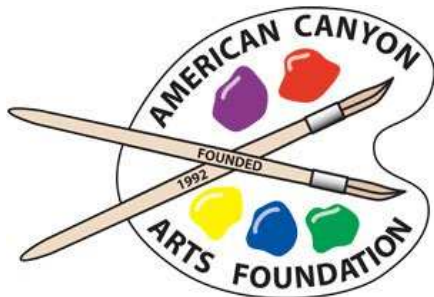


AMERICAN CANYON ARTS FOUNDATION

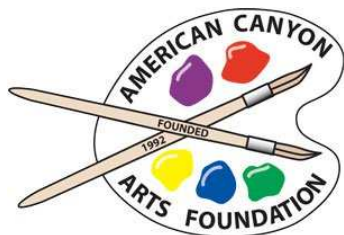
ANNUAL REPORT FOR 2013



2013 Board of Directors

Mark Joseph, *President*
 Chris Tennyson, *Vice-President*
 Laura Keiser, *Secretary/Treasurer*
 Roberta Labaw
 Joe McNaughton
 Francoise Bowlby
 Joanne Biggs-O'Callaghan

Debra Hodges
 Ari Ito-Hood
 Robert Johnson
 Jonette McNaughton
 Nathell Buford
 Linda Peonsin
 Jan Harris



American Canyon Arts Foundation

Arts – Culture – Creativity

Date: January 26, 2014
To: All Members of the American Canyon Arts Foundation
From: Mark Joseph, President
Subject: 2013 Annual Report

This has been a good transitional year for the Foundation. Our two main themes have been to get our governance house in order; and to focus on doing a few things well (rather than spread ourselves too thin). We aren't where we need to be yet—but we have made good progress, as the rest of this report should reveal.

Governance

As noted above, much of my efforts were focused in this area. As more of an Administrator than Artist, I was happy to work on the various issues, and by year's end, we had accomplished the following:

1. Revised the By-Laws. They are now more complete and organized, consistent with State law. We tried to keep as much of the existing processes and standards in tact—for example, not changing the size of the Board.
2. Adopted Board Policies that clarify our roles and responsibilities and provide guidance on how to run the administrative functions of the organization, from safety and risk management to whistleblower posters.
3. Resolved the Tax Exempt status with the State. I am particularly proud of the fact that we were able to accomplish this without any penalties or back payments. We are now ready to move forward towards incorporation, provided the Membership endorses this step at tonight's meeting.
4. Upgraded the Board's agenda packet. Meetings run smoother (although not necessarily shorter, based on the amount of material to cover!) with an agenda and written reports. Sending out materials before the monthly Board meetings is now the norm and not the exception.
5. Developed a Two Year Workplan, which is attached. Hopefully, we will renew it annually and continue to use it to focus our attention on the critical aspects of the organization.
6. Adopted a budget for 2013 and 2014. Although the 2014 budget is admittedly ambitious, it is also broken down into the new programs and accounts, which will allow us to better track our efforts and the "bottom line."
7. Received a \$5000 grant from the County to develop a business plan and revise our website. We are currently working on this with our consultant, Hunter Hollingsworth.

Fund Raising

1. Working with Steve Lew of CompassPoint (the same company that provided us with a half day Board training on governance issues in 2012), we used the last of our original County grant on fund raising “coaching” exercises. We developed a “Case Statement” for the Foundation and discovered that the most effective fund raising is not the most labor intensive! It was instructive to realize we should focus on events that both further our mission and make us money, rather than on events that may be mission related but consume so much of our limited volunteer hours and do not generate that much money. We used this training on a year-end membership drive.
2. Our new Board Manual has also given us several tools to improve our financial condition. The Fund Raising & Sponsorship Policy provides for a new “matching sponsorship” program that should be appealing to businesses; a Volunteer Incentive Policy (and we will ask the County for financial support to develop and implement this program through their “Capacity Building” Grants); and even a Gift Acceptance policy, in case someone gives us land or stock!
3. We decided to skip this year’s Arts Extravaganza in order to have more time to plan and execute a bigger event in April 2014, to coincide with the Napa Valley Arts in April event. We plan on having a juried art show this year and reach out to artists throughout the North Bay area, as well as related events with local wineries and the hotel owners.
4. We held a Mother’s Day Tea at the Gallery in May. Although it was a wonderful event, we did not get the turnout we hoped. We will try it again next year, moving the date and partnering with the local Mom’s Club to co-sponsor a “Mother and Daughter” Tea, in which we produce the event and share ticket proceeds with the Mom’s Club, based on the tickets their members sell.
5. We also held a more successful Car Show/BBQ, despite the fact that it rained on the day of the event! Again, we want to do something similar this year, but work with the Chamber of Commerce to see if we can find some common ground to make it profitable for both groups (for example, we could handle the BBQ and receive money from that, and allow the Chamber to make money selling beer and wine).
6. We also held the beer franchise for the City’s Fourth of July Event. Unfortunately, we did not get the sales we expected and if it weren’t for the fact that Napa Smith Brewery was very generous on not charging us for as much as they could have, and the City picking up the liability insurance for the entire event, we would have lost a lot of money on this event. As it was, we did make some money and we also agreed that this may not be the right fit for us in the future.
7. Brenda Knight’s Eighth Annual “Music in the Park” was another financial success for us, netting over \$1600.
8. We wrapped up the year with our Third Annual “Winterfest” program at the Gallery. This included our “Meet Santa and Mrs. Claus” event and Open House. The Open House was particularly successful, with over \$1000 in sales that evening! Overall, we generated \$2000 in sales and netted over \$1200 for the Foundation. We also auctioned off our decorated Christmas Trees and made another \$800. It was a great way to end the year!

Member Services, including the Gallery & Art Center

1. At the Gallery, we developed the practice of offering our member artists a chance to paint together on Saturdays. Although there is no official teacher, everyone learns from each other, and the overall quality of the art has improved. This is a great example of what the Gallery can become, a real asset for local artists.
2. We held our annual Open Studios again, although there were only two sites this year—at Bonnie's home and at the Gallery.
3. We also participated in Benicia's Peddler's Fair, celebrating their 50th Anniversary. Several of our member artists combined their artwork into two booths and attended the event in August. It may not have been the most financially lucrative endeavor (the Peddler's Fair seems more crafts-oriented than fine art), but it was great for us because it gave us the opportunity to develop an organized booth for future art shows. This could become another excellent member service—facilitating our participation in other art shows in the Bay Area.
4. We also recognized our outstanding Volunteers in the City's annual Volunteer Recognition Ball. Vice-President Chris Tennyson was our Organizational Winner this year, with Certificates of Appreciation going to the following: Joanne Biggs-O'Callaghan, Nathell Buford, Julio Mestres, Roberta Labaw, Jan Harris, Bonnie Waxman, Debra Hodge, Laura Keiser, Pam McMillan, and Linda Peonsin. It should also be noted that many of our members are also Gateway Award winners: Ben Anderson, Fran Lemos, Dolly Mikolajcik, Bonnie Waxman and Mark Joseph.
5. We provided a Gamblin Art Demonstration with Glen Brill in April, and hope to develop more demonstration programs next year.
6. The Gallery went through a makeover in the front, thanks to Laura and Jeff Keiser. They removed the wall and opened the boutique area up. Jan Harris did an outstanding job decorating the gift shop to reflect the various phases of the year, from Valentine's Day to Christmas! Thanks to all that helped, because no one can do it alone!
7. Near the end of the year, we began expanding our class offerings to include ceramics, and Pam Jones has now agreed to use our site for her classes.
8. We also began to get more positive signs from our landlord that we can rent the back room and use it for our ceramics program, as well as to provide some dedicated classroom space. This will then allow us to redo the Gallery area and make it more open and appealing, not only for art shows but also for live performances.
9. Bonnie continued to produce and mail out the monthly Informer newsletter. She is passing that on to a new generation starting in 2014, but I want to thank her for her long years of support and dedication. This Foundation could not have made it without her willingness to keep all the day to day affairs going, from keeping minutes to producing the Annual Reports and the monthly Informer.

Community and School

1. We resumed our annual Scholarship Program, now that American Canyon High School produced their first graduating class. A \$500 scholarship was given to Katherine Yu, who was also our first “Student Artist of the Month,” a new program noted below.
2. The Board adopted a new program called “Student Artist of the Month.” This is a way of recognizing our local student artists, by giving them a reception and then displaying their artwork at the Gallery for the month. Katherine Yu and Michelle Tennyson have been our first two recipients, and the program has had a rocky start—it began just as school was getting out! We will continue to work with our local schools and develop a routine. This program is very critical to a number of issues: it promotes our student artists, it is part of our mission to support art in public schools and it really is a fund raiser, since we get monthly sponsorships to pay the monthly space rental!
3. We also provided judges for the Art Show held at the High School’s “Dances with Wolves” program. Debbie Hodge put on her annual Summer Art Camps and they were well attended.
4. We also began to move cautiously forward on the beginnings of an “Art in Public Places” program. We worked with the City to host the display of member Gary Stutler’s “Moon” a landscape of the future Town Center site at night under a full moon. We adopted an Art in Public Places policy and hosted an “Art Pop-up” event at the local Fairfield/Marriott hotel (and then the hotel became a member!!)
5. Working with the Napa Valley Film Festival, we helped promote the movie “G-Dog,” a documentary about a self-help program that has become very successful in LA.
6. In February, member Katherine Griffin celebrated Chopin’s birthday by putting on a piano recital of some of his works and opened that to the public.
7. As part of the “Music in the Park” series, we co-sponsored the City’s first Latino Heritage Month event, with a free concert performance by The Soul Project, and food from Mi Zacatecas. This is also becoming part of our cultural heritage program, reflecting not only our mission of arts and culture, but also the diversity of this community. In 2014, we will be co-sponsoring the Black Heritage Month program at Umpqua Bank and the local library.
8. We offered crafts projects to both the boy scouts (actually the weeblos) and girl scouts. We reached out to the Mom’s Club and hope to develop a good working relationship with them, to provide art classes for Moms and kids alike.
9. We have been working with the AC Singers to help them blossom into a successful Choral Musical group. At year end the Board approved the idea of being their fiscal sponsor, which will give them some organizational support and we will be the beneficiary of 2-3 concerts from the group as well!

10. We also participated in the City's various special events, starting with the annual Chalk Art Contest, but also we were there for Halloween, the Fourth of July and the Christmas Tree Lighting ceremony, as well as a stop in the annual Decorated Homes bus tour at Christmas time.
11. Roberta also reached out to a safe house for women in Vallejo and offered the Foundation's services to help provide art classes as therapy. Nothing has come from this yet (mainly because they are just starting out), but it is typical of what we need to be—an art and cultural asset for the community.

Financial Condition

Attached to this report is the Budget to Actual Report for 2013, and includes the budget for 2014. Without going into too much detail, we generated slightly more revenues than we expected, and spent slightly less than we expected. Normally, that means we did pretty well, but part of the budget reflects a \$5000 grant from the County. We received the full amount as revenue, but only spent \$1000. Thus, there is another \$4000 in expenses that will occur in the next year.

As a result, although we show a small surplus of \$724, if we had spent all of this year's grant, it would have been a deficit of \$3,276. This is not as bad as it looks, since we expected to use \$2000 more in expenses than revenues this past year (that was the remaining balance from an earlier County Grant).

Based on our cash and other assets, and less any outstanding liabilities, we had just over \$2200 as carryover into 2014. In short, we are still in the black!

Challenges for the next year

Although we will be holding a Board Retreat in February, in part to update our Two Year Work Plan, it is clear that we have much to do in order to become successful. Just a few items that need our attention are listed below:

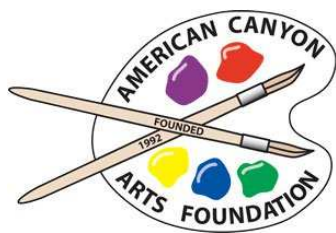
1. We need to finish our quest to get our legal and organizational house in order. With the Membership's endorsement tonight, we will become a Nonprofit Public Benefit Corporation and refile with the appropriate agencies at the State and Federal levels. Likewise, we need to gain experience working with our new Board Manual, and find ways to streamline our bookkeeping efforts.
2. We need to aggressively develop and nurture partnerships with the City, the School District, businesses, other community groups and arts organizations. Only through these partnerships will we be able to pool our limited resources and become successful.
3. We need to grow our membership. We have just over 60 members now, but we need to increase that number by at least one half, and work with the membership to get more active participation. A key component of this is to implement a Volunteer Incentive Program, which we will seek County grant funds to accomplish.

4. We need to expand the Art Center by renting the back room and developing it into a ceramics/class room. We need to develop a master plan for improvements at the Center and then seek funding to make it happen. This will not only make the Center more functionally effective, but also improve the overall look and feel of the facility and likely enhance our credibility and membership.
5. We need to complete the Business Plan and Updated Website, consistent with our County Grant. A major part of this effort is to focus on re-branding and then marketing the organization. The goal is to make the Center financially self-sufficient (for now—at some point, it needs to make money!). Growing our art classes is a great way to do this, which also reinforces our mission of supporting local artists. We are also seeking funds from the City to promote and expand our program.
6. We need to produce the most financially successful Arts Extravaganza ever! We are reaching out to more artists and will be able to rely on marketing support from the Napa Valley Arts in April program. But we also need to make sure we run a professional and appealing show, if we expect to increase both the artists and the public viewing that art.
7. We need to refine our fund raising efforts and make sure we do not spend more time and energy than we generate in net income. That may mean some programs are discarded and others are revamped.
8. And lastly, we need to expand our Winterfest program to increase revenues and foot traffic into the Center.

Conclusion

Clearly, we have been busy in 2013! Even the listing of events and activities above do not really convey the hard work and dedication from our members, insofar as we still run an Art Center four days a week with volunteers. We also put on shows and events that take a great deal of time and effort. It is not uncommon for members to put out hundreds of dollars of their own money, just to see the Foundation succeed.

As we add new members and new programs, we should not lose sight of some of our greatest strengths: the tenacity to survive no matter the obstacles; and the drive to give back to the community. When the Foundation was formed in 1992, it was only a handful of individuals in a City barely a year old. We need to keep that spirit alive as we move forward in the years to come.



American Canyon Arts Foundation

A 501 (c) 3 Association Established in 1992

Detailed Outline: ACAF Two Year Plan

Year One

1. Address Governance Issues
 - a. Convert from Association to Corporation and confirm 501 (c) 3/tax exempt status
 - b. Revise Bylaws
 - c. Complete Board Manual
 - i. Section One: Corporate Documents
 1. Articles of Incorporation
 2. Bylaws
 3. 501 (c)3 IRS letter
 4. State Tax-Exempt Status
 5. Resale Permit
 - ii. Section Two: Board Policies
 1. Required Policies (Conflict of Interest, Non-Discrimination, Whistleblower, Document Retention, etc.)
 2. Foundation-specific (Mission/Vision Statement, Board Member Roles & Responsibilities, Code of Conduct, Conduct of meetings, Committee Structure/Duties, etc.)
 - iii. Section Three: Operating Guidelines
 1. Financial and Administrative (accounting procedures, for example)
 2. Programs and Events (detailed steps to put on our annual programs and events, such as the Arts Extravaganza or Open Studios)
 3. Gallery Operations
 - iv. Section Four: Appendix
 1. Annual Work Plan and Activity Calendar
 2. Annual Budget (and current status)
 3. Current Roster of Board Members and/or Membership
 4. Copy of Insurance Policies (or summaries)
 - d. Develop/Adopt an Annual Budget
 - e. Establish Standing Committees, including the use of Agendas, Reports and Meeting Minutes to expedite and preserve the Foundation's business.
2. Develop Partnerships with Government, Community Groups, Churches, Businesses and other Art-Related Organizations
 - a. Top priority is the five public schools in American Canyon
 - b. Maintain memberships with the Chamber of Commerce as well as art-related organizations (Arts Council/Napa Valley, Benicia, Vallejo?)
3. Develop a Business Plan for the Art Gallery (using County grant funds to complete)
4. Conserve our limited resources (money and volunteers!)
 - a. **Do a few programs well** (limit our reach; plan them in advance and make sure they are done with class)
 - b. Develop an effective Information Booth that can be used at various community events
 - c. Partner with other organizations to share the workload and costs (for example, Jazz in the Park)

Year Two

1. Recruit Board Members that reflect our new Partnerships (Representatives from the City, the Schools, and professional services, major sponsors, etc.)
2. Start a major Membership Drive
 - a. Identify the benefits of membership (access to gallery space/shows; discounts for Foundation Events; discounts at the Boutique; Art Lending Library; etc.)
 - b. Build up our member database (names, addresses, email, phone for members and officers)
 - c. Make sure we have jobs for new members, and that there is something in writing that explains how to do that job (hopefully, based on the Board Manual in year one)
3. Develop a central database for mailings, email contacts, etc. (members, interested persons, people that showed up at the gallery, etc.), to be used to promote events
4. Improve the Gallery's bottom line, based on the business plan adopted
5. Initiate our signature fund raising event: the Mexican Fiesta
 - a. Low cost buffet meal
 - b. Handmade piñatas for sale
 - c. Mariachi Band
 - d. Silent auction focused on Wines from the Carneros Wine Region

American Canyon Arts Foundation

Annual Budget to Actual, 2013; and Adopted Budget 2014

<u>Budget Item</u>	<u>Budget</u>	2013 <u>Actual</u>	<u>Variance</u>	<u>Pct.</u>	2014 <u>Budget</u>
INCOME					
Grants	\$5,000	\$5,000	\$0	100.0%	\$5,000
Donations	\$500	\$1,057	(\$557)	211.5%	\$2,750
Fundraising-Raffles	\$0	\$257	(\$257)	N/A	\$0
Fundraising	\$950	\$903	\$47	95.1%	\$2,200
Memberships	\$1,400	\$1,150	\$250	82.1%	\$1,250
Contributions, Subtotal	\$7,850	\$8,367	(\$517)	106.6%	\$11,200
Admission Fees	\$0	\$203	(\$203)	N/A	\$1,450
Advertising Revenues	\$0	\$0	\$0	N/A	\$300
Space Rental/Gallery	\$7,200	\$6,471	\$729	89.9%	\$9,000
Booth Rental Charges	\$0	\$0	\$0	N/A	\$300
Gallery Sales	\$5,500	\$6,939	(\$1,439)	126.2%	\$8,050
Other Revenues	\$0	\$40	(\$40)	N/A	\$400
TOTAL REVENUES	\$28,250	\$29,756	(\$1,506)	105.3%	\$45,560
EXPENSES					
Grants Given	\$0	\$0	\$0	N/A	\$0
Scholarships	\$500	\$500	\$0	100.0%	\$1,000
Community Support, Subtotal	\$500	\$500	\$0	100.0%	\$1,000
Artist Share of Gallery Sales	\$3,000	\$2,931	\$69	97.7%	\$4,125
Condolences & Recognition		\$0	\$0	N/A	\$125
Volunteer Incentive Program		\$0	\$0	N/A	\$2,000
Field Trips & Speakers		\$0	\$0	N/A	\$500
Other Member Benefits	\$250	\$0	\$250	0.0%	\$300
Member Benefits, Subtotal	\$3,250	\$2,931	\$319	90.2%	\$7,050
Temporary Help		\$0	\$0	N/A	\$2,000
Other Professional Services	\$7,000	\$3,750	\$3,250	53.6%	\$1,750
Payroll & Consulting, Subtotal	\$7,000	\$3,750	\$3,250	53.6%	\$3,750

American Canyon Arts Foundation

Annual Budget to Actual, 2013; and Adopted Budget 2014

<u>Budget Item</u>	<u>Budget</u>	2013		<u>Pct.</u>	2014
		<u>Actual</u>	<u>Variance</u>		<u>Budget</u>
Gallery Rent	\$12,000	\$12,000	\$0	100.0%	\$14,500
Gas & Electric	\$1,400	\$1,848	(\$448)	132.0%	\$2,500
Water & Sewer	\$650	\$686	(\$36)	105.5%	\$700
Bldg. Repairs		\$0	\$0	N/A	\$300
Solid Waste	\$0	\$205	(\$205)	N/A	\$400
Supplies & Maintenance	\$100	\$300	(\$200)	300.0%	\$200
Facilities, Subtotal	\$14,150	\$15,039	(\$889)	106.3%	\$18,600
Advertising & Promotions	\$500	\$256	\$244	51.2%	\$1,950
Awards & Ribbons	\$100	\$0	\$100	0.0%	\$2,100
Facility & Equipment Rental		\$0	\$0	N/A	\$0
Hospitality		\$780	(\$780)	N/A	\$0
Performer's Fees & Charges		\$2,100	(\$2,100)	N/A	\$1,800
Printing & Postage	\$140	\$43	\$97	30.9%	\$3,200
Other Program Costs	\$1,500	\$1,867	(\$367)	124.5%	\$2,350
Program Expenses, Subtotal	\$2,240	\$5,047	(\$2,807)	225.3%	\$11,400
Bank Charges & Penalties	\$450	\$301	\$149	66.8%	\$200
Insurance	\$1,650	\$319	\$1,331	19.3%	\$750
Member Dues - Other Agencies	\$0	\$365	(\$365)	N/A	\$680
Internet & Info Tech	\$0	\$0	\$0	N/A	\$380
Office Supplies	\$500	\$93	\$407	18.6%	\$250
Postage & Shipping		\$0	\$0	N/A	\$0
Taxes, Permits & Filing Fees	\$60	\$110	(\$50)	183.3%	\$900
Telephone Services	\$450	\$578	(\$128)	128.4%	\$500
Travel, Training & Conferences		\$0	\$0	N/A	\$100
Administration, Subtotal	\$3,110	\$1,765	\$1,345	56.7%	\$3,760
TOTAL EXPENSES	\$30,250	\$29,032	\$1,218	96.0%	\$45,560
Net Income/(Deficit)	(\$2,000)	\$724	(\$2,724)	-36.2%	\$0
<i>Less: Balance of County Grant</i>	<i>\$0</i>	<i>(\$4,000)</i>			
<u>ADJUSTED NET INCOME/(DEFICIT)</u>	<u>(\$2,000)</u>	<u>(\$3,276)</u>	<u>(\$1,276)</u>		
Beginning Balance (1/1/2013)	5485.11	5485.11	0		\$2,209
Ending Balance (12/31/2013)	\$3,485	\$2,209	(\$1,276)		\$2,209

AMERICAN CANYON ARTS FOUNDATION

Membership Roster for 2013

<u>Last Name</u>	<u>First Name</u>	<u>City</u>	<u>Position</u>
Anderson	Benjamin	American Canyon	Member
Biggs-O'Callaghan	Joanne	Napa	Director
Birkholz	Terry	American Canyon	Member
Bowlby	Francoise	Napa	Director
Bufalini	Angelo & Lee	Benicia	Member
Buford	Nathell	American Canyon	Director
Caldwell	Keith	American Canyon	Life Member
Calonsag	Theresa	Vallejo	Member
Campbell	Sharon	Napa	Member
Contreras	Tom	Napa	Member
Crisosto-Mayfield	Judith	Vallejo	Member
Crowell	Marge	Napa	Member
de Asis	Christine	Oakley	Member
Dennis	Snookie	Novato	Member
Fuqua	Laurine	Napa	Member
Gibson	Robin	Napa	Member
Goff	Elizabeth	American Canyon	Member
Gonsalves	Fay	Vallejo	Director
Goudeau	Cleven	Vallejo	Member
Griffin	Katherine	American Canyon	Member
Harris	Jan	Vallejo	Director
Harris	Bob	American Canyon	Member
Holsten	Angel	Vallejo	Member
Hood	Ari	American Canyon	Director
Imlay	Louise	American Canyon	Member
Jackson	Thomas	American Canyon	Member
Johnson	Robin	Vallejo	Member
Johnson	Robert	Benicia	Director
Johnson	Donna	Napa	Member
Jones	Pam	Angwin	Member
Joseph	Mark	American Canyon	President
Keiser	Laura	American Canyon	Secretary/Treasurer
Komjathy	Lisa	Vallejo	Member
Koskinen	David	Benicia	Member

AMERICAN CANYON ARTS FOUNDATION

Membership Roster for 2013

<u>Last Name</u>	<u>First Name</u>	<u>City</u>	<u>Position</u>
Kulick	Jeanette	American Canyon	Member
LaBaw	Roberta	American Canyon	Director
Leary	Ken	American Canyon	Member
Lemos	Fran	American Canyon	Member
Lloyd	Harriet	Vallejo	Member
Lockette	Jennifer	American Canyon	Member
Lothrop	Edith	Vallejo	Member
McCloud	David	Napa	Member
McCree-Goudeau	Jeanette	Vallejo	Member
McMillin	Pam	Vallejo	Member
McNaughton	Jonette	American Canyon	Director
McNaughton	Joey	American Canyon	Director
Mestres	Julio	Vallejo	Member
Mickens	Terra	Novato	Member
Mikolajcik	Dolly	American Canyon	Member
Milburn	Suwannee	American Canyon	Member
Morse	Fred	Napa	Member
Muhammad	Khaleedah	Vallejo	Member
Peonsin	Linda	Benicia	Member
Phillips	Margaret	Napa	Member
Prince	Gloria	American Canyon	Member
Radford	Kent	American Canyon	Member
Ruffin	Herb	American Canyon	Member
Schram	Hattie	American Canyon	Member
Sevilla	Daina	Vallejo	Member
Shields	Joyce	American Canyon	Member
Sirotko	Juan	American Canyon	Member
Stutler	Gary	Vallejo	Member
Tennyson	Chris	American Canyon	Vice-President
Tully	Mylene	Vallejo	Member
Vaughn	Constance	Vallejo	Member
Waxman	Bonnie	American Canyon	Member
Willis	Carol	Napa	Member

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