

Treasurer Report  
For 7/25/15 Board Meeting

- **Taxes and Annual Registration Renewal**

A draft of the 2014 taxes, otherwise known as the 990EZ, and other 2014 tax documents has been created and presented to us by our Enrolled Agent. Tax documents were created by referring to the 2014 bank statements and financial figures provided on the thumb drives given to us by Adrian Adams, Interim Administrator/Director. Supporting documentation or any paper trail was not verified, balanced or checked.

The prior board's names will be listed on the 990EZ and all 2014 documents, including up to May 16<sup>th</sup> 2015. Our agent will also handle on behalf of the AAI any penalties incurred because of the taxes and/or an extension not being filed prior to our being seated as the new board. The 2014 990EZ will be posted on the AAI website with the minutes once filed with all the governing agencies.

The Annual Registration Renewal Fee Report to the Attorney General was filed by Mr. Adams and subsequently returned due to shortage in postage. After being resent with proper postage, we received a Notice of Incomplete Report from the Attorney General requesting a copy of the 990EZ, which was not included in original mailing, and also requesting explanation of Question No 7. Our Agent also noticed that the dates for the accounting period filed by Mr. Adams on the documents original mailed were inaccurate. This has been corrected and will be forwarded when the 990EZ is filed with the IRS and Attorney General.

- **W-9's / 1099's**

In 2014, while financial figures indicate that some artists may have exceeded \$600 in payments for art sold through the AAI or services rendered through teaching in the Artist Series, there were no W-9's or 1099's found or filed prior to our being seated. This includes vendors who also exceeded \$600 in payments. Effective immediately, completed W-9's will be required prior to payment of art sales and/or services. Companies offering services will also be required to complete a W-9. Anyone exceeding \$600 in payment during a calendar year will receive a 1099.

- **Banking**

Balances on all Art Alliance of Idyllwild BBVA accounts as of July 22, 2015 are as follows. P&L summary from QuickBooks for 2015 is available upon request.

- \$ 4,014.83 – Original General Account established 9/13/06
- \$ 6,000.93 – Preferred Money Market Account established 3/9/15
- \$ 4,508.91 – Preferred Money Market Account established 3/9/15
- \$ 4,000.78 – Preferred Money Market Account established 3/9/15
- \$ 13,246.82 – New General Account established 5/20/15

- **2015 QuickBooks**

The 2015 Quickbook records YTD have been entered to the best of our ability. Supporting documentation for financial entries made prior to May 16<sup>th</sup> of 2015 were not checked, verified, or compared. Entries were made based on what was captured in prior QuickBook electronic records or Banking Records. All entries starting May 16<sup>th</sup>, 2015, which is when we took responsibility for the books, have the necessary paper trail filed by alpha and are following best accounting practices established in our June 2015 board meeting minutes. Expenses or deposits made prior to May 16<sup>th</sup>, 2015, where we couldn't determine what event they were associated with were posted as "other" or as "suspense".

- **Event Statistics** – Per Event and Petty Cash Tracking Sheets as of this date

Sizzling Summer Plein Air and Working Gallery Tour: June 13<sup>th</sup>/14<sup>th</sup>

- Total Artists = 31
  - Working Artists = 10
  - Plein Air Artists = 21
- AAI members = 21
- Non Members = 10
- Number of pieces = 54 pieces
- Number of sold pieces = 6 (plus two after the event)
- Number of guests at Sunday Brunch = estimate 125
- Number of maps handed out on Saturday = 140

Advertising	\$ 172.90
Award	\$ 600.00
Entertainment	\$ 55.00
Gallery	\$ 150.00
Hospitality	\$ 406.12
Supplies	\$ 255.75
Matching Scholarship	\$ 500.00
<b>TOTAL EXPENSES</b>	<b>\$ 2,139.77</b>

Donations- Food/Coffee	\$ 246.00
Donations - Bar	\$ 110.00
Donations - Other	\$ 6.40
Membership Renewed	\$ 120.00
Non or New Members	\$ 345.00
Mug Sales	\$ 90.00
Sales % from artists	\$ 118.50
Scholarship Donation from Wilder Cabins	\$ 500.00
<b>TOTAL INCOME</b>	<b>\$ 1,535.90</b>

### Estimated FINANCIAL IMPACT of Sizzling Summer

2015 Actual	\$ (603.87)	\$0 to members / \$25 to non
2015 Adjusted	\$ (193.87)	If had charged \$25 member /\$35 non

### New Memberships associated with Sizzling Summer

New Artist Members – 2	\$ 120.00
Artist Member Renewals – 4	\$ 240.00

\*There was no proposal or event budget found for 2014.

\*Entry Fee was waived in 2015 for members and discounted rate of \$25 was charged to non-members, hence higher financial impact. Financial tracking of 2015 has been captured in an excel worksheet for future comparison.

\*No proposal was established for 2015 Sizzling Summer event, although all future events are to have a projected budget in place for comparison purposes.

ART UNCORKED Judged Art Show and Gallery Tour: July 18 <sup>th</sup> /19 <sup>th</sup>
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- Total Artists = 60
- Number of pieces = 106 pieces
- Number of sold pieces = 25
- Number of guests
  - Saturday Gallery (10am-5pm) = 238
  - Saturday Reception (6pm-7:30pm) = 200
  - Sunday Gallery (10am-3pm) = 161
- Number of maps handed out = Not tracked

Expense Description	Actual	Budget
Posters - 25 each plus image cost	\$ (41.33)	\$ (100.00)
Liquor License	\$ (100.00)	\$ (25.00)
Wine	\$ (435.24)	\$ (520.00)
Beer	\$ (24.00)	\$ -
Space Rental	\$ (150.00)	\$ (100.00)
Advertising – Print	\$ (21.33)	\$ (300.00)
Advertising – Facebook	\$ (75.15)	\$ (20.00)
Food (see Hospitality)	\$ (183.42)	\$ (400.00)
Supplies, Ribbon, Etc	\$ -	\$ -
Entertainment	\$ (55.00)	\$ (55.00)
Gallery Setup and Tear Down	\$ (180.00)	\$ (150.00)
Hotel Room and Fee for Judge	\$ -	\$ -
Toilet Rental	\$ -	\$ -
Mileage	\$ (87.00)	\$ -
Misc	\$ (87.93)	\$ -
<b>TOTAL EXPENSES</b>	<b>\$ (1,440.40)</b>	<b>\$ (1,670.00)</b>

Revenue Description	Actual	Budget
Donations- Food	\$ 18.00	\$ 275.00
Wine & Beer Sales	\$ 544.00	\$ 444.80
Entry Fee	\$ 520.00	\$ 200.00
Sales % from art sales	\$ 287.95	\$ 125.00
<b>TOTAL REVENUE</b>	\$ 1,369.95	\$ 1,044.80

#### Estimated OVERALL EVENT OUTCOME

As of 7/22/15	Budget
\$ (70.46)	\$ (425.20)

#### New Memberships associated with Art Uncorked

Membership	Actual	Budget
Memberships and Renewals -20	\$ 1,490.00	\$ 100.00
Student Sponsorship – 10	\$ 200.00	\$ 100.00

\*There was no proposal or event budget found for the July 2014 Judged Art Show.

\*2015 budget numbers were best guess and captured in pre-event proposal that was presented prior to the event to the board. Financial tracking of 2015 has been captured in an excel worksheet for future comparison.

#### • Other

1. The April 2015 Potluck security deposit of \$150 will not be refunded. This is because the event was cancelled the day prior to the event by the prior board. Jacque, the new Town Hall Administrator, informed us on 7/20/15 that the \$85 rental fee for the April event will be returned via mail in 3-4 weeks.
2. Remaining 2015 Calendars were donated to the Historical Society and a journal entry made to reflect loss.
3. Our Enrolled Agent has requested that all Directors estimate weekly hours volunteered and that we capture this information in our meeting minutes once a month for tax reasons. Weekly average is to be a best guess scenario.
4. As the treasurer, I will be researching an alternative to paypal to ensure we are getting the best rate and service. This is recommended since a large portion of financial transactions are handled through Paypal.
5. Discussion
  - a. At what price point do we need to get approval with quorum to move forward with purchasing an item versus getting sign-off by two board members?
  - b. Reba Coulter's name is still listed as the Process of Server and needs to be removed.
  - c. Shanna reached out to the donors of a \$2,500 donation that was made in early April. The donors would like to remain anonymous. An additional \$500 was donated by Wilder Cabins from the June 2015 Sizzling Summer Plein Air Event. The AAI will, per a prior motion, match the \$500 donation made by Wilder Cabins. These generous donations along with the selection process for student memberships based on recent sponsorships from ART UNCORKED and revenue from the mug/calendar sales (\$623.60 pretax YTD) need to be handled by a designated Scholarship/Student Sponsorship Lead.

- d. An immediate decision needs to be made regarding hiring an outside company/consultant to verify that all documents with different government agencies have been filed and are current, along with capturing all requirements for future filings. Verification of all documentation was also recommended by our Enrolled Agent. This information will not only help the current board, but will help facilitate the transition to a new incoming board in the future.