,530
<u>EXPENSES</u>				
Payments to Artists (8)	\$55,400	\$45,410	\$71,725	\$14,995
Awards	\$6,975	\$6,660	\$7,940	\$3,650
Professional Fees (9)	\$18,960	\$16,855	\$19,300	\$3,820
Facilities/Utilities (10)	\$17,230	\$33,295	\$44,875	\$6,945
Office & Related (11)	\$11,100	\$13,005	\$10,155	\$4,265
Insurance	\$6,150	\$5,825	\$6,280	\$2,670
Salary + Benefits	\$80,900	\$85,740	\$94,320	\$41,560
Special Events	\$5,000	\$3,180	\$3,335	---
Other (12)	<u>\$17,250</u>	<u>\$12,525</u>	<u>\$17,200</u>	<u>\$8,490</u>
TOTAL EXPENSES	\$218,965	\$222,495	\$275,130	\$86,395
OPERATING GAIN/LOSS	\$21,635	\$21,905	\$107,365	\$32,135
Notes:				
(1) Through June 2019				
(2) Exhibitions, Bin & Mini, Hats, Books including Hall & Gordon Grant Room Shows				
(3) Includes Tickets				
(4) Includes \$50,000 bequest from Artist Estate (2018)				
(5) Marina/Building Rental				
(6) Includes Retrospective Shows				
(7) Exhibition Guide, Interest, Awards, Endowment, Miscellaneous				
(8) All Payments including Art Sales/Auction/Workshops/Cards				
(9) Accounting/Bookkeeping/Bank & Credit Charges Fees				
(10) Includes RE Taxes & Depreciation & \$16,475 for new HVAC System (2018)				
(11) Supplies/Postage/Office Expense, Advertising				
(12) Miscellaneous, Exhibition Guide, Scholarship				
Includes \$80,000 of non-recurring income (see Report)				