

The Arts Council, Inc.

## Board Meeting Agenda

Tuesday, July 27, 2021

5:30 PM

Court House Cultural Center

*Board Members: Karen Barnes, Jeff Bowers, Ken Hooper-Capozzi, Gaby Ferraro, Sheryl Levine*

*Ex-Officio Members: Anthony Anderson, Becky Bruner, Doug Smith, Nancy Johnson*

- 1) Welcome/Attendance Jeff Bowers, Chair
- 2) Approve Minutes from April 27, 2021 (enc. 2-3)
- 3) New Business & Presentations
  - a) FY 2020 Year End Financial Statements (enc. 4-18) Jim Hartley
  - b) Governance Worksheet (enc. p 19) Nancy Turrell
- 4) Financial Report Karen Barnes, Treasurer
  - a) Q3 Reports including a YTD Budget Comparison through Q3 (enc. 20-25)
- 5) Committee Reports
  - a) Arts Education (enc. 26) Sheryl Levine
  - b) Court House Cultural Center Gallery (enc. 27-28) Ken Hooper Capozzi
- 6) Executive Director's & Staff Updates Nancy Turrell
  - a) Propose Annual Meeting – September 30 in conjunction with Brand Launch and Art Out of the Closet
  - b) Branding Progress Update
  - c) CHCC Building Updates
  - d) Foundation News & Updates
    - i) Stuart High School Update
  - e) mARTies Update Jennifer Hearn
- 7) Chairman's Comments & Updates Jeff Bowers
- 8) Comments from the Public
- 9) Adjourn

Next Regular Meeting of the Arts Council Board of Directors: October 26, 2021

The Arts Council, Inc.  
**Board Meeting Agenda**  
April 27, 2021

**Welcome/Attendance:** Jeff Bowers, Chair welcomed board members to the meeting and called the meeting to order at 5:35 pm. A quorum was established from the voting board members with the following members in attendance: Jeff Bowers, Karen Barnes, Ken Capozzi, Gaby Ferraro, and Sheryl Levine. Ex-Officio member in attendance was Nancy Johnson. Staff in attendance: Nancy Turrell, Jennifer Hearn, and Wendy Nelson.

**Approve Minutes:** Gaby Ferraro made a motion to approve the minutes from the January which was seconded by Karen Barnes; motion carried unanimously.

**New Business & Presentations**

- a. AEA Consulting Report: Nancy provided a short summary of the scenario planning project focusing on the commonalities found across all possible future scenarios as documented.
- b. Statement on Diversity & Inclusion: after some discussion, the following statement was adopted, moved by Karen Barnes, second by Gaby Ferraro and carried unanimously:
  - The Arts Council values and celebrates the unique qualities of persons with diverse backgrounds and cultures. It is believed that inclusiveness adds to organizational excellence when tapping the skills, talents, and resources a diverse group of people. The Arts Council will actively promote respect for persons of different race, creed, color, religion, age, national origin, gender, disability, sexual orientation, education, economic position, and ancestry. The Arts Council will uphold the fundamental directives of equality and access to the arts for all.

**Financial Report:** Karen Barnes provided an overview of the Council's financial position and reports enclosed at the close of the second quarter. Karen and Nancy reviewed the request for a budget allocation to raise the salary line item and to purchase shades for the office windows. Ken Hooper-Capozzi/Gaby Ferraro moved approval motion carried unanimously.

**Committee reports**

- Arts Education Committee: Sheryl Levine provided an update on the partnership with the Education Foundation's Fund A Project noting 54% of the funding has been allocated with a few grants pending. She noted new members who joined the committee from performing and visual arts backgrounds noting our conversation turn to look at inequities in programs between the high schools.
- Gallery Committee Updates: Ken Capozzi commented about the current exhibition and noted the next show would be a Summer Salon featuring artists of the Martin Artisans Guild. He noted they were reviewing options for future dates in the calendar.

**Executive Directors Report:** Nancy Turrell reported that there is good news from Tallahassee with the current state budget allowing for \$23 million for arts grants, which is 50% of the request and an increase from the current year.

She reported they had been selected by the Premier Realty Grant Committee to receive a grant for a kiosk stand, a projector and portable PA system with an indication that a future grant will support the purchase of new chairs for the gallery. She provided a brief update on the MartinArts Magazine. She requested that the Sailfish Commercial contract 3/28/2018 be assigned to the Arts Foundation for Martin County as the Foundation will be leading the way on the project. Karen Barnes/Ken Hooper-Capozzi moved the request and the motion carried unanimously.

Jennifer Hearn provided an overview of our relationship as Fiscal Agent for the Kids Tag Art program of the Martin County Tax Collector's Office. It was discussed that it was time to review the agreement now that the program has been in place for a few years.

**Chairman's Comments:** Jeff Bowers commended the members present for staying focused throughout the past year.

**Comments from the Public:** No comments from the public were made.

**Adjournment:** Meeting adjourned at 6:45 PM.

Submitted by

Gaby Ferraro, Vice Chair/Secretary

**THE ARTS COUNCIL, INC.**  
FINANCIAL STATEMENTS  
September 30, 2020

DRAFT

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INDEPENDENT AUDITOR'S REPORT

To the Board of Directors of  
The Arts Council, Inc.  
Stuart, Florida

We have audited the accompanying financial statements of The Arts Council, Inc. (a nonprofit organization) which comprise the statement of financial position as of September 30, 2020, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

**Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of The Arts Council, Inc. and Affiliate as of September 30, 2020, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

DiBartolomeo, McBee, Hartley and Barnes, P.A.  
Port St Lucie, Florida  
June 7, 2021

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**THE ARTS COUNCIL, INC.**  
**STATEMENT OF FINANCIAL POSITION**  
September 30, 2020

**ASSETS**

**CURRENT ASSETS**

Cash and cash equivalents	\$ 41,927
Accounts receivable	2,500
Prepaid insurance	2,705
<b>TOTAL CURRENT ASSETS</b>	<b>47,132</b>

**PROPERTY AND EQUIPMENT**

Furniture, fixtures and equipment	113,378
Less accumulated depreciation	98,251
<b>NET PROPERTY AND EQUIPMENT</b>	<b>15,127</b>

**OTHER ASSETS**

Fine art collections	34,600
Beneficial interest in assets held by Community Foundation - Note I	64,501
<b>TOTAL OTHER ASSETS</b>	<b>99,101</b>

<b>TOTAL ASSETS</b>	<b>\$ 161,360</b>
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**LIABILITIES AND NET ASSETS**

**CURRENT LIABILITIES**

Accounts payable	\$ 1,041
Accrued expenses and other liabilities	8,267
Due to the Arts Foundation for Martin County, Inc.	23,045
<b>TOTAL CURRENT LIABILITIES</b>	<b>32,353</b>

**NET ASSETS**

Without donor restrictions	60,403
With donor restrictions	68,604
<b>TOTAL NET ASSETS</b>	<b>129,007</b>

<b>TOTAL LIABILITIES AND NET ASSETS</b>	<b>\$ 161,360</b>
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The accompanying notes are an integral part of these financial statements



**THE ARTS COUNCIL, INC.**  
**STATEMENT OF ACTIVITIES**  
Year ended September 30, 2020

	<u>Unrestricted</u>	<u>Temporarily Restricted</u>	<u>Permanently Restricted</u>	<u>Total</u>
<b>SUPPORT AND OTHER REVENUE</b>				
Contributions				
Government	\$ 90,170	\$ 7,855	\$ -	\$ 98,025
Private and community funds	80,498	-	-	80,498
Membership	26,776	-	-	26,776
Sponsorship	4,550	-	-	4,550
Program events	15,156	-	-	15,156
Investment income	9	3,516	-	3,525
Contributed services	37,491	-	-	37,491
Other income	20,747	-	-	20,747
	<u>275,397</u>	<u>11,371</u>	<u>-</u>	<u>286,768</u>
Net assets released from restrictions	7,855	(7,855)	-	-
<b>TOTAL SUPPORT AND OTHER REVENUE</b>	<u>283,252</u>	<u>3,516</u>	<u>-</u>	<u>286,768</u>
<b>EXPENSES</b>				
Program services	103,170	-	-	103,170
Support services				
General and administrative	74,877	-	-	74,877
Fundraising	38,861	-	-	38,861
<b>TOTAL EXPENSES</b>	<u>216,908</u>	<u>-</u>	<u>-</u>	<u>216,908</u>
<b>CHANGE IN NET ASSETS</b>	66,344	3,516	-	69,860
<b>NET ASSETS</b>				
Beginning of Year	(5,941)	15,088	50,000	59,147
End of Year	<u>\$ 60,403</u>	<u>\$ 18,604</u>	<u>\$ 50,000</u>	<u>\$ 129,007</u>

The accompanying notes are an integral part of these financial statements

**THE ARTS COUNCIL, INC.**  
**STATEMENT OF FUNCTIONAL EXPENSES**  
Year ended September 30, 2020

	<u>Program Services</u>	<u>General and Administrative</u>	<u>Fundraising</u>	<u>Total</u>
Artist fees, supplies and awards	\$ 8,698	\$ -	\$ -	\$ 8,698
Professional fees	5,720	3,563	-	9,283
Events	1,000	-	-	1,000
Management fee	52,125	28,462	15,453	96,040
Marketing	14,103	1,764	458	16,325
Travel, conferences and training	1,966	142	-	2,108
Insurance	1,200	3,334	-	4,534
Bank service charges	772	1,755	485	3,012
Computer support	2,752	1,595	1,881	6,228
Copier and copies	4,094	792	-	4,886
Office supplies and postage	1,832	1,333	26	3,191
Repairs and maintenance	3,808	1,600	-	5,408
Dues and subscriptions	198	1,915	298	2,411
Licenses, fees and taxes	-	306	200	506
Utilities	1,871	8,166	-	10,037
Interest	-	2,178	-	2,178
<b>SUBTOTAL</b>	<u>100,139</u>	<u>56,905</u>	<u>18,801</u>	<u>175,845</u>
Depreciation	-	3,572	-	3,572
In-kind support	3,031	14,400	20,060	37,491
<b>TOTAL</b>	<u>\$ 103,170</u>	<u>\$ 74,877</u>	<u>\$ 38,861</u>	<u>\$ 216,908</u>

The accompanying notes are an integral part of these financial statements

**THE ARTS COUNCIL, INC.**  
**STATEMENT OF CASH FLOWS**  
Year ended September 30, 2020

**CASH FLOWS FROM OPERATING ACTIVITIES**

Change in net assets

Adjustments to reconcile increase (decrease) in net assets provided by (used in) by operating activities	\$ 69,860
Depreciation	3,572
In-kind support received	37,491
In-kind support used	(37,491)
(Increase) decrease in assets	
Prepaid insurance	(1,153)
Accounts receivable	8,500
Inventory	435
Increase (decrease) in liabilities	
Accounts payable	(12,960)
Accrued expenses and other liabilities	(46,617)
Due to the Arts Foundation for Martin County, Inc.	(3,465)
Deferred revenue	(13,036)
NET CASH USED IN OPERATING ACTIVITIES	(64,724)

**CASH FLOWS FROM INVESTING ACTIVITIES**

Increase in property and equipment	(10,925)
Increase in beneficial interest in assets held by community foundation	(3,516)
NET CASH USED IN INVESTING ACTIVITIES	(14,441)

NET DECREASE IN CASH AND EQUIVALENTS (9,305)

**CASH AND EQUIVALENTS**

Beginning of Year	51,232
End of Year	\$ 41,927

The accompanying notes are an integral part of these financial statements

**THE ARTS COUNCIL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2020

**NOTE A – NATURE OF ORGANIZATION AND REPORTING ENTITY**

Organization

The Arts Council, Inc. (the Council) was organized in 1980 under the laws of the State of Florida as a nonprofit organization. The purpose of the Council is to promote, coordinate, develop and encourage the arts and cultural growth in Martin County, Florida. Funding is derived principally from contributions, grants and fund raising activities.

The Council qualifies as nonprofit organizations as described in Section 501 (c)(3) of the Internal Revenue Code and are exempt from federal and state income taxes.

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

Basis of Presentation

The financial statements have been prepared on the accrual basis of accounting in accordance with U.S. generally accepted accounting principles ("US GAAP"), which requires the Organization to report information regarding its financial position and activities according to the following net asset classifications:

Net assets without donor restrictions - Net assets that are not subject to donor-imposed restrictions and may be expended for any purpose in performing the primary objectives of the Organization. These net assets may be used at the discretion of the Organization's management and the board of directors.

Net assets with donor restrictions - Net assets subject to stipulations imposed by donors, and grantors. Some donor restrictions are temporary in nature; those restrictions will be met by actions of the Organization or by the passage of time. Other donor restrictions are perpetual in nature, whereby the donor has stipulated the funds be maintained in perpetuity.

Donor restricted contributions are reported as increases in net assets with donor restrictions. When a restriction expires, net assets are reclassified from net assets with donor restrictions to net assets without donor restrictions in the statements of activities and changes in net assets.

Cash and Cash Equivalents

Cash on the statement of position includes demand deposits, certificate of deposits with a maturity of three months or less and money market accounts. Cash and cash equivalents in the statement of cash flows include certificates of deposit as these accounts can be converted to cash immediately with no material penalty. The Organization maintains its cash balances in banks that are insured by the Federal Deposit Insurance Corporation (FDIC) up to \$250,000.

**THE ARTS COUNCIL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2020

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Accounts Receivable and Allowance for Bad Debt

The Organization considers all accounts receivable to be fully collectible; accordingly no allowance for doubtful accounts has been determined. If amounts become uncollectible, they will be charged as an expense to the Organization in the period when the determination is made.

Inventory

Inventories may consist of promotional apparel, prints, posters and books. Inventories are stated at lower of cost or market on the first-in, first-out method. Contributions of inventory are recorded as revenue at their estimated fair value on the date of the donation. Cost of goods sold is recorded in the accompanying financial statements as marketing expense in the amount of \$2,999.

Contributed Services and Property

Contributions of donated non-cash assets are recorded at their fair values in the period received. Certain contributed supplies, advertising space and airtime, and use of facilities are recorded as support and expenses at fair value when determinable, otherwise at values indicated by the donor. Volunteer services that neither create nor enhance nonfinancial assets nor do they require specialized skills are not recognized as support in the accompanying consolidated statements of activities.

Furniture, Fixtures, Equipment and Leasehold Improvements

Furniture, fixtures, and equipment are recorded at cost or, if donated, at the approximate fair value as of the date of the donation and are being depreciated using the accelerated and straight-line methods over their estimated useful lives ranging from 5 to 7 years. It is the Organization's policy to include amortization of leasehold improvements with depreciation. Leasehold improvements are amortized over their estimated useful life.

Public Support and Revenue

Contributions and grants received are generally available for unrestricted use in the year received unless specifically restricted by the donor. Grants, other contributions of cash and other assets are reported as temporarily restricted support if they are received with donor stipulations that limit the use of the donated assets. When donor restriction expires, that is, when a stipulated time restriction ends or purpose restriction is accomplished, temporarily restricted net assets are reclassified to unrestricted net assets and reported in the consolidated financial statements of activities as net assets released from restriction. Contributions that are restricted by the donor are presented as increase in net assets without donor restriction if the restrictions expire in the year in which the contributions are recognized.

**THE ARTS COUNCIL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2020

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Public Support and Revenue (continued)

Endowment contributions and the related interest income on their invested assets are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Income Taxes

The Council and its affiliate (The Foundation) are nonprofit corporations whose revenue is derived from contributions and other fund-raising activities and are exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code. Accordingly, no provision for income tax has been made in these financial statements. The Organization evaluates any uncertain income tax positions based on how the income tax positions are likely to be sustained if the Internal Revenue Service (IRS) or the Florida Department of Revenue (Florida DOR) examined the positions. Accordingly, a contingency would be recognized when the income tax position taken by the Organization is likely to be challenged upon an audit by the IRS or the Florida DOR. There were no uncertain tax positions qualifying for disclosure for the tax years subject to audit by the IRS or Florida DOR. The Organization's Return of Organization Exempt from Income Tax (Form 990) is subject to a possible audit by the IRS for three years after they were filed.

Revenue Recognition

Contributions and grants received are reported as either revenue with or without donor restrictions depending on the existence or nature of any donor restrictions. When a restriction expires, donor restricted assets are reclassified to net assets without donor restrictions. Grant revenue is recognized as revenue when the terms stipulated by the grant contract are met, costs are incurred, or services are performed. The Organization holds special events throughout the year, for which revenue are recorded when received, or if received in advance in the year of the event.

New Accounting Pronouncement

On August 18, 2016, FASB issued ASU 2016-14, Not-for-Profit Entities (Topic 958)-Presentation of Financial Statements of Not-for-Profit Entities. The update addresses the complexity and understandability of net asset classification, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Organization has adjusted the presentation of these statements accordingly. The ASU has been applied retrospectively to all periods presented.

**THE ARTS COUNCIL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2020

**NOTE B - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)**

Expense Allocation

The costs of the various programs have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Expenses are charged to each program based on direct expenditures incurred.

Any program expenditures not directly chargeable to a program, primarily salaries and related costs, are allocated to the program based on a percentage to that program. Expenses are recorded when incurred in accordance with the accrual basis of accounting.

Advertising Costs

The Organizations expense advertising costs as incurred.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Event

Management has performed an analysis of the activities and transactions subsequent to September 30, 2020 to determine the need for any adjustments to and/or disclosures with the audited financial statements for the year ended September 30, 2020. Management has performed their analysis through June 7, 2021 the date the financial statements were available to be issued.

**NOTE C - CASH, CASH EQUIVALENTS AND INVESTMENTS**

Cash, cash equivalents and investments consist of the following at year-end:

Cash in bank	\$ 41,927
	<u>\$ 41,927</u>

**THE ARTS COUNCIL, INC.**  
**NOTES TO FINANCIAL STATEMENTS**  
September 30, 2020

**NOTE D - FURNITURE, FIXTURES, EQUIPMENT AND LEASEHOLD IMPROVEMENTS**

Furniture, fixtures and equipment consisted of the following at year-end:

Furniture and fixtures	\$	7,578
Computer equipment		31,741
Gallery improvements		74,059
		113,378
Less accumulated depreciation		98,251
		\$ 211,629

Depreciation is recorded on the straight-line method and totaled \$3,572 in fiscal year ended September 30, 2020.

**NOTE E - GOVERNMENT CONTRIBUTIONS**

State of Florida Division of Cultural Affairs is used for general program support	\$	20,170
State of Florida License Plate Program funds are used for arts education and outreach to the unreserved in Martin County, Florida		7,855
Martin County Florida funds are used for the general and administrative support of the arts in Martin County, Florida		60,000
National Endowment for the Arts (NEA), a Federal agency, funds are used for the Arts Engagement in American Communities program, Gallery Exhibition: Cut Blown Cast.		10,000
Total		\$ 98,025

**NOTE F - CONTRIBUTED SERVICES**

The Organization receives services and other non-financial contributions without payment or compensation. When the value of such services meets recognition criteria, it is reflected in the accompanying financial statements as revenues and expenditures. A total of \$37,491 was recorded as contributed services in the financial statements. Contributed services consisted of the estimated fair market value of rent, advertising, goods and services.



**THE ARTS COUNCIL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2020

**NOTE G - AGREEMENT**

The Council maintains an agreement with Martin County, Florida for use of the historic county courthouse building for exhibits and administrative offices. The agreement is renewed annually. The agreement ends on September 30, 2024. The agreement may be renewed for subsequent 5 year periods upon the same terms and conditions.

**NOTE H – RELATED PARTY TRANSACTIONS**

During the fiscal year, the Arts Council collected and transferred funds on behalf of the Arts Foundation for Martin County, Inc. At year end, there was \$23,045 due to the Foundation. In addition, the Council paid management fees for supporting services to the Foundation in the amount of \$94,440.

**NOTE I - NET ASSETS WITH DONOR RESTRICTIONS AND ASSETS RELEASED FROM DONOR RESTRICTIONS**

Net assets are released from donor restrictions by incurring expenses satisfying the restricted purpose or occurrence of other events specified by the donors. Net assets with donor restrictions and released from donor restrictions for the year ended September 30, 2020 are as follows:

	<u>Temporary</u>		<u>Permanent</u>	
	<u>State of Florida License Plate Program</u>	<u>Community Foundation Endowment</u>	<u>Community Foundation Endowment</u>	<u>Total</u>
Beginning balance	\$ 4,103	\$ 10,985	\$ 50,000	\$ 65,088
Additions:				
Contributions	7,855	-	-	7,855
Net investment income	-	3,516	-	3,516
Release of restrictions	(7,855)	-	-	(7,855)
Ending balance	<u>\$ 4,103</u>	<u>\$ 14,501</u>	<u>\$ 50,000</u>	<u>\$ 68,604</u>

The Community Foundation for Palm Beach and Martin Counties, Inc. (the Community Foundation) holds the Organization’s Endowment Fund for the benefit of the Organization. The Endowment Fund is subject to the Community Foundation’s investment and spending policies. Distributions from the Fund may be made from income and capital appreciation, but not the endowment amount. Distributions in excess of the amount dictated by the Community Foundation’s spending policy may be made to the Organization in any year as determined by the Board of the Community Foundation provided one of the following conditions is met:

- a. The distribution is for the purpose of enabling the Organization to acquire or renovate a capital asset.
- b. Organization is faced with unexpected financial needs that are not likely to recur, and the request for distribution will enable the Organization to meet those needs.

**THE ARTS COUNCIL, INC.**  
NOTES TO FINANCIAL STATEMENTS  
September 30, 2020

**NOTE I - NET ASSETS WITH DONOR RESTRICTIONS AND ASSETS RELEASED FROM DONOR RESTRICTIONS (CONTINUED)**

Investment income totaling \$3,516 is included in the statement of activities for the year ended September 20, 2020. In as much as the investment activities are not directed by the Organization unrealized gains are not reported to the Organization and are not included in the statement of activities for the year ended September 30, 2020.

**NOTE J – AVAILABILITY AND LIQUIDITY**

The following represents the Organization’s financial assets at September 30, 2020:

FINANCIAL ASSETS AT YEAR END

Cash and cash equivalents	\$ 41,927
Accounts receivable	<u>2,500</u>
FINANCIAL ASSETS AVAILABLE TO MEET GENERAL EXPENDITURES OVER THE NEXT TWELVE MONTHS	<u><u>\$ 44,427</u></u>

It is the Council’s practice to structure its financial assets to be available as its general expenditures, liabilities and other obligations become due.

# The Arts Council of Martin County

## GOVERNANCE WORKSHEET

### FY 2021-22

- *Terms are for 2 years.*
- *Terms should be staggered with no more than 3 members expiring in a single year.*

2020-2021 Members	Current Officers & Committee Chair	No. of Terms Served	Term Ending	2021-2022 Slate	Proposed Officer & Committee Chair
Karen Barnes	Treasurer	<1 (filled a vacancy)	2021	Karen Barnes (eligible to be reappointed)	
Jeff Bowers	Chairman	2	2021*	Nicki van Vonno ( <i>proposed</i> )	
Gaby Ferraro	Vice Chair & Secretary	2	2022	Gaby Ferraro	
Ken Hooper Capozzi	Chair, Gallery Committee	1	2022	Ken Hooper Capozzi	
Sheryl Levine	Co-Chair, Education Committee	1	2022	Sheryl Levine	
Doug Smith, BOCC					Ex-Officio
Becky Bruner, City of Stuart					Ex-Officio
Tony Anderson, Martin County School Board	Co-Chair, Education Committee				Ex-Officio
Nancy Johnson, Economic Council of Martin County					Ex-Officio

*\*Not eligible to be reappointed.*

# The Arts Council, Inc.

## Balance Sheet As of July 14, 2021

	TOTAL
<b>ASSETS</b>	
Current Assets	
Bank Accounts	
1001 CenterState Bank	-688.49
1002 PNC Bank Operating	31,439.36
1003 PNC Bank Money Market	14,580.11
1045 Seacoast - License Plates	514.46
<b>Total Bank Accounts</b>	<b>\$45,845.44</b>
Accounts Receivable	
1101 Pledges Receivable	5,750.00
<b>Total Accounts Receivable</b>	<b>\$5,750.00</b>
Other Current Assets	
1325 Inventory	435.00
1380 Prepaid Insurance	-694.17
1390 Security Deposits	-1,125.00
<b>Total Other Current Assets</b>	<b>\$ -1,384.17</b>
<b>Total Current Assets</b>	<b>\$50,211.27</b>
Fixed Assets	
1410 Furniture & Equipment	8,454.98
1420 Computer & Software	34,458.53
1450 Gallery Improvements	74,058.71
1490 Accumulated Depreciation	-94,678.63
<b>Total Fixed Assets</b>	<b>\$22,293.59</b>
Other Assets	
1051 Community Foundation Endowment	60,985.32
1400 Fine Art - Permanent Collection	34,600.00
<b>Total Other Assets</b>	<b>\$95,585.32</b>
<b>TOTAL ASSETS</b>	<b>\$168,090.18</b>

# The Arts Council, Inc.

## Balance Sheet As of July 14, 2021

	TOTAL
<b>LIABILITIES AND EQUITY</b>	
Liabilities	
Current Liabilities	
Accounts Payable	
1550 Accounts Payable	5,981.66
<b>Total Accounts Payable</b>	<b>\$5,981.66</b>
Credit Cards	
1060 First Bank of Omaha	1,891.85
<b>Total Credit Cards</b>	<b>\$1,891.85</b>
Other Current Liabilities	
1571 Due to Artists	1,419.50
1572 Due to Arts Foundation	17,652.62
2000 403(B) Retirement Plan	-564.44
2015 Due to Martin County Schools-KTA	-1,417.26
2052 Accrued Compensated Absences	22,678.49
2060 Line of Credit - Seacoast Bank	-150.00
2200 Sales Tax Payable	-157.75
<b>Total Other Current Liabilities</b>	<b>\$39,461.16</b>
<b>Total Current Liabilities</b>	<b>\$47,334.67</b>
<b>Total Liabilities</b>	<b>\$47,334.67</b>
Equity	
3350 Donor Restricted	61,750.00
3400 Unrestricted Fund Balance	61,324.07
Net Income	-2,318.56
<b>Total Equity</b>	<b>\$120,755.51</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$168,090.18</b>

# The Arts Council, Inc.

## Profit and Loss Comparison

October 2020 - June 2021

	TOTAL	
	OCT 2020 - JUN 2021	OCT 2019 - JUN 2020 (PY)
Income		
4100 Government Funding/Grants	104,174.21	71,513.00
4200 Private Support/Donations		8,467.25
4250 Sponsorship	10,350.00	4,500.00
4300 Membership	15,959.49	18,780.87
4400 Foundation Support	67,988.95	67,321.28
4600 Cultural Center	13,767.56	10,743.32
4700 All Earned Income	552.33	1,729.88
<b>Total Income</b>	<b>\$212,792.54</b>	<b>\$183,055.60</b>
GROSS PROFIT	<b>\$212,792.54</b>	<b>\$183,055.60</b>
Expenses		
5100 Personnel	132,941.49	80,752.19
5200 Artistic Services/Fees	17,554.00	8,698.00
5300 Services-Operating & Program	12,440.28	8,903.05
5365 Services-Events -Non Arts Fest (deleted)		243.61
5375 Arts Fest (deleted)		756.00
5400 Marketing	24,611.45	13,972.28
5500 Travel	191.86	1,871.62
5600 Insurance	7,022.73	6,577.67
5700 Remaining Operating	30,822.33	27,086.29
5800 Interest Expense	460.86	1,710.03
<b>Total Expenses</b>	<b>\$226,045.00</b>	<b>\$150,570.74</b>
NET OPERATING INCOME	<b>\$ -13,252.46</b>	<b>\$32,484.86</b>
Other Income		
4900 In-Kind Support	18,799.00	3,030.50
<b>Total Other Income</b>	<b>\$18,799.00</b>	<b>\$3,030.50</b>
Other Expenses		
5900 In Kind Support	18,799.00	3,030.50
Reconciliation Discrepancies-1		-2.97
<b>Total Other Expenses</b>	<b>\$18,799.00</b>	<b>\$3,027.53</b>
NET OTHER INCOME	<b>\$0.00</b>	<b>\$2.97</b>
NET INCOME	<b>\$ -13,252.46</b>	<b>\$32,487.83</b>

# The Arts Council, Inc.

## Budget vs. Actuals: Council Budget

October 2020 - June 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	REMAINING
<b>Income</b>				
4100 Government Funding/Grants				
4110 State	17,210.00	22,300.00	-5,090.00	5,090.00
4120 County	57,563.21	60,000.00	-2,436.79	2,436.79
4130 License Plates	3,380.00	4,200.00	-820.00	820.00
4145 NEA	26,021.00	53,750.00	-27,729.00	27,729.00
<b>Total 4100 Government Funding/Grants</b>	<b>104,174.21</b>	<b>140,250.00</b>	<b>-36,075.79</b>	<b>36,075.79</b>
4250 Sponsorship				
4251 Ad Sales	2,200.00	5,000.00	-2,800.00	2,800.00
4252 Event & Exhibit Sponsors	8,150.00	6,500.00	1,650.00	-1,650.00
<b>Total 4250 Sponsorship</b>	<b>10,350.00</b>	<b>11,500.00</b>	<b>-1,150.00</b>	<b>1,150.00</b>
4300 Membership				
4301 Artist Member	2,050.85	3,080.00	-1,029.15	1,029.15
4302 Personal Member	6,962.47	12,700.00	-5,737.53	5,737.53
4303 Corporate Member	6,946.17	6,365.00	581.17	-581.17
<b>Total 4300 Membership</b>	<b>15,959.49</b>	<b>22,145.00</b>	<b>-6,185.51</b>	<b>6,185.51</b>
4400 Foundation Support				
4410 Community Foundation Grants	17,950.00		17,950.00	-17,950.00
4420 Sanders Foundation	50,000.00	40,000.00	10,000.00	-10,000.00
4430 Other Grants	38.95		38.95	-38.95
4450 Funding from Arts Foundation		50,900.00	-50,900.00	50,900.00
<b>Total 4400 Foundation Support</b>	<b>67,988.95</b>	<b>90,900.00</b>	<b>-22,911.05</b>	<b>22,911.05</b>
4600 Cultural Center				
4610 Room Rental	250.00	800.00	-550.00	550.00
4612 Ticket Sales/Admission	512.50		512.50	-512.50
4615 Donations	7,143.85	2,500.00	4,643.85	-4,643.85
4630 Juried Show Fees	1,035.00	5,200.00	-4,165.00	4,165.00
4635 Art Out of the Closet Sales	2,816.10	5,000.00	-2,183.90	2,183.90
4650 Sale/Commission Item	2,010.11		2,010.11	-2,010.11
<b>Total 4600 Cultural Center</b>	<b>13,767.56</b>	<b>13,500.00</b>	<b>267.56</b>	<b>-267.56</b>
4700 All Earned Income				
4710 Interest Income	2.33		2.33	-2.33
4715 Consulting - City of Stuart	550.00	800.00	-250.00	250.00
<b>Total 4700 All Earned Income</b>	<b>552.33</b>	<b>800.00</b>	<b>-247.67</b>	<b>247.67</b>
<b>Total Income</b>	<b>\$212,792.54</b>	<b>\$279,095.00</b>	<b>\$ -66,302.46</b>	<b>\$66,302.46</b>
<b>GROSS PROFIT</b>	<b>\$212,792.54</b>	<b>\$279,095.00</b>	<b>\$ -66,302.46</b>	<b>\$66,302.46</b>
<b>Expenses</b>				
5100 Personnel				
5110 Salaries/Wages	112,180.04	161,750.00	-49,569.96	49,569.96
5111 Payroll Processing Fees	693.00		693.00	-693.00
5120 Retirement Company	2,603.43	4,500.00	-1,896.57	1,896.57

# The Arts Council, Inc.

## Budget vs. Actuals: Council Budget

October 2020 - June 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	REMAINING
5122 Administration Fees - MOA	567.00		567.00	-567.00
<b>Total 5120 Retirement Company</b>	<b>3,170.43</b>	<b>4,500.00</b>	<b>-1,329.57</b>	<b>1,329.57</b>
5130 Health Insurance	8,073.31	6,750.00	1,323.31	-1,323.31
5132 Colonial	300.65		300.65	-300.65
<b>Total 5130 Health Insurance</b>	<b>8,373.96</b>	<b>6,750.00</b>	<b>1,623.96</b>	<b>-1,623.96</b>
5140 Payroll Taxes	8,487.74	11,100.00	-2,612.26	2,612.26
5160 FL Unemployment	36.32		36.32	-36.32
<b>Total 5100 Personnel</b>	<b>132,941.49</b>	<b>184,100.00</b>	<b>-51,158.51</b>	<b>51,158.51</b>
5200 Artistic Services/Fees				
5210 Artistic Fees	6,525.00	5,400.00	1,125.00	-1,125.00
5230 Art/Program Supplies	3,500.00	4,000.00	-500.00	500.00
5240 Awards/Scholarships	7,529.00	4,000.00	3,529.00	-3,529.00
<b>Total 5200 Artistic Services/Fees</b>	<b>17,554.00</b>	<b>13,400.00</b>	<b>4,154.00</b>	<b>-4,154.00</b>
5300 Services-Operating & Program				
5330 Food & Beverage Catering	527.78	700.00	-172.22	172.22
5340 Professional Services	6,312.50	6,000.00	312.50	-312.50
5340.01 Legal & Accounting Service	5,600.00	5,750.00	-150.00	150.00
<b>Total 5340 Professional Services</b>	<b>11,912.50</b>	<b>11,750.00</b>	<b>162.50</b>	<b>-162.50</b>
<b>Total 5300 Services-Operating &amp; Program</b>	<b>12,440.28</b>	<b>12,450.00</b>	<b>-9.72</b>	<b>9.72</b>
5400 Marketing				
5410 Advertising & Design	4,250.00	3,500.00	750.00	-750.00
5410.01 Radio		250.00	-250.00	250.00
5410.02 Digital & Electronic	2,013.72	1,475.00	538.72	-538.72
5410.03 Newspaper & Magazine	950.00		950.00	-950.00
5410.04 Trade Shows/Events		200.00	-200.00	200.00
5420 Printing	8,950.52	8,750.00	200.52	-200.52
5422 Website	1,607.21	330.00	1,277.21	-1,277.21
5425 Marketing/PR Consulting	6,400.00	9,100.00	-2,700.00	2,700.00
5430 Signage/Banners	440.00	530.00	-90.00	90.00
<b>Total 5400 Marketing</b>	<b>24,611.45</b>	<b>24,135.00</b>	<b>476.45</b>	<b>-476.45</b>
5500 Travel				
5510 Conference/Training	30.00		30.00	-30.00
5520 Air/ Lodging/Meals	77.76	250.00	-172.24	172.24
5530 Mileage Reimbursement	84.10	150.00	-65.90	65.90
<b>Total 5500 Travel</b>	<b>191.86</b>	<b>400.00</b>	<b>-208.14</b>	<b>208.14</b>
5600 Insurance				
5610 Fine Arts Insurance	1,087.00	1,000.00	87.00	-87.00
5615 Property	1,887.52	1,541.80	345.72	-345.72
5620 General Liability	2,892.25	3,392.25	-500.00	500.00
5630 Workman's Comp	469.71		469.71	-469.71
5640 Directors & Officers	686.25	838.75	-152.50	152.50



# The Arts Council, Inc.

## Budget vs. Actuals: Council Budget

October 2020 - June 2021

	TOTAL			
	ACTUAL	BUDGET	OVER BUDGET	REMAINING
<b>Total 5600 Insurance</b>	<b>7,022.73</b>	<b>6,772.80</b>	<b>249.93</b>	<b>-249.93</b>
5700 Remaining Operating				
5710 Service & Finance Charges	700.25	800.00	-99.75	99.75
5711 CC Processing Fees	1,010.47	1,400.00	-389.53	389.53
5715 Computer Support/Software	2,695.25	4,632.40	-1,937.15	1,937.15
5720 Copier Lease & Maint.	3,459.58	4,800.00	-1,340.42	1,340.42
5735 Subscriptions	200.00		200.00	-200.00
5735.01 Licenses & Permits	570.54	306.25	264.29	-264.29
5735.02 Association Dues	710.00	2,300.00	-1,590.00	1,590.00
5735.03 Dues & Subscriptions	1,983.36	924.00	1,059.36	-1,059.36
<b>Total 5735 Subscriptions</b>	<b>3,463.90</b>	<b>3,530.25</b>	<b>-66.35</b>	<b>66.35</b>
5745 Volunteer & Staff Recognition	124.28	400.00	-275.72	275.72
5750 Office Expense & Supplies	1,427.29	1,400.00	27.29	-27.29
5755 Postage & Shipping	4,020.83	1,430.00	2,590.83	-2,590.83
5760 Repairs & Maintenance	5,589.10	5,600.00	-10.90	10.90
5795 Utilities	8,331.38	11,200.00	-2,868.62	2,868.62
<b>Total 5700 Remaining Operating</b>	<b>30,822.33</b>	<b>35,192.65</b>	<b>-4,370.32</b>	<b>4,370.32</b>
5800 Interest Expense	460.86	1,400.00	-939.14	939.14
<b>Total Expenses</b>	<b>\$226,045.00</b>	<b>\$277,850.45</b>	<b>\$ -51,805.45</b>	<b>\$51,805.45</b>
NET OPERATING INCOME	<b>\$ -13,252.46</b>	<b>\$1,244.55</b>	<b>\$ -14,497.01</b>	<b>\$14,497.01</b>
Other Income				
4900 In-Kind Support	18,799.00	4,000.00	14,799.00	-14,799.00
<b>Total Other Income</b>	<b>\$18,799.00</b>	<b>\$4,000.00</b>	<b>\$14,799.00</b>	<b>\$ -14,799.00</b>
Other Expenses				
5900 In Kind Support	18,799.00	4,000.00	14,799.00	-14,799.00
<b>Total Other Expenses</b>	<b>\$18,799.00</b>	<b>\$4,000.00</b>	<b>\$14,799.00</b>	<b>\$ -14,799.00</b>
NET OTHER INCOME	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>
NET INCOME	<b>\$ -13,252.46</b>	<b>\$1,244.55</b>	<b>\$ -14,497.01</b>	<b>\$14,497.01</b>

## ARTS EDUCATION COMMITTEE MEETING

May 27, 2021 | Minutes

Attending: Sheryl Levine, Faith Paul, Jordan Silvia, Tami Conrad, Amanda Jones, Anita Caswell. Staff: Nancy Turrell, Jennifer Hearn. No members of the public were present.

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Sheryl Levine called the meeting to order at 4:06 PM.

Motion made by Sheryl Levine, with a second by Faith Paul to approve Minutes from March 25, 2021 meeting; motion carried unanimously.

### New Business:

**Advocacy:** Discussion about where to start led to Amanda Jones volunteering to create a Google Form to create a survey to send to teachers about the assets in their classrooms, to allow us to see where the inequities are and what they are. A variety of questions were discussed. Anita Caswell agreed to suggest questions for the music programs. The plan will be to review a draft at the July 22 meeting and then be prepared to send it to teachers once they are back in August. Results will be distributed to the committee at the September meeting. A request to discuss a mentorship program at the next meeting was made.

**Poetry Out Loud:** Nancy shared the book created by a similar organization in Lake Placid, NY featuring poems by students in each grade level, K -12. Anita mentioned the Reflections program which some of the school who have a PTSA participate in that includes poetry among other art forms. Discussion will continue to determine if there is a role for the Council and what that recommendation for a program would be.

### Old Business:

**Grants for a Fund A Project:** Sheryl provided a brief overview. Nancy and Sheryl agreed to follow up on pending grants that are not yet funded.

**Memory Project Update:** Sheryl reported that the Memory Project is going strong despite COVID. She volunteered, once back in Florida, to coordinate a project resulting in an exhibition at ArtsFest of student's works for the Memory Project. Funding to sponsor each student's portrait is yet to be determined.

**Update on Stuart High School:** Nancy Turrell reported that both the structural and the MEP (mechanical, electrical and plumbing) evaluations had been completed earlier in the week and that the environmental assessment would be conducted later in June. The initial feedback is very positive from the several groups she has brought to look at the building, including individuals who would be participating in programming.

### Program Updates from Staff:

**mARTies Update:** Jennifer Hearn reported that the mARTies Class of 2021 was held April 28 at the Barn Theatre with positive results. She added that the call for nominations was open for students who were going into their senior year along with all adult categories. The request for suggestions on the Excellence in Arts Education named award was made.

**Marvin S Cone High School Juried Art Show Update:** Jennifer Hearn reported that 17 works were selected as purchase awards and another 5 were purchased by the general public. Pick up of the works is scheduled for Friday, May 28<sup>th</sup>.

**Announcements:** Jennifer Hearn noted that the next CHCC exhibition would be the "Summer Salon" featuring members of the Martin Artisans Guild, with an opening reception, Friday, June 11.

**Public Comment:** none.

**Next Meeting:** Scheduled for July 22, 4 PM

Meeting adjourned at 5:05 PM.



- I. Call to Order / Attendance Ken Hooper-Capozzi, Chair
  - a. In Attendance: Maria Miele, Tom Prestopnik, Ken Hooper-Capozzi, Donna Rich, Sharon Hagin, Donna Via Teams: n/a Staff: Jennifer Hearn
  - b. Absent: Margaret Gray, Roni Rottner, Jane Kiehart, Jennifer Brand
  
- II. Approval of Minutes
  - a. May 3, 2021 (attached) – Minutes were approved with no changes by Sharon and Ken.
  
- III. Old Business
  - a. 35<sup>th</sup> HSJAS
    - i. Visitor Statistics: Total 323 - Weekdays 107, Sat 56, Open House 102
    - ii. 4 pieces sold - \$187.50 commission. 17 Purchase Awards - \$3685
    - iii. Discussed creating a PPT with rules, details, etc for students and parents.
  
- IV. Current & Upcoming Exhibitions | Updates & News
  - a. Current Exhibit
    - i. Summer Salon (June 8 – July 24) Martin Artisans Guild
      - I. Opening Reception – 150+ guests, 2 pieces sold
      - II. Take down is scheduled on Monday 7/26 11am-1pm. Guild will be responsible for take down, need volunteers for patch/paint late Monday or Tuesday 7/27.
  - b. Upcoming Exhibits – 2020/21 Season
    - i. Horizons - retrospective of Jim Houser & Dan Mackin (Aug 6 – Sept 17) Prestopnik
      - I. Agreements to be sent this week. Will be scheduling studio visits to curate works. Take in/install tentative for 7/28-7/30. Will consider text panels for bios, statements, etc. Opening reception Friday, August 6<sup>th</sup>.
  
- V. New Business
  - a. 2021-2022 Season – (Draft calendar attached) Motion was made by Donnan R and second by Donna D with full committee approval. Staff will work to create season brochure with additional programming.
    - i. 31<sup>st</sup> AFJAS (Oct 12 – Nov 20) Kiehart/Rottner/Hooper
      - I. Still waiting to hear from prospective juror Kirk ke Wang. Will continue to contact and look for alternative option.
    - ii. Court Room Sessions (Dec 4 – Dec 29) Raffa
    - iii. SAQA - Floridian Flavors (Jan 11 – Feb 26) \_\_\_\_\_
    - iv. TBD (March 6 – April 16) \_\_\_\_\_
    - v. 36<sup>th</sup> HSJAS (April 26 – May 26) Prestopnik
    - vi. Be Squared (June/July 2022) \_\_\_\_\_
      - I. Discussed checking recent Cornell exhibit to help create call for artists.
    - vii. Dog Days of Summer (Aug 5 – Sept 1) \_\_\_\_\_
  - b. Additional Programming
  - c. Virtual Exhibits – Member Artists
  
- VI. Arts Council Updates, Board Projects and more... Hooper-Capozzi/Hearn
  - a. Sunset Concerts at the Gallery | 2<sup>nd</sup> Tuesdays @ 5:30p, October – June
  - b. Cultural Conversations | January – May
  
- VII. Arts Foundation Updates, Board Projects, and more... Hearn
  - a. mARTies Awards | November 2, 2021

b. ArtsFest 2021 | February 12 & 13, 2022

VIII. Comments from the Public

IX. Adjourn

a. Next meeting \_\_\_\_\_, 2021 @ 5:15pm

2020 - 2021 Gallery Committee Meeting Dates

Monday @ 5:15pm

Oct 5, ~~Nov 2~~, Dec 7

~~Jan 4~~, Feb 2, March 1,

April 5, May 3, June 14,

July/Aug \_\_\_\_, Sept 13