



**Minutes of  
Lexington Arts and Crafts Society, Inc.  
Record of Vote Taken via Email  
May 14-17, 2021**

*Capitalized terms shall have the meanings as defined in the Bylaws of the Corporation as adopted May 16, 2021.*

On May 14, 2021, Board Chair Wayne Davis circulated the proposed Fiscal Year 2021-22 Operating Budget (attached) and asked that each member (1) Consent to vote by email; and (2) vote to approve the following:

**RESOLVED:** That the LexArt Fiscal Year 2021-22 Budget as presented in the attachment to this email is hereby approved.

**RESOLVED:** That the Primary Officers of the Corporation and the Executive Director are, and each acting alone, is hereby authorized to do and perform any and all such acts as such officers shall deem necessary or advisable, to carry out the purposes and intent of the foregoing resolution, provided however that such acts are consistent with this Budget.

Each member of the board consented to the vote by email and voted to approve the budget as presented. Each member's vote was received on the date shown below:

Received May 14: Molly Nye, Jennifer Bergantino, Rachel Rosenblum, Susan St. Maurice, Louise Hara, Todd Carey, Matthew Siegal

Received May 15: Nancy Cornelius

Received May 16: Peter Demuth, Joseph Brown, Jenny Pyle, Katina Leodas

Received May 17: Victoria Nessen, Peter Kelley, Peter Bain, Wayne Davis, Lauri Hugentobler.

All 17 members of the board voting in favor, the resolution is adopted.

Respectfully submitted,  
Wayne Davis  
Clerk



**Lexington Arts & Crafts Society, Inc.**  
**Budgeted Profit and Loss by Month**  
June 1, 2021 - May 31, 2022

	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Total
Trash	75	75	75	75	75	75	75	75	75	75	75	75	900
<b>Total Building &amp; Grounds</b>	<b>2,850</b>	<b>3,650</b>	<b>2,850</b>	<b>2,850</b>	<b>2,850</b>	<b>3,350</b>	<b>3,650</b>	<b>7,350</b>	<b>7,350</b>	<b>2,850</b>	<b>2,850</b>	<b>3,350</b>	<b>45,800</b>
<b>General &amp; Admin</b>													-
Advertising	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	1,350	16,200
Equipment / SoftwareTechnology	900	900	900	900	900	900	900	900	900	900	900	900	10,800
Fees-Operational Services	1,744	1,033	579	187	665	1,880	1,842	196	444	609	550	171	9,899
Misc. Expenses			100	100	100	100	100	100	100	100	100	100	1,000
Office Expenses	112	1,034	800	800	800	800	800	800	800	800	800	800	9,146
Postage/Printing	750	750	750	750	750	750	750	750	750	750	750	750	9,000
Scholarships													-
<b>Total General &amp; Admin</b>	<b>4,857</b>	<b>5,067</b>	<b>4,479</b>	<b>4,087</b>	<b>4,565</b>	<b>5,780</b>	<b>5,742</b>	<b>4,096</b>	<b>4,344</b>	<b>4,509</b>	<b>4,450</b>	<b>4,071</b>	<b>56,045</b>
<b>Payroll</b>													-
Payroll Taxes - Employer	870	1,305	870	870	870	870	1,305	870	870	870	870	870	11,307
Wages/Salaries	11,369	17,054	11,369	11,369	11,369	11,369	17,054	11,369	11,369	11,369	11,369	11,369	147,800
<b>Total Payroll</b>	<b>12,239</b>	<b>18,358</b>	<b>12,239</b>	<b>12,239</b>	<b>12,239</b>	<b>12,239</b>	<b>18,358</b>	<b>12,239</b>	<b>12,239</b>	<b>12,239</b>	<b>12,239</b>	<b>12,239</b>	<b>159,107</b>
<b>Professional Services</b>													-
Consulting	3,000	2,500	2,500	2,500	-	-	-	-	-	-	-	-	10,500
Financial Services	2,400	2,000	2,000	2,000	12,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	34,400
Insurance Expense	1,595					10,400							11,995
<b>Total Professional Services</b>	<b>6,995</b>	<b>4,500</b>	<b>4,500</b>	<b>4,500</b>	<b>12,000</b>	<b>12,400</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>2,000</b>	<b>56,895</b>
<b>Utilities</b>													-
Electric	730	730	730	730	730	730	730	730	730	730	730	730	8,760
Heat/Hot Water	635	635	635	635	635	635	635	635	635	635	635	635	7,620
Phone	260	260	260	260	260	260	260	260	260	260	260	260	3,120
Water/Sewer	110	110	110	110	110	110	110	110	110	110	110	110	1,320
<b>Total Utilities</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>1,735</b>	<b>20,820</b>
<b>Total Expenses</b>	<b>28,675</b>	<b>33,310</b>	<b>25,803</b>	<b>25,411</b>	<b>33,389</b>	<b>35,504</b>	<b>31,486</b>	<b>27,420</b>	<b>27,668</b>	<b>23,333</b>	<b>23,274</b>	<b>23,395</b>	<b>338,667</b>
<b>Net Operating Income</b>	<b>15,811</b>	<b>(5,107)</b>	<b>(7,868)</b>	<b>(8,146)</b>	<b>(9,760)</b>	<b>19,933</b>	<b>6,859</b>	<b>(18,835)</b>	<b>(14,873)</b>	<b>(5,398)</b>	<b>(1,366)</b>	<b>(14,335)</b>	<b>(43,086)</b>

**Lexington Arts and Crafts Society**  
**Operating Budget Comparison to Prior Year and 2019-2020 Actual**  
**(Exclusive Restricted Accounts and Guilds )**

	Unaudited 2019-2020 <u>Actual</u>	2020-2021 <u>Budget</u>	2021-2022 <u>Budget</u>	Increase / (Decrease) FY 21- 22 over FY20-21 <u>Budgets</u>
<b>Income</b>				
<b>Classes</b>				
In house	\$ 45,100.00	\$ 7,000.00	\$ 62,088.50	\$ 55,088.50
On line		\$ 9,610.00		\$ (9,610.00)
<b>Total Class/Workshop Income</b>	<b>\$ 45,100.00</b>	<b>\$ 16,610.00</b>	<b>\$ 62,088.50</b>	<b>\$ 45,478.50</b>
<b>Contributions</b>				
Unrestricted	\$ 86,345.00	\$ 178,362.00	\$ 100,000.00	\$ (78,362.00)
<b>Total Contributions</b>	<b>\$ 86,345.00</b>	<b>\$ 178,362.00</b>	<b>\$ 100,000.00</b>	<b>\$ (78,362.00)</b>
<b>Gallery/Show Sales</b>				
Commitment fee	\$ 8,290.00	\$ 3,750.00		\$ (3,750.00)
On line	\$ -	\$ 6,125.00	\$ 5,400.00	\$ (725.00)
Gallery / Event Sales	\$ 34,013.00	\$ -	\$ 47,100.00	\$ 47,100.00
<b>Total Gallery/Show Sales</b>	<b>\$ 42,303.00</b>	<b>\$ 9,875.00</b>	<b>\$ 52,500.00</b>	<b>\$ 42,625.00</b>
<b>Membership</b>				
Society Dues	\$ 54,906.00	\$ 37,375.00	\$ 79,492.08	\$ 42,117.08
<b>Total Membership</b>	<b>\$ 54,906.00</b>	<b>\$ 37,375.00</b>	<b>\$ 79,492.08</b>	<b>\$ 42,117.08</b>
			\$ 1,500.00	\$ 1,500.00
<b>Total Income</b>	<b>\$ 228,654.00</b>	<b>\$ 242,222.00</b>	<b>\$ 295,580.58</b>	<b>\$ 53,358.58</b>
<b>Expenses</b>				
<b>Total Building &amp; Grounds</b>	<b>\$ 27,667.00</b>	<b>\$ 35,994.00</b>	<b>\$ 45,800.00</b>	<b>\$ 9,806.00</b>
<b>Total General &amp; Admin</b>	<b>\$ 33,540.00</b>	<b>\$ 26,227.00</b>	<b>\$ 56,045.20</b>	<b>\$ 29,818.20</b>
<b>Total Payroll</b>	<b>\$ 99,127.00</b>	<b>\$ 132,028.00</b>	<b>\$ 159,106.70</b>	<b>\$ 27,078.70</b>
<b>Total Professional Services</b>	<b>\$ 34,424.00</b>	<b>\$ 59,120.00</b>	<b>\$ 56,895.00</b>	<b>\$ (2,225.00)</b>
<b>Total Utilities</b>	<b>\$ 19,828.00</b>	<b>\$ 17,655.00</b>	<b>\$ 20,820.00</b>	<b>\$ 3,165.00</b>
<b>Total Expenses</b>	<b>\$ 214,586.00</b>	<b>\$ 271,024.00</b>	<b>\$ 338,666.90</b>	<b>\$ 67,642.90</b>
<b>Net Operating Income</b>	<b>\$ 14,068.00</b>	<b>\$ (28,802.00)</b>	<b>\$ (43,086.31)</b>	<b>\$ (14,284.31)</b>

## NOTES TO YEAR-OVER-YEAR COMPARATIVES

### Classes

With the reopening of the Society underway in accordance with public health guidelines, LexArt reintroduces a robust education program in FY 2021-2022. The program will feature a diverse and innovative program of workshops and classes. Workshops will run from 1-5 days and classes will run from 4-8 weeks and operate on a three semester basis. Instructors will include members as well as outside recognized talents in all fields. LexArt is formatting its program on a "Ladders of Learning" concept with introductory classes for novices and more advanced classes to accommodate and promote advanced skill sets. LexArt hopes to stimulate interest in the crafts and attract new members through its "Ladders of Learning."

The 2021-2022 budget is a significant increase over last year's covid restrained budget and a nearly 40% increase over 2019-2020 which was curtailed by the onset of covid; the budget is slightly above the original 2019-2020 expectations. LexArt is confident in its program.

### Contributions

FY 2021-2022 \$100k budgeted unrestricted contributions would be a high-mark in LexArt's history were it not for the outpouring of support realized in the face of covid last year. Development will continue its "Major Donors" program focused on generous supporters, its Annual Fund and develop "Members Matching" providing incentive to donors. LexArt needs the support of donors to continue to grow its community outreach programs and promote its Arts & Crafts legacy.

In addition, Development has and will pursue grant and other opportunities. Restricted funds often provide for costs that would otherwise require operating funds. Following the preparation of this budget, LexArt was notified that the Massachusetts Cultural Council intends to award two grants: one for \$60,000 to help offset capital expenses previously incurred in connection with the installation of the handicapped lift and COVID enhancements to the facility, and the

### Sales

FY 2021-2022 Sales are budgeted to contribute \$52.5 to operations. The gross sales number is consistent with the FY 2019-2020 with some uptick for on-line sales and increased gallery and shop sales. The operation of the Nye Gallery is budgeted to increase visitors and related sales. Also, innovative sales opportunities (e.g. trunk and parking lot sales) introduced last year will continue and increase opportunities for members sales.

The net sales increased with reclassification of marketing and other costs to G&A. And, as discussed in membership, commitment fees have been reclassified from the sales and included in dues. Net sales are budgeted with 70/30 split with consignors paid 70% of sales and LexArt receiving 30%.

### Membership

FY 2021-2022 Membership dues are budgeted to contribute \$79k to operations. This represents a \$25k increase over 2019-2020 and more than 2x last year's budget. Factors leading to the increase include reclassifying the commitment fees from sales to membership. This change was made to recognize the nature of the commitment fees and simplify the dues process. In addition, dues, after adjustment for commitment fees, have been increased 10%, the first dues increase since 2015. Also, LexArt has budgeted a 20% increase in membership to be realized across the year - offsetting a significant decrease last year due to covid - and in recognition of the anticipated increases from renewed operations and "Ladders of Learning" initiatives.

### Expenses

Expenses for the current FY through March 31, 2021, are consistent with the 2020-2021 budget showing a small (less than 4%) favorable variance attributable to a 10% underspending for payroll. Budgeted increases for the 2021-2022 budget are as follows:

**Building and Grounds** budget increased \$10k primarily to reflect the need to perform R&M (\$13k) that has been deferred for several years.

**General and Administrative** increased \$26k primarily due to \$21k increase in the Marketing / Advertising budget. The 2021-2022 Marketing budget reflects a consolidation of marketing costs previously accounted for in various revenues and increases to reflect heightened outreach and additional events.

**Payroll** increases \$27k to accommodate needed staffing to support administrative requirements, the robust education program and increased sales. A new full-time administrative hire (\$50k) is in process increasing the cost of PT staff included in the prior budget.

**Professional Services** are budgeted slightly under (\$2.2k) the prior year. \$15k savings over the prior year due to the ending of a development consultant contract is offset by increases in bookkeeping costs; a review of bookkeeping is in process.