

Finance Committee Report for July 27, 2020

Finance committee met by zoom on Tuesday, July 21, 2020 to prepare budget for 2020-21.

Members present: Chris Aulbach, Steven Creps, Kyle Junk, Robb Papapietro

Attachments: HGMC 2020-21 Proposed Budget, 2020-21 GALA Budget Addendum.

Budget notes:

- Given the financial uncertainty about the 2020-21 Season, two budget options were prepared. The first column is the low budget with the minimal spending needed to have one concert in the spring and a streaming event in the fall. The second column is the full budget for fall and spring concerts either live or streaming. Spending will be a flexible amount between the two budgets, depending on revenues. If revenues fall short of budget, we may need to draw from the reserve funds over the course of the year for cash flow, but our goal would be not to spend more than ½ of the reserves. Expenses may need to be further limited in such case.
- GALA budget has been revised to reflect transfer of \$3500 into gala savings for Lodging, meals and travel for artistic director and accompanist. These items were budgeted in 2019-20 and transferred to GALA Savings in July 2020. These items will be paid out of the GALA savings.
- Budgeted \$400 for two additional GALA registrations, if any additional registrations needed.
- Budget reflects new chart of accounts, which will be retroactively applied for 2019 calendar year. Revised reports will be presented at next HGMC Board meeting by Treasurer for approval of year end reports. This change was done to align accounts with reporting methods used for grants, and Bureau of Charities
- 2019 internal audit will be conducted by Chris and Robb after revision of 2019 reports.
- In-kind column is for illustrative purposes and shows expected in-kind contributions for 2020-21
- 2020-21 VU column shows budget for Voices United which is included in total budget. Income and expenses zero out so the amounts are budget neutral.
- Low budget income reflects low estimates for income assuming severe reduction in sponsorships, concert income and farm show income. High budget reflects income expectations of full sponsorships and season.
- Staff expenses: Artistic Director and Accompanist Fees in the low budget reflect up to 5 months of chorus hiatus.
- Production expenses: DVD expenses could be transferred to streaming expenses if no live concert. Concert support includes 1000 for streaming support (video, sound, etc.) or for video production.
- Public Relations: low budget reflects advertising for spring season only, high budget for full season.
- Administrative Expenses: now includes former Finance items and Communications items
- Fundraising expenses: Annual Campaign expenses and fundraiser event expenses
- Other expenses From Special events: This is expense related to items purchased for distribution as a fundraiser. For example: spaghetti supper, this line would be the expense for purchase of food.
- Neither budget has an amount for drawn from reserves, but presume that shortages in income would be compensated by draws from our reserve funds.

Respectfully submitted to the board by Steven Creps-Rougeau, Finance Committee Chair, on July 25, 2020