

**ArtStream**  
Board of Director's Meeting  
May 21, 2018

**APPROVED MINUTES**

**ROLL CALL**

Maggie Haslam conducted roll call. In attendance at the meeting: Eleanor Allen; Pamela Brown; Kirsten Davidson, Client Liaison; Adam Fine; Sari Hornstein, Vice President; Karen Mitchell; and Frank Myers, Chair.

**ArtStream staff in attendance:** Doreen Cronrath, Director of Finance and Administration; and Heller An Shapiro, Executive Director.

**Not able to attend:** Kristen Chou; Paul Murray, Treasurer.

**MINUTES RATIFICATION**

Sari Hornstein made a motion to amend the minutes as follows. The motion carried without dissent.

**NEW BUSINESS**, paragraph 4

**CURRENT:** Heller An and Doreen are looking at what ArtStream will need going forward. To manage the potential salary increase, we will change this to a Manager level position. Ideas so far are to refocus on community engagement and outreach in addition to marketing.

**REVISED:** Heller An and Doreen are looking at what ArtStream will need going forward. We will change this from a Director level to a Manager level position, which should allow us to hire at a lower salary than a Director would require. Ideas so far are to refocus on community engagement and outreach in addition to marketing.

A motion was made to approve the minutes from the March 12, 2018 meeting as amended. The motion carried without dissent.

**FY18 Q2 FINANCIAL REPORT**

Heller An Shapiro reported that at the end of Q2 (six months into FY18), total income is \$394,721, which is 58% of budget. Total expenses are \$320,093, which is 48% of budget.

Projections for the full year show only confirmed revenue. Expected grants, events, and donations are not included if they are not confirmed. A new grant of \$5,000 from the Corrina Higginson Foundation was received after the projections were made, bringing current projected revenue to \$580,958. This shows that by August, we still need to raise at least \$73,642 from new sources to balance the FY18 budget.

Grant requests totaling \$35,000 have been submitted. A grant proposal to the Paul M. Angell Foundation for \$15,000 was rejected. However, total grant revenue is at \$170,495, which is 51% more than in FY17, and 3% more than in FY16.

Inclusive Theatre Company ticket sales are down compared to FY17. The lapsed donor mailing brought in \$890 net so far. The new contract grant writers are so far costing less than our previous grant writing contractor who left in February 2018.

Heller An Shapiro reported that for FY19, if expenses increase 3% over the FY18 projections, revenue will need to increase 14% (\$93,393) in order to break even. In the last four years, year-over-year revenue changed as follows:

FY14 to FY15: +3%  
FY15 to FY16: +16%  
FY16 to FY17: -4%  
FY17 to FY18: +.02% projected

Projected FY19 revenue is from grants (37%), individuals (19%), corporate (2%), contracted services (15%), tuition (23%), and events /merchandise (4%).

Proposals for grants that will come in during FY19 are being written and submitted now. If the FY19 Gala revenue returns to the FY16 level or above, it could bring in an additional \$20-25,000 in net revenue.

A task force meeting will be scheduled in the next few weeks to discuss how to handle the revenue shortfall and develop plans to increase FY19 revenue. Board members briefly brainstormed ideas/questions for the task force to consider.

### **TICKET/CLASS FEE 2018-2019 PROPOSALS**

A motion was made to increase class fees in FY19 from \$35/hour to \$37.50/hour, covering 92% of the cost. The standard ticket price will be increased from \$12.50 to \$15, and a new student/senior 65+/Military category will pay \$10/ticket. The \$5 ArtStreamer ticket price will not change. Inclusive Theatre Company (ITC) tuition will increase from \$700 to \$725 for the season, covering 36% of the cost. After a low introductory price, Cabaret tuition will increase from \$600 to \$650 for the full year, and \$350 to \$375 for the half year, covering 55% of the cost. The motion carried without dissent.

A motion was made to increase contract service fees from \$120/hour to \$130/hour starting January 2019, and immediately for new contracts. Existing contracts will be honored at the contracted rate. This will provide ample time for current partners to prepare for the increase. The motion carried without dissent.

### **RESERVE POLICY RECOMMENDATIONS**

A motion was made to work toward a reserve fund of \$150,000 (3 months of expenses), as finances allow. The motion carried without dissent.

\$67,000 (10% of FY18 expenses) is already invested by District Capital and can be designated as the Revenue Shortfall Reserve Fund, which should have moderate liquidity. An additional \$83,000 will be gradually re-invested by District Capital as the Short-Term Reserve Fund, which should have maximum liquidity and be subject to minimal market risk. Typical investment strategies are money market accounts, penalty free certificates of deposit, and short-term bond mutual funds. As revenue exceeds expenses we will be able to add to the designated reserve fund.

### **FINANCE POLICY APPROVAL**

A motion was made to approve the Finance Policy as written. The motion carried without dissent.

### **DASHBOARD UPDATE**

Heller An reported that at the end of the second quarter, the total number of students is 3% less than all of FY17.

The lapsed donor appeal is expected to increase the total number of individual donors. The total number of new donors appears down, due to ongoing database cleanup and elimination of duplicates. At the end of Q2, the average new donor gift amount is 44% above FY17 and 37% above FY16.

Three new grants were received after the Dashboard was completed, bringing the total number of grants to 20, and the total dollars received to \$170,495, an increase of 34% over FY17 and 2.5% over FY16.

### **STRATEGIC PLAN PROGRESS REPORT**

We are testing the *ArtStream for Life* book as a donor thank-you premium in the lapsed donor appeal.

As part of developing the backstage volunteer program for people with IDD, we plan to pilot a program to train ArtStreamers to serve as Cabaret stage managers in FY19.

New remittance envelopes were developed, offering monthly donor and multi-year pledge options, as well as allowing donors to pay by credit card.

A grant proposal will be submitted to the Philip L. Graham Fund to cover the cost of networking computers, replacing staff computers, and purchasing a new database.

Current obstacles to overcome include hiring the new marketing manager and outreach to new students.

### **YOU ARE A WORK OF ART (YAWA) /ALLIES IN THE ARTS (ALLIES)**

Heller An and Judy Rollins plan to meet at the end of June to review the funding situation and program dates as a precursor to ending the programs when the funding runs out.

### **NEW BUSINESS**

Gala:

Heller An reported that Catherine Leggett, First Lady of Montgomery County, is confirmed as the emcee for the Gala. Montgomery County Executive Ike Leggett will also attend the event. Heller An distributed the Gala Sponsor forms.

Cabaret:

The Virginia Cabaret performances will be held at Signature Theatre, November 28, 2018 and May 20, 2019.

**NEXT MEETING**

The next meeting of the Board of Directors will be **Monday, July 23, 2018, 7-9 p.m.** in the ArtStream office.

The meeting was adjourned at 8:30 p.m.

Respectfully submitted,  
Maggie Haslam (departed at 8:15) and Sari Hornstein

**2018 MEETING DATES**

All meetings are scheduled from 7-9 p.m.

Monday, July 23, 2018  
Monday, September 17, 2018  
Monday, November 5, 2018