

September 28, 2022

TO: Board of Directors
FROM: Heller An Shapiro, Executive Director
RE: Financial and Operations Outlook at 9/28/22

FINANCIAL SUMMARY

At August 2022 (9/1/21 – 8/31/22), total revenue at 12 months is \$746,623 which is \$96,277 lower than the YTD budget.

Expenses at 12 months are \$941,178 which is \$133,172 over the YTD budget.

Total assets are \$713,331 compared to \$890,271 at this time last year.

Total cash at August 31, 2022 is \$339,817 compared to \$426,468 at August 31 2021.

REVENUE:

- Individual donations of \$56,452 are under budget this year by \$143,548. We have corrected our dependence on individual donations in the FY23 budget by reducing the budget goal to be just above the July 2021-June 2022 giving level.
- Grants revenue is higher than budget by 44%, thanks to Mimi Hess's work increasing the number of grants and grant amounts, despite the loss of Covid-relief grants, which are returning in FY23.
- Program revenue is 11% over budget. An increase in Theatre Company tuition and new partners will further increase program revenue in FY23.
- Development and Fundraising revenue is 12% over budget thanks to increases in the spring appeal and Giving Tuesday. Catie-Reagan Palmore's work increased revenue from Giving Tuesday and the spring appeal online campaign. The matching funds offered by Board members made a big impact here. This increase also occurred even after two years of online Galas.

EXPENSES:

- Payroll/admin costs are up 10% over budget due to making the Outreach Coordinator for Student and Volunteer Engagement into a fulltime position and increasing the Database Coordinator's hours. The Outreach Coordinator is bringing in new students, program partners, and volunteers whose positive impact will be seen in FY23 and beyond.
- Program costs are up 23% over budget due to increases in printing and mailing costs; hybrid programming and video costs; classroom rental costs increased with extra cleaning fees; moving the costume shop and office supplies to an offsite storage unit (Thanks to Jonathan for the discounted moving company fee.); increased subscription costs for virtual office

resources such as bill.com, and Quickbooks Online, and purchase of virtual office printers and laptops.

NEXT STEPS:

As we begin FY23 we are focused on increasing midlevel, monthly, and new donors. One way we will do this is through new donor forms on our website that will better promote monthly giving and roundup options, along with text-to-give at events. This new donor page may also sync with our donor database, reducing data entry requirements.

We are also researching potential major donors, but this may not bring in new gifts in FY23.

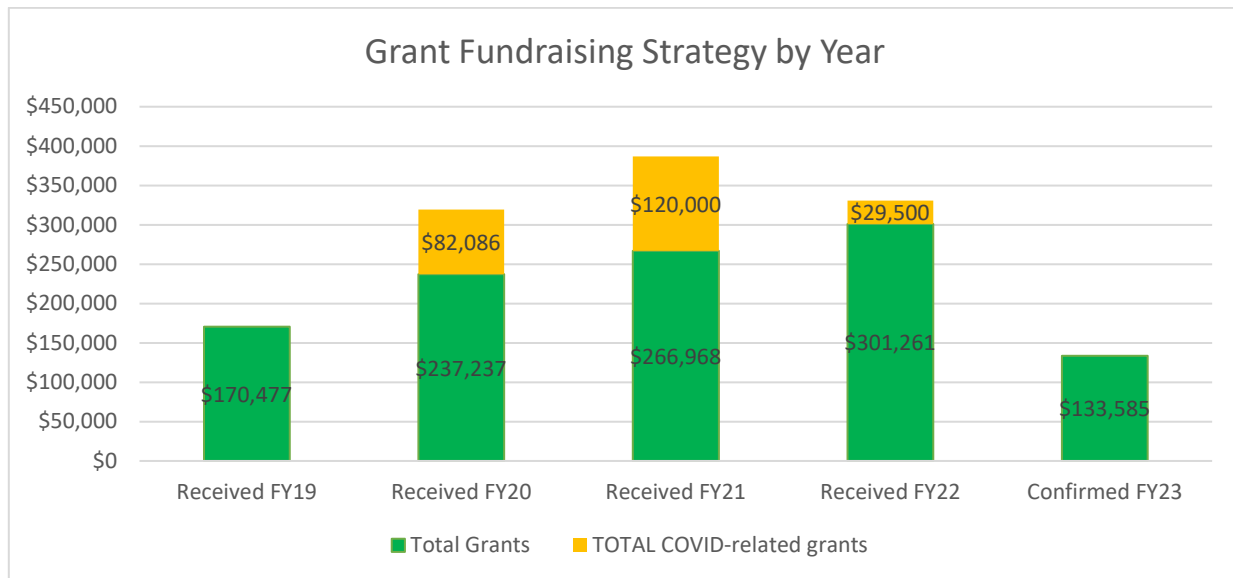
ArtStream received a Compass Pro-Bono grant that is focused on assessing the current Teaching Artist independent contractor model and could also result in future board members and donors from among the pro-bono team.

A new workforce training/leadership program concept will open new grant opportunities and will also feature support for programs.

REVENUE OUTLOOK

We are entering our peak revenue period with tuition, Gala, Giving Tuesday, and the Annual Direct mail appeal. In July and August 2022, grants revenue is \$82,070 which is 22% of the FY23 budget. Two new MD state/county grants will provide additional arts relief funding that is currently not in the budget. (When this was offered in FY21, more than \$50,000 was received.)

As of 9/26/22, Gala Sponsor commitments total \$33,300. One third (\$11,500) of that is from Corporate sponsors.



PROGRAMS

Theatre Company and Cabaret Company auditions are starting, and recruitment of Directing Teams is ongoing.

Bethany Hoffman started as the new Theatre and Event Manager on September 26, 2022.

We are continuing the mask requirement in class and rehearsal rooms.

GRANTS FOR FY2023

	AMOUNT	A APPLIED	DATE APPLIED	B CONFIRMED	DATE \$ EXPECTED	C PAID	DATE \$ RECV'D
MSAC	\$64,570	yes	Dec-21	B	Oct/March		
AHCMC	\$39,015	yes	Feb-22	B	August	C	8/31/2022
NEA - MUSICAL THEATRE	\$15,000	yes	Jul-21	B	June		

FOUNDATION

CORINA HIGGINSON	\$7,500	No	Jan-23		Jun-23		
MORRIS & GWENDOLYN CAFRITZ	\$20,000	Yes	Mar-22	B		C	7/27/2022
PAUL M. ANGELL	\$20,000	No	Jan-23		5/1/2023		
PHILIP GRAHAM (EVERY 3 YEARS)	\$25,000	No	LOI due Dec		Spring		
KELLEY CARES (AT LEE CENTER)	\$4,500	No	Oct-22		Nov-22		
SAFEWAY	\$13,000	yes	7/29/2022		22-Nov		
CAMPBELL FAMILY FOUNDATION	\$5,000	NA			Dec-22		
MILTON & DOROTHY SARNOFF RAYMOND FOUNDATION	\$10,000	NA			Dec-22		
JACQUEMIN FAMILY FOUNDATION	\$8,000	NA			Jan-23		
JOCKEY HOLLOW FAMILY FOUNDATION	\$4,000	NA			Mar-23		
SHARED HORIZONS	\$2,000	Yes	6/23/2022		Oct-22		
DIMICK	\$5,000	yes	9/31/22		Jan-23		
MESH	\$8,000	No	10/1/2022		Nov-22		
CLARK-WINCHOLE	\$15,000	yes	9/31/22		Feb-22		
WILLIAM S. ABELL (EVERY OTHER YEAR)	\$20,000	yes	6/10/2022		Dec 2022-Mar2023		
TRAWICK FOUNDATION	\$10,000	yes	7/31/2022	B		C	9/23/2022
IMMANUAL PRESBYTERIAN CHURCH	\$2,500	no	Feb-23		4/23/203		
JACK R. ANDERSON FOUNDATION	\$7,500	no	3/4/2023		4/6/2023		
VSARTS-KENNEDY CENTER	\$5,000	no	TBD				
GREATER KANSAS COMMUNITY FOUNDATION	\$3,000	no			Jun-23		
JOE & CORY ROGERS FOUNDATION	\$5,000	NA		B		C	9/21/2022
JOE & CORY ROGERS FOUNDATION	\$3,000	NA			Mar-23		
METRO BETHESDA ROTARY	\$4,000	no	10/15/2022		3/17/2023		
PRINCE GEORGES COMMUNITY PARTNERSHIP	\$7,000	no	TBD		Jun-23		
AHCMC ADVANCEMENT	\$25,000	no	Feb-23		Jun-23		
VENABLE	\$5,000	no	Feb-23		May-23		
MSAC ARTS RELIEF		no	TBD				
AHCMC COVID 19 RELIEF		yes	9/16/2022				
MID-ATLANTIC ARTS COUNCIL	\$8,550	yes	May-22	B	7/12/2022	C	7/12/2022

TOTAL GRANTS

\$371,135

1Q	2Q	3Q	4Q			
July / Aug / Sept	O/N/D	J/F/M	A/M/J		<i>In Question</i>	
\$82,565	\$105,070	\$76,000	\$100,500	\$364,135	\$7,000	\$371,135
22.67%	28.85%	20.87%	27.60%			

ArtStream, Inc.
 Balance Sheet
 (Statement of Financial Position)
 As of August 31, 2022
 (with comparison to August 31, 2021)

	As of Aug 31, 2022	As of Aug 31, 2021 Prior Year Comparison
ASSETS		
Current Assets		
Cash	339,817	426,468
Bill.com	(2,246)	(3,841)
Investments	200,834	235,712
Total Cash & Investments	538,405	658,339
Accounts Receivable	121,040	181,893
Other Current Assets	40,580	36,069
Total Current Assets	700,025	876,301
Fixed Assets		
Other Assets	13,305	13,970
TOTAL ASSETS	713,331	890,271
LIABILITIES AND EQUITY		
Liabilities		
Total Current Liabilities	73,387	55,773
Total Liabilities	73,387	55,773
Equity		
Retained Earnings	834,498	577,412
Net Revenue	(194,555)	257,087
Total Equity	639,943	834,498
TOTAL LIABILITIES AND EQUITY	713,331	890,271

ArtStream, Inc.
Statement of Cash Flows
September 2021 - August 2022

	<u>Total</u>
OPERATING ACTIVITIES	
Net Revenue	(194,555)
Adjustments to reconcile Net Revenue to Net Cash provided by operations:	
Total Adjustments to reconcile Net Revenue to Net Cash provided by operations:	<u>73,696</u>
Net cash provided by operating activities	<u>(120,859)</u>
Net cash provided by investing activities	<u>665</u>
Net cash increase for period	<u>(120,194)</u>
Cash at beginning of period	<u>658,599</u>
Cash at end of period	<u>538,405</u>

ArtStream, Inc.
 Actuals vs Budget
 (Income Statement)
 September 1, 2021 thru August 31, 2022

	Actual 09/01/21 thru 8/31/22	Budget 09/01/21 thru 08/31/22
Revenue		
Individuals Unrestricted	56,217	200,000
Individuals Restricted	235	
In Honor - In Memory	13,534	30,000
Corporations	-	35,000
Service Organizations	2,000	3,000
Grants	315,385	218,350
Other Income	8,307	11,500
Program	238,641	215,050
Dev. & Fundraising	145,640	130,000
Investment Income	(33,621)	-
Sales	285	
Total Revenue	746,623	842,900
Expenditures		
Payroll	474,738	430,574
Staff/Employee incentives	-	500
Program Expenses	330,563	269,940
Equipment & Computer	18,891	9,719
Marketing & Advertisement	660	550
Professional Fees	8,638	6,600
Administrative Expenses	101,760	82,873
Other Operating	2,333	5,000
Reconciliation Discrepancies	1,281	
Dev. & Fundraising	1,625	2,250
Purchases	689	
Total Expenditures	941,178	808,006
Net Revenue	(194,555)	34,894
Net revenue adjusted-investment	33,621.00	
Net Adjusted Revenue	(160,934)	



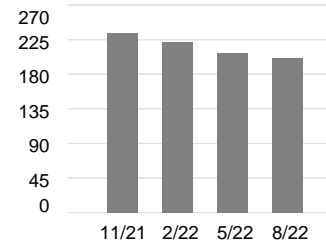
Schwab One® Account of
ARTSTREAM, INC

Account Number
5724-7501

Statement Period
August 1-31, 2022

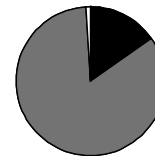
Account Value as of 08/31/2022: \$ 200,834.13

Change in Account Value	This Period	Year to Date	Account Value [in Thousands]
Starting Value	\$ 207,922.94	\$ 249,370.49	
Credits	73.30	1,447.91	
Debits	(86.63)	(10,725.69)	
Transfer of Securities (In/Out)	0.00	0.00	
Income Reinvested	0.00	0.00	
Change in Value of Investments	(7,075.48)	(39,258.58)	
Ending Value on 08/31/2022	\$ 200,834.13	\$ 200,834.13	
Accrued Income ^d	277.18		
Ending Value with Accrued Income^d	\$ 201,111.31		
Total Change in Account Value	\$ (7,088.81)	\$ (48,536.36)	
Total Change with Accrued Income^d	\$ (6,811.63)		



Asset Composition	Market Value	% of Account Assets
Bank Sweep ^{x,z}	\$ 2,950.41	1%
Fixed Income	30,355.78	15%
Exchange Traded Funds	167,527.94	83%
Total Assets Long	\$ 200,834.13	
Total Account Value	\$ 200,834.13	100%

Overview



- 15% Fixed Income
- 83% Exchange Traded Funds
- 1% Bank Sweep [X,Z]

ONE DAY
IN JULY

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