

Finance Committee Report
ArtStream Board of Directors Meeting – May 16, 2022

Committee: Lisa Gafney
Molly Myers, Chair
Jonathan Tepper

March 31, 2022, Financial Statement Highlights

Cash, cash equivalents and investments totaled \$679,819 on March 31, 2022. Of this amount \$457,594 is ArtStream's operating cash and \$222,225 is the March 31, 2022, balance of ArtStream's investment portfolio.

For the seven-month period ending March 31, 2022, ArtStream has a net loss of (56,106) compared to the budgeted net increase of \$101,164 for the same seven-month period. Accordingly, on a P&L basis ArtStream is underbudget by \$157,300.

Fiscal Year 2022- The Remaining Five Months

Looking ahead to the remaining five months of FY22, ArtStream's FY22 budget shows a net income of \$34,894 for the FY. This suggests that from a P&L basis, ArtStream will need an additional \$157,000 in net income to meet the budget for the remaining five months. It is not realistic to think that in five months ArtStream can make up for this deficit. The focus should be on the performance of FY22 in the remaining five months and how to breakeven or minimize the net loss for FY22.

Conclusion

The finance committee believes the FY22 budget that the Board approved is the operative document for the purpose of examining FY22's financials and therefore ArtStream's performance as compared to expectations.

Recommendation:

ArtStream staff will prepare a draft plan to address the financial challenges that ArtStream is currently facing. The draft plan will be presented to the finance committee prior to the June board meeting.

NOTE: The change in FY has no bearing on this examination and assessment. The FY23 ending June budget is a separate matter but FY22 performance and expected performance is probably the most important information for the Board in assessing the FY23 proposed budget.