FROM THE PRESIDENT

WOW... what a year! We certainly were off to a great start after the annual meeting with an amazing Battle of the Brushes, a fantastic NAE that our committee and staff worked hard on, but none of us ever could imagine COVID-19 and the impact it would have. Our Executive Director, Janet Watermeier, along with her team and our instructors—really helped to pull through this tough time and enhance our technology with putting art classes online. I truly from the bottom of my heart applaud everyone for helping to continue to move forward and keeping art in the forefront of our members & our community.

In 2015, I came on the board as a newbie and I’ve witnessed some amazing changes to the VAC—what a transformation. I’m extremely honored to have had the opportunity to serve this great organization. A very special thank you to my board, the executive director, staff & the volunteers for all you do. You’re truly the best!

I’m looking forward to continuing to serve the VAC in years to come.”

Alexia Martin
President of the Board

FROM THE EXECUTIVE DIRECTOR

Thank you for your support during this very unusual year! Transitioning from the best of times to the worst of times has its challenges. The VAC was breaking new heights and set to have the best year ever when everything came to a sudden stop. It was one week before a major fundraising event when we received notice that our permit would not be issued for Peace River National Arts Festival due to concern over virus spread. All the expenses had been incurred without the potential for the income. Our winter residents went home early and those that remained, all hunkered down to be safe.

Trying to make lemonade, your VAC team reduced costs, as much as possible, and learned to use technology in a new way. The VAC now has an online studio to produce online classes, and we quickly enhanced our exhibits with virtual online tours and Facebook Live Awards Ceremonies. Our focus was to engage with our members and donors in the ways they wanted to be engaged, and to “keep in touch” as we all figured out how to enjoy art in nontraditional ways. These new tools should benefit us for years to come.

There is still a lot of uncertainty, and many unknowns about the future, but there is some good news. Our success before the virus, combined with the Paycheck Protection Program, and the donor support during the Giving Challenge, provided the resources the VAC needs to get through the year. We could not have done it without you.

Janet Watermeier
Executive Director
TREASURER’S REPORT

The VAC was having its best year ever when COVID-19 brought everything to a halt. Total Operating Revenue reached $636,949, our highest grossing year despite COVID-19 and $51,823 ahead of last year. This included two significant donations: $60,755 from the estate of Kate Staber and $27,405 from Christel Gerdel. Total Revenue, including Restricted Revenue totaled $80,005, including $32,210 from the VAC Endowment Trust, $9,000 in restricted donations and $38,795 from the Cares Act Paycheck Protection Program for a grand total of $716,954 for the year. This compares to $801,159 the previous year or $84,205 less. Overall, it was a good year for the VAC.

Donna Peterman
Vice President & Treasurer

BOARD OF DIRECTORS
2019-20

Officers
Alexia Martin, President
Donna Peterman, Vice President & Treasurer
Mary Harbour, Secretary

Directors
Mary Cavanagh
Alissa Desguin
Ellen Harvey
Roswitha Hergenhan
Rosalie Mack
Judi Roth
Beverly Yankwitz
Gwen Zankos

STATEMENT OF ACTIVITIES
June 2018 through May 2019

REVENUE
Community Support $243,839
Product Sales 128,175
Program Services 258,516
Other Income 6,419
TOTAL REVENUE $636,949
Less Cost of Goods Sold 199,631
GROSS REVENUE $437,318

EXPENSES
Advertising 43,407
Bank Service Fees 9,889
Insurance 20,647
Operating Expenses 50,275
Repair & Maintenance 20,332
Supplies 38,109
Wages & Salaries 187,226
TOTAL EXPENSES $369,887

NET ORDINARY REVENUE $67,431

OTHER INCOME
Restricted Funds Current Income $80,005
Restricted Funds Current Expense 957
NET OTHER INCOME $79,048

NET INCOME $146,479

MANAGEMENT TEAM 2019-20

Staff
Janet Watermeier, Executive Director
Kimberly Phillips, Programs Manager
Stacy Calvino, Business Development Manager
Michelle Lucia, Communications
Trish Doyle, Bookkeeper
Dave Bise, Facilities Manager
Steven Tacy, Assistant Facilities Manager
Deanna Housfeld, Library

STATEMENT OF FINANCIAL POSITION
May 31, 2019

ASSETS
Bank Accounts $205,874
Inventory 15,589
Fixed Assets
Equipment 100,681
Building Improvements 350,495
Building 576,822
Furniture & Fixtures 85,277
Less: Accumulated Depreciation (677,110)
Total Fixed Assets 446,165

TOTAL ASSETS $667,628

LIABILITIES & FUND BALANCE
Total Current Liabilities $21,477
Fund Balance
Unrestricted Net Assets 454,806
Restricted Funds 44,866
Change in Fund Balance 146,479
Total Fund Balance $664,151

TOTAL LIABILITIES & EQUITY $667,628
TOP DONORS, SPONSORS & BUSINESS PARTNERS

$200,000+
Rebecca Durig

$50,000+
Kate Staber

$25,000+
Crystal Gerdell
VAC Endowment Trust

$10,000+
Merrill Lynch Wealth Management
Donna & John Peterman
Shelly Soucha
Wyvern Hotel

$5,000+
Janie & Steve Duke
Alexia Martin & Whitco Ins
Mary Ellen Byrd Legacy for the Arts
Frank & Paulette Morrissey
Judi Roth & Roth Foundation
Constance & Bill Robison

$2,500+ to $5,000
Dave Bise & Partnership for the Arts
Centennial Bank
Farr Law Firm
Greener Cleaner
Denise Henry & Remax
Susan and Loren Hill
Hoffer Family Trust
Lala Keiser Trust
Rachel Kesling
Jeff Leedy
Mosaic Fertilizer
The Patterson Foundation
Carla & Danny Nix & Nix & Assoc.
Janet Watermeier

$1,000 to $2,500
Judy Aber
Louie Askew
Martha Aurelio
Becky Bovell
Donna & Steve Cardenas
Katherine & Tom des Enfants
Keith Callahan
James Coalwell
Jackie & Dan Miller
Mindy Morris
Amy & Robert Dwyer
Gettel Automotive
Mary & Robert Harbour
Deanna Housefeld
Carlton Hughes
Florida Premier Contractors
Paula & Bucky McQueen
Frances Nicolozakes
Skip & Ann Peerless
Sue & John Pollaro
Lois Porter & Ronald Wiley
Mary Presley
Constance & William Robison
Judith Roth
Rona & Paul Rothschild
Miles Seter
Dorothy Shehan
Gail & Frank Short
William & Penelope Sims
Elizabeth Smith
Thalia St. Lewis & Dan Beckley
Stephanie & Larry Stewart
Dorothy & Michael Strunk
Sally Tappy
Mike & Mary Treworgy
Michele Valencourt
Gloria & John Weber
Linda & Gary Wein
Elmer Mizuno & Linda Weintz

46 PATRON MEMBERS

ADVOCATE
Mary & Robert Harbour
Lee McGraw & Van Lupo
Donna & Steve Palmer
Dr. Richard & Lynn Pitz

SUPPORTER
Louis Alstott & Lydia Gattanell
Mary Cassidy-Anger
Marilyn & Bruce Conklin
Janie & Steve Duke
Patti & Bob Foreman
James & Elaine Fonseca
Susan Hill
Marianne Lilly
Donna & John Peterman
Karen & Dick Solar
Dorrit & Bruce Tompkins
Phil & Mary Woodruff
Gwendolyn & Nick Zanakos

FRIEND
Pat Amberg
Dianne Brooks
Nanette Crist
Thomas Deuley
Jim Ellsworth
Miranda Fields
Alexia Martin
Juanita Pawlisch
Susan Reeves
Laurie Rice
Shelly Socha
Roxie Vetter
Mary Voyrek
Robert Weitz

MEMBERSHIP
46 Patron Memberships
90 Lifetime Memberships
238 Household Annual Memberships
1 Youth Annual Memberships
700 Individual Annual Memberships
1,075 Memberships – 270 New 25%

90 LIFETIME MEMBERS
Martha & Vincent Aurelio
Bruce & Colleen Bagge
Courtney Borntreger
Kathy Bostwick
Becky Bovell
Suzanne Bowles
Jane Brenner
Ellen Burnett & Paul O’Neil
Mark Byrd
Ingrid & Sam Carroll
Keith & Pauline Charron
Jack & Claudia Chopp
Tricia Condon
William & Patricia Cote
Ned Rose & Thelma Daida
Suzanne Delahunty
Guy & Annette Emerich
Patti & Bob Forman
Carolyn & Thomas Freeland
Christel Gerdel
Jane Geronime
Thomas Hamilton
Jeannie Harbeck
Denise Henry
Deanna Housefeld
Larry & Sylvia Hudson
Liz Hutchinson & Frank Sperry
Donna Jesse
David & Stephanie Klein
Linda Koebelen & Conrad Koerper
Susan & Donald Krasny
Diana Lehr
Cathy Lindemauer & Don Crispin
Lee McGraw & Van Lupo
Paula & Bucky McQueen
Frances Nicolozakes
Skip & Ann Peerless
Sue & John Pollaro
Lois Porter & Ronald Wiley
Mary Presley
Constance & William Robison
Judith Roth
Rona & Paul Rothschild
Miles Seter
Dorothy Shehan
Gail & Frank Short
William & Penelope Sims
Elizabeth Smith
Thalia St. Lewis & Dan Beckley
Stephanie & Larry Stewart
Dorothy & Michael Strunk
Sally Tappy
Mike & Mary Treworgy
Michele Valencourt
Gloria & John Weber
Linda & Gary Wein
Elmer Mizuno & Linda Weintz
2020 ACTIVITY HIGHLIGHTS

FUN ARTS FESTIVAL’S BATTLE OF THE BRUSHES
241 Attendees, $30,000 Raised

Judges Award
Marjorie Benson & Jill Lindsay

Thank You Van Gogh Sponsors!
- Boyette & Miller Construction
- Centennial Bank
- Westchester Gold and Diamonds
- Burg’r Bar
- SouthWestern Florida State College
- Interior Resources
- WrightWay Emergency Services
- Kitchen Classics, Friendly Floors
- Generator Solutions of SWFL
- The Wotitzky Law Firm
- Florida Premier Contractors

Thank You Dali Sponsors!

People’s Choice
Diane Hoffer & Coach Nancy Colby

Bob Miller, Rachel Keesling, James Coalwell, Keith Callaghan

278 ART CLASSES

Students
763 Fine Arts
261 Pottery
208 Jewelry
83 Glass
26 Photography
54 Specialty

28 Instructors
65 Offerings
1,395 Students

14 WORKSHOPS - 102 Participants

16 ART & WINE EVENING SOCIALS

Match-up 9/23/19
Exhibit Ribbon Cutting 11/4/19

247 Attendees

- Glass Etching
- Let’s Get Splashed
- Anything but Canvas
- Sip & Paint with Opera

YOUTH PROGRAMS

33 Elementary Summer Camp Kids
57 Middle School Summer Camp Kids
20 Cooper Street Kids
18 Sponsorships - Thank You!
2019 - 2020 ACTIVITY HIGHLIGHTS

12 EXHIBITS – 1,100+ Entries from 450 Artists

- 6 Main Gallery
- 6 Goff Gallery

Red on the River
by DM Palmer

OFFSITE EXHIBITS
- Wyvern Hotel
- Nix & Associates
- Charlotte Community

Teams: Alabama, Florida, Pennsylvania

NATIONAL ART EXHIBIT
537 Entries
275 Artists
39 States
150 Selected

1st Place - $2,000
“No New Friends” by Corinne Forrester

PUNTA GORDA HISTORIC MURAL SOCIETY
25th Anniversary

52 Renderings
188 Participants
$17,880 from Auction

Exhibit Ribbon Cutting

PARTNERSHIP WITH FISHERMEN’S VILLAGE
30 Art Vendors

NATIONAL ART EXHIBITION
2019 - 2020 ACTIVITY HIGHLIGHTS

TEAMS: ALABAMA, FLORIDA, PENNSYLVANIA

TEAM PUNTA GORDA
Annual Meeting
“Dueling Brushes” with Marki Raposa & Zoe Hale
“In the Style of Monet”

1ST PLACE - $2,000
“No New Friends” by Corinne Forrester

Peterman’s 50th Anniversary

Dave Bise’s Surprise Birthday Party

EDGEWATER CORPORATE TEAM BUILDING – 24

60 Tables
$27,000 Sales
ENDOWMENT TRUST ANNUAL REPORT 2018 - 2019

The primary mission of the VAC Endowment Trust is to preserve the investments by monitoring the portfolio managers and obtaining investment management proposals every five years. A yearly contribution to the Visual Arts Center is determined by the Trustees based on the income earned. This past year the VAC distribution was $37,210 which was used for building maintenance, roof repairs and special projects. The Trust’s balance at the end of May 2020 was $1,073,247 as compared to $871,034 the previous year.

The Endowment Trust has granted over $345,232 to the VAC over the past 20 years. The VAC Endowment Trust and the VAC Board of Directors work closely together to ensure that long-term funding and VAC goals are closely aligned.

Trustee Faiza Kedir’s term expired this year. She has given her time and energy to the VAC Endowment Trust and supported the Visual Arts Center in many ways. We thank her for her loyalty and wish her well.

Just 16 days into the fiscal year, VAC Endowment Trust Director Emeritus, Rebecca Durig, passed away. Rebecca was one of the VAC’s early pioneers and lifelong supporters. She went door to door in the early years, collecting contributions to build the VAC. Rebecca Durig left $200,000 to the VAC Endowment Trust in her will. Her contribution moved the bar of Endowment Trust investments to more than $1 million dollars, a long-term goal of the Trustees.

Constance Robison
President

ENDOWMENT TRUST
2019 - 2020

Officers
Constance Robison, President
Susan Krasny, Vice President
Ron Olsen, Treasurer
Keith Callaghan
Recording Secretary
Denise Henry
Corresponding Secretary

Trustees
Kelsey Veitengruber
Faiza Kedir
Ingrid Carroll, Director Emeritus

VAC ENDOWMENT TRUST, INC
FINANCIAL SUMMARY

<table>
<thead>
<tr>
<th></th>
<th>5/31/19</th>
<th>5/31/20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contributions &amp; Grants</td>
<td>$ 4,610</td>
<td>$ 207,059</td>
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<tr>
<td>Investment Income</td>
<td>33,278</td>
<td>33,893</td>
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<tr>
<td>Total Revenue</td>
<td>$ 37,888</td>
<td>$ 240,952</td>
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<td>Grants Paid</td>
<td>$ 32,082</td>
<td>$ 37,210</td>
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<td>Other Expenses</td>
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<td>Total Expenses</td>
<td>$ 40,399</td>
<td>$ 38,740</td>
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<tr>
<td>Revenue – Expenses</td>
<td>$(2,511)</td>
<td>$ 202,212</td>
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<tr>
<td>Total Assets</td>
<td>$871,034</td>
<td>$1,073,247</td>
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<tr>
<td>Total Liabilities</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Net Assets</td>
<td>$871,034</td>
<td>$1,073,247</td>
</tr>
</tbody>
</table>

Leave a Legacy: Consider including the Endowment Trust in your Will, Trust or Estate Planning. You will be helping to insure the future of art for generations to come.
COVID-19

This year’s Annual Meeting is being conducted via Facebook Live to enable as many members as want to participate to do so safely. Hopefully, by this time next year, we will be able to congregate together to celebrate art. COVID-19 hit at the peak of our last fiscal year season, however, has continued into this fiscal year and is having a challenging effect on the Visual Arts Center (VAC). We thought you might appreciate the highlights of VAC actions in response to COVID-19 currently in place and likely to continue for some time in the future. Through September, it is estimated that COVID-19 has already affected the VAC by more than $100,000 in cash flow.

Protections & Procedures: The Visual Arts Center is equipped with antiseptic materials, including wipes, sprays, and hand sanitizing stations. We have initiated additional cleaning protocols and use antiseptic misting as appropriate. A new “hands free” automatic door opener has been installed. Social Distancing 6’ floor markers surround the Front Desk and Gallery entries. The wearing of masks is encouraged within the main hallways and wherever social distancing cannot easily be accomplished. Masks, gloves, and a no-touch thermometer are available. The classrooms are equipped with plastic and plexiglass dividers and ultraviolet lights are being explored for the air conditioners. We encourage anyone who registers for anything and does not feel well to remain home and let us know.

The Journey: We were in the midst of high season and getting ready to hold our annual Peace River National Arts Festival, a mid-March event that typically carries us through the offseason, when COVID-19 caused the event to be postponed after spending the budgeted costs on planning, marketing, and advertising. We refunded a significant portion of booth fees and sponsorship funds.

As COVID-19 progressed, our Winter visitors stopped attending in the middle of their class sessions and returned to their northern homes. Our activity levels dropped by more than 60%. The Florida Governor and U.S. President requested everyone remain home to slow the virus spread, and our activity level dropped to zero, retail sales stopped, and memberships and donations dwindled, however, our overhead expenses continued onward. We strived to keep our employees active using distance technology, online meetings, and work at home strategies. Once the staff could return to the VAC, we established a blended plan of work from home and onsite to minimize virus exposure.

Program Transformation: We realized if we were going to be able to continue our mission, we would have to adapt to the times and transform our operation from a social gathering place focused on art, into an art connection hub of online activities and services. We adapted our programs through distance learning, virtual exhibits and online sales of art and art supplies. We upgraded our internet and online capabilities, purchased technology, software, and equipment for an online studio, established an online virtual tour of the facility and exhibits, and held our first two-day virtual open house featuring instructors and classes live on Facebook. To reduce personal contact, we asked all customers to register and pay online in advance for Open Studios, Classes and Exhibits and limited in-person participation to 6 to 10 per session. Exhibit Receiving and Removal were extended to 2 days with drop off and pick-up times scheduled by appointment. Awards ceremonies were conducted via Facebook Live and posted to the website virtually.

Financial Impact: COVID-19 related changes have caused our monthly operating costs to increase by more than $2,500. We had a good year last year and with the help of a $38,795 Paycheck Protection Loan, were able to keep our team employed. We reduced our hours as a cost saving measure. Most of our fundraising and gathering activities, including, Battle of the Brushes and Holiday Market are cancelled for this year. Next year’s budget has been reduced by 50% to 75% for each budget line item. We anticipate having sufficient cash to be able to operate at a loss through this season, but it will dwindle our reserves to do so.

Going Forward: Our strategy is to conserve cash, reduce expenses, and engage with our customers and donors carefully and safely as they emerge from this crisis. We are planning to actively participate in “Giving Tuesday”, a global day of philanthropy, on December 1st, to take advantage of matching donations from national companies. We hope to also develop a local matching fund from VAC supporters to enhance the donation impact of each contribution. If you can help, please let us know.

Thank you to everyone who has stepped up to support the VAC during these very challenging times. It is sincerely appreciated.
2020-2021 DATES TO REMEMBER

2020 GIVING TUESDAY – December 1st

2020 PEACE RIVER NATIONAL ARTS FESTIVAL – December 5th & 6th
Postponed from March 21st & 22nd
Outdoor Art Fair at Laishley Park with 50 art vendors, food, fun & more
- 3/21 & 3/22 from 9am to 4pm
- Volunteers Needed

HOLIDAY SHOPPING
- Holiday Cards – October 15th to December 15th
- Holiday Ornaments – November 1st to December 23rd
- Holiday Wall – November 15th to December 23rd
- “Off the Wall” Exhibit (artwork under $200) – November 25th to December 19th
- Holiday Market scheduled for December 5th & 6th is cancelled

2021 VISUAL ARTS CENTER OPEN HOUSE – January 3rd & January 4th
Meet Our Instructors, Free Demonstrations, New Class Schedules & More
- 1/3 at 10am to 4pm – Open for Visitors
- 1/4 at 10am to 1pm – Open for Visitors

2021 PEACE RIVER NATIONAL ARTS FESTIVAL - March 21st & 22nd
Outdoor Art Fair at Laishley Park with 80 art vendors, food, fun & more
- 3/21 & 3/22 from 9am to 4pm
- Volunteers Needed

2021 PALETTE TO PALATE - May 8th
Dinner with an Artist

2021 EXHIBITS: