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NOTES TO NORTHWEST MICHIGAN ARTS & CULTURE NETWORK 2019 DATA ARTS FUNDERS REPORT:

1) Organization was formed in 2015 under fiscal sponsorship and incubation of Networks Northwest (former Northwest Michigan Council of Governments). 501c3 obtained 12/14/2018. Fiscal year runs 10/1-9/30. CDP Funders Report reflects 501c3 transition. 990 filed for 2019 also represented a 'stub year' of 12/14/2018-9/30/2019.

2) Employee compensation reflects Networks Northwest's community planner and tech/admin support staff (10/1-12/13/2018) and not employees of Northwest Michigan Arts & Culture Network. Northwest Michigan Arts & Culture Network management and executive leadership is conducted solely through independent contractor status (with the same person) while organizational is built. This was initiated in 2015 during Network Northwest's fiscal sponsorship and continued with greater scope as the Network transitioned to a 501c3. Independent management contract will continue through FY21.

3) FY2019 reflects a continued increase in cash/net assets, as reflected on the balance sheet. This is attributable to the network's continued transition to 501c3 status combined with assuming responsibility for the MCACA Regional Regrant program. Balance sheet shows grants receivable of \$29,425 from Rotary Charities of Traverse City supporting the transition in addition to anticipated Regrant Services grant receivables, pledged donations, and liabilities related to restricted grants receivable for FY20 and FY21. Please note 2019 fiscal year of 10/1/2018-9/30/2019.

4) Volunteer numbers reflect a reduction from prior year. This is due to the large 18-member working board. Most were previously Network volunteers who have transitioned to board leadership. Their volunteer time was not counted twice. Even though volunteer statistics appear lower, engagement is actually higher.



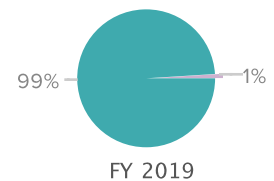
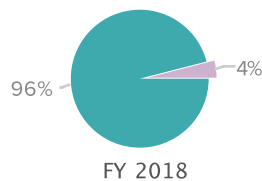
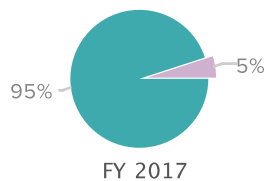
Organization Information

Organization name: Northwest Michigan Arts & Culture Network
 City: Traverse City Federal ID #: 831282144
 State: MI Year organization founded: 2015
 County: Grand Traverse Organization type: 501(c)3 nonprofit organization
 NISP Discipline: 14 - Multidisciplinary Fiscal year end date: 09-30
 NISP Institution: 17 - Arts Service Organization DUNS #: 117050008
 NTEE: A90 - Arts Services Full-time staff: 0
 Applicant is not audited or reviewed by an independent accounting firm. Paid FTEs: 0
 A display value of -0% signifies a value of less than +/- 0.5%

Total Activity	FY 2017	FY 2018	% Change	FY 2019	% Change
Operating Revenue					
Earned Program	\$1,650	\$1,750	6%	\$1,000	-43%
Earned Non-program	\$0	\$0	n/a	\$0	n/a
Total Earned Revenue	\$1,650	\$1,750	6%	\$1,000	-43%
Investment Revenue			n/a		n/a
Contributed Revenue	\$31,950	\$44,550	39%	\$66,275	49%
Total Operating Revenue	\$33,600	\$46,300	38%	\$67,275	45%
Less in-kind	(\$7,000)	(\$9,000)	29%	(\$12,150)	35%
Total Operating Revenue Less In-kind	\$26,600	\$37,300	40%	\$55,125	48%
Operating Expenses					
Program	\$24,018.75	\$30,000.75	25%	\$37,020.6	23%
Fundraising	\$1,601.25	\$4,615.5	188%	\$2,468.04	-47%
General & Administrative	\$6,405	\$11,538.75	80%	\$22,212.36	93%
Total Operating Expenses	\$32,025	\$46,155	44%	\$61,701	34%
Less in-kind	(\$7,000)	(\$9,000)	29%	(\$12,150)	35%
Total Operating Expenses Less In-kind	\$25,025	\$37,155	48%	\$49,551	33%
Total Operating Activity	\$1,575	\$145	-91%	\$5,574	3,744%

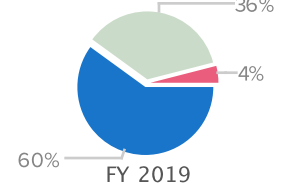
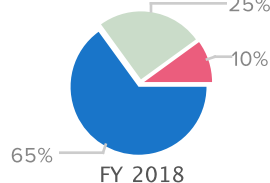
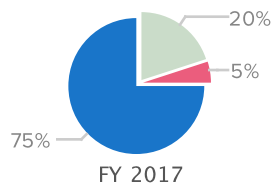
Revenue by Source

- Earned
- Investment
- Contributed



Expenses by Functional Grouping

- Program
- General & Administrative
- Fundraising



Revenue Details

	FY 2017	FY 2018	FY 2019	FY 2019	FY 2019
	Total	Total	Total	Unrestricted	Restricted
Operating Revenue					
Earned - Program					
Total earned - program	\$1,650	\$1,750	\$1,000		\$0
Earned - Non-program					
Total earned - non-program					\$0
Total earned revenue	\$1,650	\$1,750	\$1,000		
Contributed					
State government	\$500	\$1,500	\$13,500		
In-kind operating contributions	\$7,000	\$9,000	\$12,150		
Net assets released from restriction	\$0	\$0	\$0		
Operating investment revenue	\$0	\$0	\$0		
Total operating revenue	\$33,600	\$46,300	\$67,275		
Total operating revenue less in-kind	\$26,600	\$37,300	\$55,125		
Transfers and re-classifications					
Total non-operating revenue	\$0	\$0	\$0		
Total revenue	\$33,600	\$46,300	\$67,275		
Total revenue less in-kind	\$26,600	\$37,300	\$55,125		

Expense Details

	FY 2017 Total	FY 2018 Total	% Change	FY 2019 Total	% Change	FY 2019 Program	FY 2019 Fundraising	FY 2019 General & Administrative
Personnel expenses - Operating								
W2 employees (salaries, payroll taxes and fringe benefits)	\$4,300	\$4,000	-7%	\$1,000	-75%	\$0	\$0	\$0
Independent contractors	\$12,500	\$17,970	44%	\$35,589	98%			
Professional fees	\$0	\$3,100	n/a	\$4,500	45%			
Total personnel expenses - Operating	\$16,800	\$25,070	49%	\$41,089	64%			
Non-personnel expenses - Operating								
Advertising and promotion	\$500	\$500	0%	\$2,500	400%			
Conferences and meetings	\$350	\$1,500	329%	\$1,500	0%			
Dues and subscriptions	\$580	\$750	29%	\$750	0%			
Occupancy costs	\$2,550	\$4,050	59%	\$3,450	-15%			
Office and administration	\$1,750	\$3,100	77%	\$4,500	45%			
Printing, postage and shipping	\$800	\$900	12%	\$912	1%			
Travel	\$860	\$1,500	74%	\$1,750	17%			
Other operating expenses	\$7,835	\$8,785	12%	\$5,250	-40%			
Total non-personnel expenses - Operating	\$15,225	\$21,085	38%	\$20,612	-2%			
Total operating expenses	\$32,025	\$46,155	44%	\$61,701	34%	\$37,021	\$2,468	\$22,212
Non-operating personnel expenses	\$0	\$0	n/a	\$0	n/a			
Non-operating non-personnel expenses	\$0	\$0	n/a	\$0	n/a			
Total expenses	\$32,025	\$46,155	44%	\$61,701	34%			
Total expenses less in-kind	\$25,025	\$37,155	48%	\$49,551	33%			
Total expenses less depreciation	\$32,025	\$46,155	44%	\$61,701	34%			
Total expenses less in-kind and depreciation	\$25,025	\$37,155	48%	\$49,551	33%			

Balance Sheet

Assets	FY 2017	FY 2018	% Change	FY 2019	% Change
Current assets					
Cash					
Receivables					
Investments					
Prepaid expenses & other					
Total current assets	\$1,575	\$24,675	1,467%	\$54,076	119%
Non-current investments					
Fixed assets (net)					
Other non-current assets	\$0	\$0	n/a	\$0	n/a
Total non-current assets		\$29,425	n/a	\$38,500	31%
Total assets	\$1,575	\$54,100	3,335%	\$92,576	71%
Liabilities & Net Assets	FY 2017	FY 2018	% Change	FY 2019	% Change
Liabilities					
Accounts payable & other					
Loans & other debt					
Deferred revenue					
Total current liabilities	\$0	\$6,000	n/a	\$20,250	238%
Non-current liabilities	\$0	\$0	n/a	\$16,000	n/a
Total liabilities	\$0	\$6,000	n/a	\$36,250	504%
Net assets					
Unrestricted	\$1,575	\$43,100	2,637%	\$40,151	-7%
Restricted		\$5,000	n/a	\$16,175	224%
Total net assets	\$1,575	\$48,100	2,954%	\$56,326	17%
Total liabilities & net assets	\$1,575	\$54,100	3,335%	\$92,576	71%

Balance Sheet Metrics

	FY 2017	FY 2018	FY 2019
Months of Operating Cash			
Total working capital	\$1,575	\$18,675	\$33,826
Current Ratio	n/a	4.11	2.67
Debt Service Impact			
Unrestricted Net Assets Net of Property, Plant and Equipment			
Operating Margin			
Depreciation as a % of Fixed Assets			
Leverage Ratio			

Months of Operating Cash represents the number of months an organization can operate at current average monthly expense levels with existing cash and cash equivalents. $Cash + Cash\ Equivalents / (Total\ Expense / 12)$. The ratio is calculated using total numbers since this organization does not have a disaggregated balance sheet.

Total Working Capital consists of the resources available for operations, and in this report is calculated as total current assets minus total current liabilities since this organization does not have a disaggregated balance sheet. This calculation of working capital may differ from your internal calculations. Adequate working capital provides financial strength and flexibility to your organization, the ability to meet obligations as they come due, and the ability to take more risks, knowing there is a cushion to fall back on

Current Ratio (Current Assets divided by Current Liabilities) determines the organization's ability to pay current debt using current assets. The higher the ratio, the more capable the organization is of paying its obligations. The ratio is calculated using unrestricted numbers only.

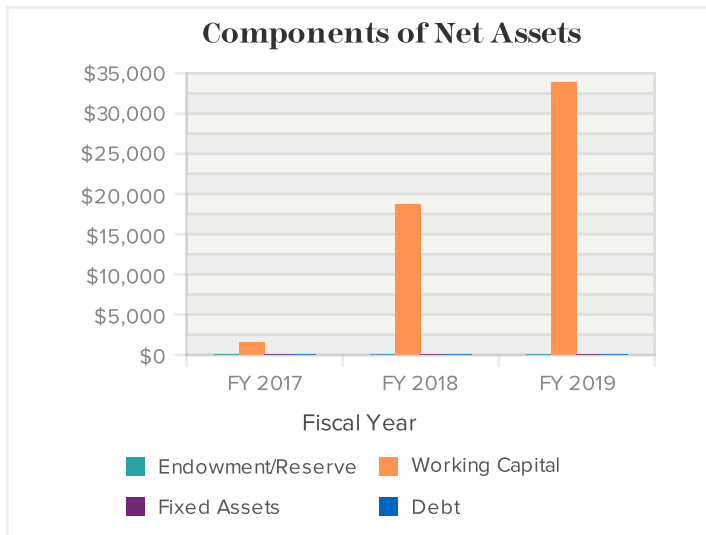
Debt Service Impact (Total Debt Service including principal and interest divided by Total Expense) calculates the % of an organization's total expenses applied to the total debt-service burden, e.g. a mortgage).

Unrestricted Net Assets Net of Property, Plant and Equipment (Unrestricted Net Assets - (Net Fixed Assets - Mortgage Debt)) shows what the organization's unrestricted net assets would be if they did not own any property, or have any debts associated with that property. Because this calculation is based on unrestricted values for net assets and fixed assets, if an organization fills out a single column balance sheet and does not separate fixed assets into restricted and unrestricted categories, this value will be blank

Operating Margin (Change in Net Assets divided by Total Unrestricted Operating Revenue) is a measurement of the organizations efficiency in operating. The higher the margin, the more sustainable the organization because it's using more reliable sources of revenue to operate. Low ratios indicate that an organization is using revenue sources with a higher degree of variability and uncertainty. Negative operating margins highlight losses, and an organization's need to increase revenue, decrease expenses, or both, to be sustainable over time.

Depreciation as a % of Fixed Assets indicates the potential need for replacement or repair of fixed assets (such as buildings, furniture, office equipment, sets and props); especially significant for organizations that own a building or carry a long-term lease.

Leverage Ratio (Total Debt divided by Total Assets) measures what proportion of your assets are supported by debt. A number in excess of 50% may indicate liquidity problems, or reduced capacity for future borrowing.



Attendance

In-person Participation	FY 2017	FY 2018	% Change	FY 2019	% Change
In-person participation - paid	65	65	0%	80	23%
In-person participation - free	200	150	-25%	400	167%
Total in-person participation	265	215	-19%	480	123%

Types of In-person Attendance	FY 2017	FY 2018	% Change	FY 2019	% Change
Total in-person participation	265	215	-19%	480	123%

Attendance Ages	FY 2017	FY 2018	% Change	FY 2019	% Change
Children (18 and under)	0	0	n/a	14	n/a

Other Participation	FY 2017	FY 2018	% Change	FY 2019	% Change
Virtual attendance	350	500	43%	950	90%

Staffing

Staff & Non-Staff Statistics	FY 2017	FY 2018	% Change	FY 2019	% Change
Number of part-time or one-time volunteers	20	15	-25%	10	-33%
Part-time or one-time volunteers - FTEs	0.25	0.15	-40%	0.13	-13%
Independent contractors	2	2	0%	5	150%

Artistic Staff & Non-Staff Statistics	FY 2017	FY 2018	% Change	FY 2019	% Change
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This organization has not provided data on artistic staff. This may be because the organization does not hire artistic staff or the organization's annual expenses are under \$50,000, and they are therefore only required to complete the short form of the DataArts Survey.

Program Activity

			% Change		% Change
Distinct events	16	11	-31%	10	-9%
Total events			n/a	39	n/a