



Water Street Studio Board Meeting Minutes  
May 18, 2022

Attendance: Richard (remotely), Jessica (remotely) Lisa (remotely), Matt (remotely), Buzz (remotely), Kimberly (attending late), Randy, James

Meeting called to order at 7:10pm.

- A. Nomination and Election of Executive Board Open Positions
  1. Nominating Committee: Jessica volunteers to be the Nominating Committee and presented the roles of President and Vice-President
  2. Jessica nominated Matt for President and Kimberly for Vice-President; Kimberly is willing to fill both VP and Secretary roles.
  3. Jessica called for any additional nominations, there were none.
  4. With no additional nominations, discussion not necessary.
  5. Jessica motions that we approve Matt as President and Kimberly as VP/Secretary.
  6. All in favor.
  7. Motion passed. Congratulations Matt and Kimberly
  
- B. Approval of March Meeting Minutes
  1. Discussion of March Minutes – specifically the Collective Gallery space. Number in the collective, number of shows, fees, etc.
  2. Motion to approve March Meeting minutes by Richard
  3. Jessica seconded
  4. All in favor
  5. Motion passed.
  
- C. Certification of Board Members
  1. Jessica motions to certify that the current Board members are: Matt Smith, Kimberly Luthin, Randy Hall, Richard DeVeau, Jessica Breugelmans, Lisa Holzl, Maureen Gasek, Chris Schmedes, Ramon Bassett and Buzz Miller
  2. Matt seconded,
  3. All in favor.
  4. Motion passes.
  
- D. Committee Reports
  1. Operations – Buzz, nothing to report
  2. Studios – Lisa - issue with people using shared space for family and non-members, brought to James and Ana; ink spilled, not cleaned up – tabled until James' report
  3. Galleries – Richard – 2023 is being scheduled, moving into 2024

4. School of Art – Maureen – not in attendance
5. Fundraising – Chris – not in attendance
6. Events – Jessica – met with James and Andrea for events – big topic with KPIs – how do we find success with events – differing viewpoints have differing opinions – filling out goal lists per event and then attaining the goals. Talked about developing events that target specific demographics. Andrea needs it broken down into bite size pieces. Reiterated that we are looking for event planning that include a budget, KPI, goals, etc.
7. Marketing – Chair Open – no report
8. Finance – Randy – hoping to put proposals in front of the Board today in regards to the lease
  - a. Randy moves to go to executive session.
  - b. Matt seconded. Executive session begins at 7:33PM
  - c. Randy moves that we return to regular session, Matt seconded, all in favor, return to regular session. At 7:40pm

E. Executive Director Report

1. Facilities
  - a. New Shelf donation – help with organization
  - b. Lighting issues – need some lighting fixtures replaced – had an electrician in today, waiting on quotes
  - c. Water leaks – 3 leaks became very obvious – BEI notified – rained since, no new leaks; but no communication from BEI
  - d. Wood Steps leading upstairs – screws have rusted, BEI sent someone out – it's patched and more stable now – will need to be replaced a couple years down the line, patchwork good for now, but will need to be addressed eventually.
2. Galleries
  - a. Grace hired and getting up to speed. Lots going on/lots of little one-off issues, but making progress.
  - b. Removed pedestals from Resident Artists to maintain availability for galleries. No real complaints
3. Events
  - a. Pattern: 150 insiders roughly come to every 2<sup>nd</sup> Friday/artist inner circle as well
  - b. Bounced up in May to over 200/ also artist sales up
  - c. 2<sup>nd</sup> Friday – a couple of facilities issues – speakers went out; A/C was a little wonky with change in weather and heat up
4. HR
  - a. Interview with candidate for Manager facilities – not great interview/not a long-term cultural fit – may bring on for contractual short-term work
  - b. In April – 1:1 with employees – set goals, performance, etc. Overall went okay – a couple of complaints: inflation is squeezing the part time employees, okay for now but may need to be addressed later – Suggested that we stay on top of it – may be able to give them gas cards to help alleviate some of the stress – Overall organization is at 7 now – Jessica will donate 7 \$25 gas cards to employees. We

would like to bring them in also to Board meetings to meet the Board and get some love.

5. Operations

- a. Audit is approved and on time for extension; received the bill today; thank you all for jumping on the call last week to approve. Full 990 report will be up on the website soon.
- b. Beginning to assemble a budget, staffing plan and fiscal plan for next year. End of FY 22 is in six weeks. Process used to be very collaborative – ED working with staff and individual budgets and then Treasurer and ED work together to put it together. Hoping to establish a more legible use of Quickbooks and reporting that is consistent from year to year. Utilize Jessica for an historical information, contextual questions.

6. School of Art

- a. Lots of challenges and hoops, but overall going well – 128 classes to finish off May session – up 10% from 2021 – happy with that and something we can build off of for summer – 73 for summer scheduled, 22 for camps – there are still some improvements to be made but have made some great progress, community partnerships, exciting new classes, etc. – thrilled
- b. Clay Lab
  1. Contracts a bit out-of-whack – did a deep cleaning to get organized again – staying on top of it.
  2. Challenges with transitioning Jeremy - role is actually as teacher, not WSS staff. Discussed growing the program, workshops over the summer created.

7. Fundraiser

- a. Fox River Fundraiser – some donations already, exposure in the community
- b. Donnelly grant - \$10K to be dispersed in June/July
- c. Grantgopher - \$9 a month – full database listing of grants that can be filtered – time saver and got 2 additions out in April for \$23K
- d. Membership revamped – redundant, cheap in discounts, have shut down old memberships and launched new ones – working with Levitate for launch campaign -= free test drive/hoping for some additional membership sales. Jessica – what systems do we have in place of tracking and maintaining them? In the past we have not been good at giving the discounts, asking for re-application – have since taken it off of CourseStorm and switched all to SquareUp – dropped services down from 7% to 3% - can be easily exported into Excel – lots more organized. Are we documenting all of these new processes – so we can establish a regular pattern of reporting, checking, weekly, monthly, etc. follow-up. James is creating a full policy and procedure binder – it's in progress. But coming along nicely. What is the response from people? We change it every year – no complaints so far. Now the whole program is more streamlined and clear in terms of what they get. Since it's not through Square, auto billing is available and that helps make a lot of the process automated. Richard asking if it will work

with the Collective as well. Can tackle that next. Collective in the past included an Artist membership.

#### 8. Studios

- a. 6B and A have been filled since beginning of April – 100% capacity and a couple of renewals as well. 6 Resident artists up for renewal the end of July – all seem happy right now. But also implementing new licensee agreements. Etc.
- b. Waiting list back up over a dozen
- c. Some issues with common space – mostly a “we didn’t know, sorry, won’t do it again.” We are handling it respectfully, but keeping an eye on the situation.
- d. Updating the license agreement: revamped the entire contract – a lot easier to read now. Last discussion in March was around what we can and can’t do for liquor – we have since renewed our Liquor license – we are a permanent E4 license – we can serve/sell liquor during special events, but no branded selling (full bottles) – can’t have liquor here all the time – if we look at our license and look at Batavia City ordinance that says we can’t have people drinking on the premises, we have to adopt a zero-tolerance policy. Zero tolerance verbiage already in the license, and is now implicit. How are we rolling it out? Currently looking to rolling it out as they renew. 2/3rds will renew in the next 3 months. Board discussion prefers that we roll it out all at once to all licensees – including City ordinance, and including the potential fines. Also still working on rent uniformity – in 5<sup>th</sup> and final year of group created plan to incrementally increase some rents to make more equitable. We should start looking at next 3 years of rent and incremental increases. RAs waiting to see what the change is going to be and wondering how much more the rent is going to go up. Looking at 5% increase for rents to compensate for our increase with BEI. All past conversations have gone well so far.

#### F. Treasurer’s Report

1. Financial Reports for March – Balance Sheet for Current Assets Line Comparison to February - \$18,600 difference – reduction in cash holdings; Total Liabilities increase \$300 primarily in security deposits; Net Income line for the month = loss of \$18,900. Profit and Loss by Month statement: lists out what our P&L was since July 2021 – presenting for February and end of 9 months – net operating income line: \$18,900 loss in March (sounds daunting); net operating loss for full 9 months = \$20K. Net Operating Income line – fairly large variations from month to month, total income show large changes from month to month – difference in income had to do with whether we received grants in the month or not and August of ’21 instructor fees that were paid. Otherwise, most of variances are timing differences – for example utilities payment not made in one month but twice in next month, etc. Taking a look at averages – Average Program Income: \$25,500, grant income \$11,000; Average expenses roughly \$40,000 a month; average a loss of \$2,500 a month for past 9 months. Can extrapolate that out through the final 3 months - \$2,500 not huge, but if look at it without grant income – then monthly loss is closer to 14,500 loss = \$43,500 paired with \$20,000 already down = \$63,500 loss on the year. We clearly

cannot continue to operate on that loss – so budget will look at whether we can continue to rely on grant income; can we continue to offer discounts, etc.

2. Budget to Actual results: Numbers broken out by program - \$35,000 net income over 9 months; \$500 loss in galleries; Education large loss of \$65,000; Clay loss of – grants are positive roughly \$14,000 – comes to a loss of roughly \$20K. matches up with the month-to-month analysis.
3. Studios – Budget of \$36,700 – actual was \$35,100 – pretty close.
4. Galleries – Budget anticipated loss of \$20K – loss of only \$500 – very well
5. Education – Budget of \$1,300 net profit – showing \$65,000 loss – huge loss
6. Clay – Budget income of 2,400 actual was loss of \$3,800 – significant difference
7. Breakout based on square foot of usage not available when schedule made – but we need to look at where we are spending the money compared to where our pricing is and adjust budgeting.
8. April Numbers Balance Sheet – reduction in total assets of \$7,000; increase in long term liabilities \$750 – holding of security deposits; Month New Income: loss of \$7,776. P&L comparison – '22 compared to '21 – program income line: up \$14,700; grant down by \$22,000; down a net of \$7,700; Expenses: down \$5,300. Total expenses: reduction \$6,500. Reduction in total revenue of \$7,000 – loss roughly \$7,800.
9. Motion to approve April financials,
  - a. Randy motions to approve April Financials
  - b. Matt seconded;
  - c. All in favor;
  - d. Motion passed, financials approved.
10. Audit Presentation – financials for 2021 completed with Audit – report and auditors report to the board sent via email. Submitted with exceptions or qualifications by the auditors. Tax return approved by Board as separate meeting 5/13. Will be posted to the website so as to be legally available to the public.

#### G. President's Report

1. New Member Recruitment – all of our jobs, spread the word, invite. Kimberly outlined the process
2. Matt motioned to adjourn; Randy seconded; all in favor; meeting adjourned at 8:53PM

Submitted by KALH