

# new musicals inc.

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Executive Summary  
May 19, 2021

Attached: Cashflow; Budget v Actual for current year; Balance Sheet, Memo Regarding Next Year's Budget, Next Year's Budget, Data Arts Report on Board contributions, Memo re Staff Backpay

\*\*\*If you're short on time, please review at least *Next Year's Budget*\*\*\*

## Cashflow

We have \$114,000 in our checking account, and \$62,000 in our brokerage account, for a total of \$180,000. For the remainder of the fiscal year (through August 2021), I anticipate about \$92,000 in expenses and \$41,000 in income, leaving us with approximately \$125,000 in cash at the end of the fiscal year.

## Financial statements

*Balance sheet.* Reflects the influx of cash in both checking and brokerage accounts.

*Budget v Actual.* Our actuals are beginning to reflect the positive difference between our predicted budget back in July of 2020, showing the second PPP loan, and other unanticipated grants and contributions.

## Grants

This fiscal year, we have received over \$220,000 from California Arts Council, Colton Foundation, LA County Business Grant, LA County Covid Emergency Grant, CAC Deaf Actors project, LA City DCA, Los Angeles County Arts Council, California Arts Council for Veterans Project, the Paycheck Protection Program, and since last Board meeting, we've received three new smaller grants: North East North Hollywood Neighborhood Council, the Peter Glenville Foundation, and an Anonymous Fund in Marin County.

I am expecting an additional \$55,000 from the 2nd Supervisorial District, Colton Foundation 2021, and Covid County Grant 2021, These would net approximately \$25,000.

There is an additional potential of \$18,000 from California Arts Council (Veterans 2021), and an amazing \$120K from the multi-year LA Arts Recovery Fund, for a total of \$138,000, with a net of \$70,000 or so.



Plus whatever comes in from the efforts of our Director of Development, Suzanne Phillips. and from our grants writer, B.K. Wells. Hard to guess here...maybe \$25,000, with a net of \$10,000. Maybe ten times that.

### **Next Year's Budget**

You can find attached to this Executive Summary an entire section about Next Year's Budget. I have prepared an optimistic version and a pessimistic, and respectfully suggest the Board prepare for both scenarios.

We're at that time of year when I can present either a balanced budget (by deciding on paper that we received X, Y, and Z grants, and a Board fundraiser brought in \$X) or a deficit budget (in which we don't receive any grants, and there isn't a Board fundraiser), so it's vital you take a look at the factors we all need to weigh as we head into this next incredibly critical year.

### **Arts Fund Report**

The Board have been asking for years for a report comparing the amounts of money which NMI's Board of Directors raises vs. other equivalent arts organizations. I've finally been able to extract an approximation of that answer out of the *Data Arts Project*. It's not exactly a size-by-side comparison, but you can see that for over 3,000 arts organizations under \$300,000. the average Board of Directors' contribution is 3.41% of the annual budget. For NMI's currently fiscal year, 3.41% would mean approximately \$10,230.

### **Backpay Owed to Staff**

The Board has kindly been pressing for repayment of backpay owed Elise and me. I've included a Memo to the File which chronicles the debt. It stands at \$27,262 owed to Elise, and \$25,923 owed to me.

### **Strategic Planning**

There are a lot of numbers in this report. But they're designed to help you make an informed decision about huge leaps we're considering, in particular, into what size building can we move? And how much of our cash reserve do we want to spend?

## Cashflow

<b>Cashflow 5.6.21</b>	expense	income	running balance
5/6/2021			114,000
Spacer (for Excel)			114,000
4x10	8,100		105,900
5/7/2021 Paypal not yet cleared		5,300	111,200
5/7/2021 Deposits not yet cleared		1,045	112,245
5/31/2021 Grantwriter	850		111,395
5/31/2021 Monthly expenses	13,284		98,111
5/31/2021 Veterans staff	250		97,861
5/31/2021 Development director	2,700		95,161
5/31/2021 Rentals		500	95,661
6/15/2021 Amplify Summer 2021	4,000		91,661
6/15/2021 Veterans CAC grant 2 of 2		1,800	93,461
6/27/2021 Veteran expenses 4 of 4	4,500		88,961
6/30/2021 Rentals		1,000	89,961
6/30/2021 Monthly expenses	13,284		76,677
6/30/2021 Veterans staff	250		76,427
6/30/2021 Development director	2,700		73,727
7/30/2021 Contributions towards Veterans project		1,000	74,727
7/31/2021 Summer Pitch conference	500	7,500	81,727
7/31/2021 Rentals		2,000	83,727
7/31/2021 Monthly expenses	13,284		70,443
8/10/2021 City grant (15MM)	4,500	13,000	78,943
8/15/2021 Veteran 6 finalists	10,500	5,000	73,443
8/30/2021 Contributions via Director of Development		1,000	74,443
8/31/2021 Rentals		2,500	76,943
8/31/2021 Monthly expenses	13,284		63,659
	91,986	41,645	
Rent	2,400		
Monthly Expenses	1430		
Wages (incl WC, contributions)	13284		
Total Rent/Expenses/Wages	17,114		
<i>math check</i>	91986	41,645	63,659

Glenville 5K; expenses are 1750 x 6

**New Musicals Inc.**  
**2019-20 Budget v. Actual**  
**Actuals v. budgeted predictions by this point in Fiscal Year**

	Sep 1, '20 - May 6, 21	Budget	\$ Over Budget	% of Budget
<b>Ordinary Income/Expense</b>				
<b>Income</b>				
ANMT Writers' Workshop Income	47,191	52,789	-5,598	89%
Conditional Projects Income		25,000	-25,000	
<b>Contribution Income</b>				
Contributions - Board	2,250	3,750	-1,500	60%
Contributions - Members	6,050	5,801	249	104%
Contributions - Non Members	31,122		31,122	100%
Friends of New Musicals	570	2,048	-1,478	28%
<b>Total Contribution Income</b>	39,992	11,599	28,393	345%
Developmental Services Income	2,650	7,026	-4,376	38%
Fundraiser Income	2,581	12,500	-9,919	21%
Grant Income	103,572	72,236	31,336	143%
Miscellaneous Income	55,349	30,000	25,349	184%
Online Income	510	785	-275	65%
Producing Income	75	9,458	-9,383	1%
Programming Income	1,042	1,707	-665	61%
Rental Income	4,908	15,295	-10,386	32%
<b>Total Income</b>	257,870	238,395	19,475	108%
<b>Expense</b>				
ARC EXPENSES		980	-980	
Bank Service Charges		164	-164	
Conditional Projects Expenses		23,000	-23,000	
Contractors - Instructional	12,265	6,901	5,364	178%
Contractors - Theatre	2,300		2,300	100%
Contributions		1,000	-1,000	
Conventions/Travel		4,400	-4,400	
Facility Expenses	35,313	20,345	14,968	174%
Fundraiser Expenses	124	4,000	-3,876	3%
Grant Expense	89	3,526	-3,437	3%
Insurance	4,099	4,636	-537	88%
Marketing		2,790	-2,790	
Miscellaneous	94		94	100%
Office Expense	13,226	16,438	-3,212	80%
Producing Expenses	7,905	10,869	-2,964	73%
Professional Fees	9,260	13,056	-3,796	71%
Programming Expenses	343	1,007	-664	34%
Wages - W2	85,987	76,351	9,637	113%
Workers' Comp	-112		-112	100%
Writers' Expenses	4,225		4,225	100%
<b>Total Expense</b>	175,119	189,462	-14,344	92%
<b>Net Ordinary Income</b>	82,752	48,933	33,819	169%
<b>Net Income</b>	<b>82,752</b>	<b>48,933</b>	<b>33,819</b>	<b>169%</b>

## Academy for New Musical Theatre, Inc.

**Balance Sheet**

As of May 6, 2021

	<u>May 6, 21</u>
<b>ASSETS</b>	
<b>Current Assets</b>	
<b>Checking/Savings</b>	
Union Bank of Ca 3070021659	114,000
Union Bank of Ca2 ALNM	6,128
<b>Total Checking/Savings</b>	<u>120,128</u>
<b>Other Current Assets</b>	
Prepaid Expense	2,633
Previous Fiscal Year Income	5,720
<b>Total Other Current Assets</b>	<u>8,353</u>
<b>Total Current Assets</b>	128,481
<b>Other Assets</b>	
Fidelity Brokerage	62,738
Rent Deposit	4,200
Workers Comp Deposit	965
<b>Total Other Assets</b>	<u>67,903</u>
<b>TOTAL ASSETS</b>	<b><u>196,384</u></b>
<b>LIABILITIES &amp; EQUITY</b>	
<b>Liabilities</b>	
<b>Current Liabilities</b>	
<b>Other Current Liabilities</b>	
Fiscal Receivership ALNM	456
Payroll Liabilities	68
Prepaid for Next Fiscal Year	4,417
Showcase 4x10 Escrow Funds	10,093
<b>Total Other Current Liabilities</b>	<u>15,034</u>
<b>Total Current Liabilities</b>	<u>15,034</u>
<b>Total Liabilities</b>	15,034
<b>Equity</b>	
Opening Bal Equity	503
Retained Earnings	97,662
Net Income	83,186
<b>Total Equity</b>	<u>181,350</u>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b><u>196,384</u></b>



# new musicals inc.

May 6, 2021

Memo re Next Year's Budget (Fiscal Year 2021-2022)

Dear Board:

A portion of our budget is fairly consistent year to year (Curriculum, staff, rent, annual programming, etc.). However, as we begin to contemplate next year's budget, we're looking at new programming, new facilities, and new staff. We have several ideas how to pay for those items: grants, Board fundraising, spending our surplus, new sources of income.

It is impossible to predict how much income each of these possibilities might bring in, but in this memo I have made an attempt at approximating expenses, and then assigning an *Optimistic Possible Income* and a *Pessimistic Possible Income*. This should give us a range of risk to consider.

Depending upon whether you're a half-full or half-empty kind of planner, you can see what you want in these numbers.

Example #1 -- Rentals. Let's look at the most expensive item we're contemplating: moving into a new building, perhaps four times the size of our current space. *Optimistic Possible Income:* In a new building four times as large, our rentals could be four times as large, or \$120,000 per year...Let's move! *Pessimistic Possible Income:* Our rentals stay the same at \$30,000, or even decrease....We'd better stay put!

Example #2 -- Veterans' Fundraiser. *Optimistic:* We sell 350 seats at \$100 each; we rock! *Pessimistic:* We sell 120 tickets at \$35 each, and lose money on the event; we'd better not even try.

I've created a chart of a number of our upcoming "conditional projects", giving a range of optimism to pessimism. You'll see some optimistic income projections, as well as pessimistic ones, and the resulting net. Assume expenses are fairly accurately predicted.



Program	Possible Income (Optimistic)	Possible Income (Pessimistic)	Expense	Predicted net (Optimistic)	Predicted net (Pessimistic)
Veterans' Fundraiser	35000	4200	10000	25000	-5800
Amplify 2021-22	10000	0	6000	4000	-6000
Hollywood Fringe Production	8910	3326	11208	-2298	-7882
Veterans' Trunk Show	25000	3000	11000	14000	-8000
Children's Trunk Show	25000	5000	14000	11000	-9000
Online production A (Foursight)	10000	200	9500	500	-9300
Online production B (Chaplin)	10000	200	13000	-3000	-12800
Neighborhood Heroes (videos)	50000	5000	37000	13000	-32000
Veterans' Season Two	54900	12200	54900	0	-42700
Production in new building	53460	19958	65000	-11540	-45042
New Building	166400	16640	80000	86400	-63360
Total	448670	79725	311608	137062	-241883

I'd be happy to talk you through any or all of these, so you can form your own opinion about their riskiness.

We also want to remind you of other items we said we want to budget for: Administrative Assistant (\$28K), Grant Writer (\$5K), Development Director (\$32K), and Staff Repayment (\$53K).

In the budget which follows, I have applied my own best estimate of how optimistic/pessimistic to be. But I want you to have some time before the next Board meeting to be able to form your own opinions and questions, so please spend some time contemplating each line item in this memo's chart.

Thanks in advance.

--Scott

New Musicals Inc.  
Proposed Budget  
for 2021-2022

Budget 2021-22

Ordinary Income/Expense

Income

ANMT Writers' Workshop Income

Core Curriculum	17280
Full Length/Fringe Curriculum	4134
General Member	14560
Guided Development	1500
Alumni	4500
Lab - Book	2805
Lab - Lyric	2805
Lab - Music	2805
Producer Curriculum	0

Total ANMT Writers' Workshop Income 50389

ARC INCOME

ARC Concert Reading Admissions	0
Concessions - Net Income	0
ARC Project Royalties	0

Total ARC INCOME 0

Conditional Projects Income

Conditional A	0
Conditional B	0
Conditional C	0
Conditional D	0
Conditional E	0
Conditional F	0
Conditional G	0
Online Pitch Conference	0
Conditional I	0
Conditional J	0
Conditional K	0
Conditional N	0

Total Conditional Projects Income 0

Contribution Income

Contributions - Board	3750
Contributions - Members	8500
Contributions - Non Members	<u>0</u>
Friends of New Musicals	3000



New Musicals Inc.  
Proposed Budget  
for 2021-2022

Budget 2021-22

Contribution Income - Other	
Total Contribution Income	15250
Developmental Services Income	
Dramaturgical Feedback	7800
Table Reading Feedback	1500
WMT Royalty	200
Total Developmental Services Income	9500
Fundraiser Income	
Board Fundraiser	5000
Online Auction	7500
Total Fundraiser Income	12500
Grant Income	
2nd District	0
CA State Relief Summer 2021	20000
Caplin Foundation	1500
Colton Foundation 2021	25000
Eisenman Foundation	2000
Shuttered Venue	0
LA Arts Recovery	40000
LA City - DCA 2021	9000
LA County Annual	9100
LA County Intern	6500
Mentor Program (Amplify)	0
Misc Grants (Dev. Dir & grant writer)	10000
North Hollywood Neighborhood	5000
Veterans Project - CAC - 2021	0
Total Grant Income	128100
Online Income	500
Format Guidelines Purchase	150
Resource Center	500
Total Online Income	1150
Performers' Workshop Income	
Master Classes	0
Total Performers' Workshop Income	0
Producing Income	
Grants/Investments	<u>3677</u>

**New Musicals Inc.  
Proposed Budget  
for 2021-2022**

**Budget 2021-22**

Ticket Sales	<b><u>7603</u></b>
Total Producing Income	11280
Programming Income	
Participation Fees	21250
Ticket Sales	1800
Total Programming Income	23050
Rental Income	
Rental Income - ANMT Members	75
Rental Income - Non-Members	22400
Total Rental Income	22475
Total Income	273694
Expense	
ANMT Writer Workshop Expenses	
Miscellaneous Workshop Expenses	100
Readings classic music theatre	150
Total ANMT Writer Workshop Expenses	250
ARC EXPENSES	
Copies	980
Theatre Rental	750
ARC EXPENSES - Other	0
Total ARC EXPENSES	1730
Bank Service Charges	250
Conditional Projects Expenses	
Conditional A	0
Conditional B	0
Conditional C	0
Conditional D	0
Conditional E	0
Conditional F	0
Conditional G	0
Online Pitch Conference	0
Conditional I	0
Conditional J	0
Conditional K	0
Conditional N	0
Total Conditional Projects Expenses	0
Contractors - Instructional	

**New Musicals Inc.  
Proposed Budget  
for 2021-2022**

**Budget 2021-22**

Assessment Instructors	600
Conference Coordinator	1000
Conference Staff	1900
Course Instructor/Seminar Host	1116
Developmental Services Provider	7300
Lab Instructors	1800
Producer	
Rental Supervisor	0
<b>Total Contractors - Instructional</b>	<b>13716</b>
<b>Contractors - Theatre</b>	
Actors	1600
Directors	2000
Music Directors/Pianists	2150
Musicians	0
Sound Operator	750
Stage Managers	1800
Technical Crew	450
<b>Total Contractors - Theatre</b>	<b>8750</b>
<b>Contributions</b>	
Mailing/Printing Expense	1000
<b>Total Contributions</b>	<b>1000</b>
<b>Conventions/Travel</b>	
Hotel	0
Registration	0
Travel	0
<b>Total Conventions/Travel</b>	<b>0</b>
<b>Facility Expenses</b>	
Building Maintenance	1000
Rent	28800
<b>Total Facility Expenses</b>	<b>29800</b>
<b>Fundraiser Expenses</b>	
Fundraiser Expenses	1500
Postage	
Ticket Purchase	2500
<b>Total Fundraiser Expenses</b>	<b>4000</b>
<b>Grant Expense</b>	
2nd District	0

**New Musicals Inc.  
Proposed Budget  
for 2021-2022**

Budget 2021-22

CA State Relief Summer 2021	0
Caplin Foundation	0
Colton Foundation 2021	18000
Eisenman Foundation	0
Shuttered Venue	0
LA Arts Recovery	0
LA City - DCA 2021	6000
LA County Annual	0
LA County Intern	6000
Mentor Program (Amplify)	0
Misc Grants (Dev. Dir & grant writer)	7200
North Hollywood Neighborhood	4000
Veterans Project - CAC - 2021	0
<b>Total Grant Expense</b>	<b>41200</b>
<b>Insurance</b>	
Insurance - D & O	1636
Insurance - Liability	3000
Insurance - Other	
<b>Total Insurance</b>	<b>4636</b>
<b>Marketing</b>	
Advertising	2500
Fliers/invites/printing	2500
<b>Total Marketing</b>	<b>5000</b>
<b>Miscellaneous</b>	
<b>Office Expense</b>	
Furniture & Equipment	850
Janitorial Services	1350
Janitorial Supplies	850
Membership Fees	850
Office Supplies	1500
PayPal Expenses	2500
Payroll Expenses	2000
Piano Tuning	800
Postage and Delivery	400
Printing and Reproduction	250
Refreshments	250
Square Expenses	250

**New Musicals Inc.  
Proposed Budget  
for 2021-2022**

Budget 2021-22

Telephone	2500
Utilities	
Utilities - Other	<u>6000</u>
Total Utilities	
Web Host	400
Workers' Compensation	3314
Total Office Expense	24064
Performers' Workshop Expenses	
Copies - PW	
Total Performers' Workshop Expenses	
Producing Expenses	
Copies	180
Costumes and Props	2200
Marketing	0
Miscellaneous	700
Programs	131
Scenery	0
Sound	500
Theatre Rental	2296
Writers' Royalties	392
Total Producing Expenses	6399
Professional Fees	
Designers	1000
Webmaster	1800
Development Director	16200
Grant Writer	0
Total Professional Fees	19000
Programming Expenses	
Copies	0
Miscellaneous	1600
Programs	<u>125</u>
Theatre Rental	1850
Total Programming Expenses	3575
Wages - W2	
Wages - Barnett	2475
Wages - Dewsberry	42000
Wages - Guy	42000

**New Musicals Inc.  
Proposed Budget  
for 2021-2022**

Budget 2021-22

Wages - Other	1080
Dylan Forehand	25920
Wages -ANMT Contributions	13617
Total Wages - W2	127092
Total Expense	290462
Net Ordinary Income	273694
Net Income	<b>-16768</b>

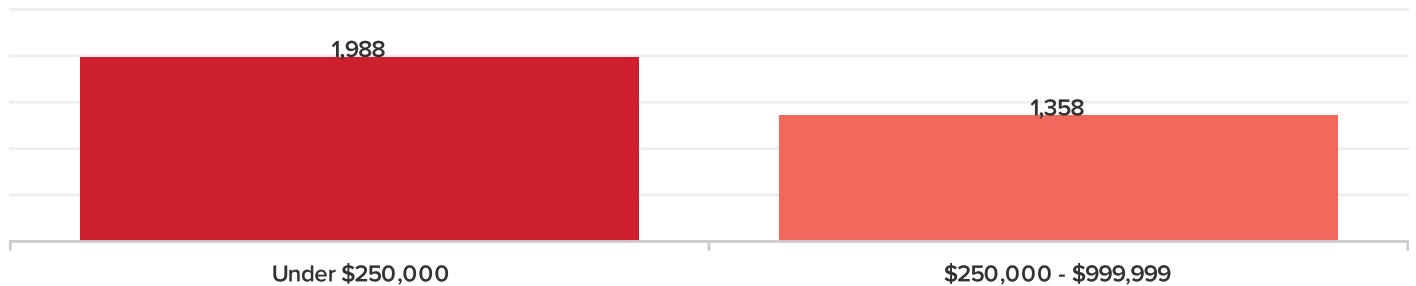
Nonprofit arts and cultural organizations are vital contributors to the region's economic, civic, and educational fabric. They create jobs, stimulate dialogue, and improve quality of life. The report below represents data from Cultural Data Profiles completed as of 05/06/2021 for the most recent fiscal year for each organization.

### Participating Organizations

Included number of organizations: 3346

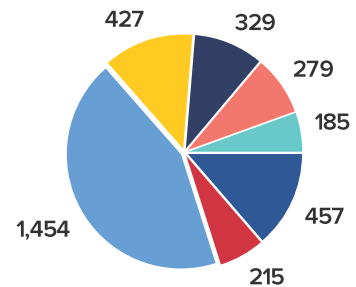
This report represents data from cultural nonprofits that participate in DataArts, a nonprofit organization that collects and disseminates high-quality longitudinal data to support decision-making and to strengthen the performance, vitality and impact of the arts and culture sector. Any nonprofit arts and cultural organization may participate.

### Organizations by Budget Size (Total Expenses)



### Organizations by Discipline

- Broadcast, Media, and Literary Arts
- Education
- Performing Arts
- Unknown/Unclassified
- Community
- Museums, Visual Arts, and History
- Support and Advocacy



### Employment

The arts and cultural sector is an important employer in our community, providing jobs for a wide range of professionals – from artists and accountants to zoologists.

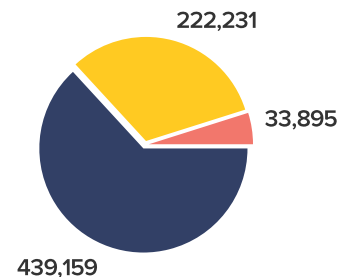
Total Paid Positions  
(Full time, part time, independent contractors)

# 439,159

Total volunteers 222,231  
Total board members 33,895

### Total Arts Workforce

- Board members
- Volunteers
- Paid positions



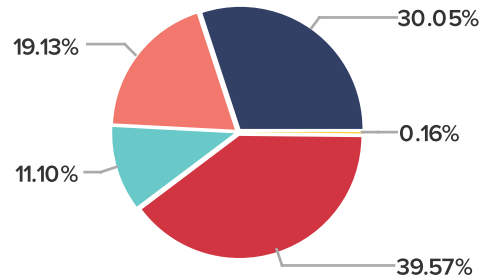
## Direct Expenditures

Arts and cultural organizations have significant direct economic impact on our community. In particular, salaries and benefits, which go to local residents, and physical plant costs (repairs, rent, etc.), which typically go to local businesses, are direct expenditures that benefit the local economy.

### Total Direct Expenditures

# \$791,139,822

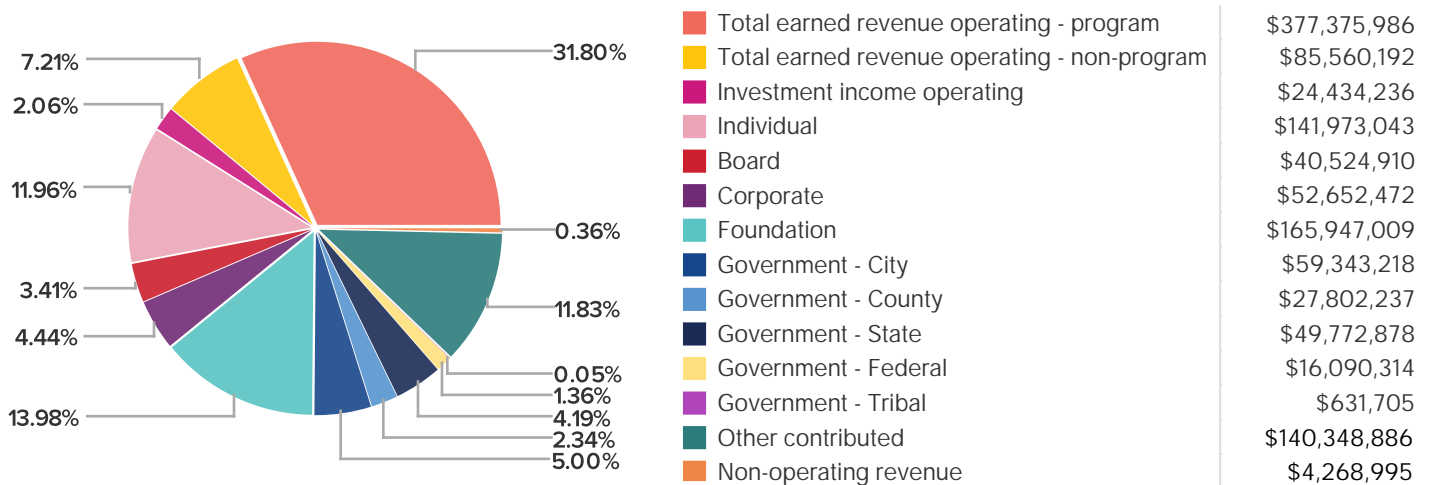
Salary & benefits	\$237,711,008
Payments to non-staff contractors, performers etc.	\$151,318,846
Occupancy expenses	\$87,782,971
All other expenses	\$313,032,067
Non-operating expenses	\$1,294,930



## Revenue

Total unrestricted revenue: \$1,130,681,306

Total revenue (including funds restricted for future use or otherwise not available for operations): \$1,186,726,081



Earned	39%	Investment	2%
Contributed	59%	Non-operating	0%

Figures may not add up to 100% due to rounding and reclassification/transfers.

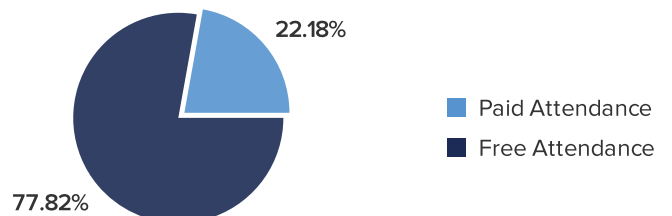
## Attendance and Participation

The arts and cultural sector provides high-quality experiences that make the community a better, more enjoyable place in which to live, and a more attractive location for businesses and in-demand workers. Many programs are an essential part of this community's commitment to families, life-long learning and 21st-century education for children and youth. Arts and cultural offerings attract tourists, conferences, and other destination-seekers to the area. A high proportion of admissions are free.

### Total In-Person Attendance

# 69,635,456

Paid in-person attendance	15,444,138
Free in-person attendance	54,191,318
Total in-person attendance	69,635,456
Digital attendance	546,801,937





## Criteria

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Annual Budget: \$175,000 - \$300,000

Remove Outliers: Yes

Fiscal Year: Most recent as of 2010



# new musicals inc.

Memo to file

as of March 11, 2020

Back wages owed Elise

Date	# months	wage	owed	paid	remaining
Summer 2004	2	2200	4400		
Summer 2005	2	2200	4400		
Summer 2009	2	2200	4400		
September 2013	1		0	2200	
Summer 2014	1	2758	2758		
Summer 2015	2	2758	5516		
Summer 2016	2	2758	5516		
FY 2015-16 dramaturgy			10,000		
April 2018				7528	
Total			\$36,990	9728	\$27,262

Back wages owed Scott:

Date	# months	wage	owed	paid	remaining
Summer 2004	2	3300	6600		
Summer 2005	2	3300	6600		
Summer 2009	2	3300	6600		
September 2013	1		0	3300	
Summer 2014	1	3500	3500		
Summer 2015	2	3500	7000		
Summer 2016	2	3500	7000		
FY 2015-16 dramaturgy			600		
April 2018				8677	
Total			\$37900	11,977	\$25,923

Summer 2011 laid off Scott for one month, but compensated him in September of the same year.

Total owed Scott and Elise: \$53,185