

## Financial Year 2019-2020 in Review

The Finance Committee is charged with responsibility for managing the ATA's finances. Our 990 is due on August 15, 2020 and has not yet been filed. A preliminary draft supplied to the Committee reports that during the 2019-2020 fiscal year (ending in April 2020) the ATA had an estimated net income (profit) of \$12,360 excluding depreciation of \$26,816. There were three main reasons for this result:

1. The Theater was closed for 6 weeks and there is no way to estimate additional income that we might have accrued.
2. There were also "COVID-19 Expenses" that would not have been incurred had we not been closed. This includes the 6 weeks of pay to furloughed employees, etc. and totals approximately \$8,000.00 which reduced the net income for last year by an equivalent amount.
3. Older non-restricted funds were closed out and added to the net income by approximately \$10,000

For the first quarter of our 2020-2021 fiscal year (April through June) we have been closed due to the COVID-19 pandemic. As a result, we have had to furlough most of our employees and we are working with a skeleton staff of essential employees. We received a PPP Loan for \$19,575.00, which can be used for payroll and utilities thru 11/24/20. We have enjoyed a good response to our Spring Fundraising Letter and have received donations and memberships as well as several grants most of which will be used for operational and other costs associated with our eventual reopening.

The Committee (and the Board as a whole) continue to discuss various scenarios for re-opening. In addition to the "normal" costs that will be incurred to re-open after such a long closure (i.e., cleaning of seats and carpets, etc.) there are many unanswered questions that remain that the Committee and the Board as a whole are working to address (e.g., the number of showings/week that would be possible, the number of staff that would be required per showing, the need to monitor the rest room with cleanings after each use, the need to clean the theater between showings, questions as to the manner in which concessions will continue, required Personal Protective Equipment for staff, hand sanitizers and masks for attendees, and the installation of plexiglass screening around the concessions area, etc.).

The ATA has received several Grants:

1. A Grant from the Community Foundation of Mendocino County for the replacement of our old heaters for \$6500. The Finance Committee and the Facilities Committee have agreed to use this opportunity for the installation of HEPA filters within the heating system. This will be completed in the next two months.
2. Two Arthouse Convergence Grants to help with the lost income during our closure and for the additional costs of re-opening for \$54660.00..

3. We are submitting an application for a State Compensation Insurance Fund Grant to offset some of the increased costs that will be encountered upon reopening.

The ATA has – drumroll – finally paid off its mortgage. The Have-A-Seat Program was instrumental in allowing us to accomplish this. Since there are still some seats available the Committee has decided to change the focus of the Have-A-Seat Program to raise funds to pay off the Solar Loan which is \$58,000. The Facilities Committee has been active during our closure and the wooden dance floor in the Theater has been completed refinished.

**UPDATE for the Drive-In:** At its August 11 meeting the city council has approved the drive-in project and we will proceed with a test run hoping to screen our first feature, “Back to the Future,” on Saturday, August 29.

The Board’s efforts to begin a pop-up Drive-In Movie at the Cove have been temporarily suspended since the County has recently seen a significant increase in the numbers of diagnosed COVID-19 patients and the earlier Stay-Home Order has been reinstated. We will revisit this issue with the Point Arena City Council as soon as the diagnosed case numbers drop, and the Cove is allowed to re-open to the public.

Times are very difficult for all of us, but the ATA Board is confident that with prudent management the Theater will successfully re-open (we’re not sure when that will be but we will re-open). We will keep you advised as this progress.

Stay safe.