



Sketches

October 2006 Newsletter

GUALALA ARTS, A WORK IN PROGRESS

Sustaining a Community Treasure

Almost ten years ago Gualala Arts finished and moved into our current building. Completion of the Gualala Arts Center was an enormous achievement for this community, made possible by the generous donation of time and money from a great many people. In the decade since, Gualala Arts has grown in many ways. It is used by more people every year, offering classes for adults and children on everything from poetry to painting to cooking, sponsoring concerts and gallery shows, and serving as a location for many community events such as lectures, weddings and high school proms – events that have nothing to do with the arts.

Because of our growing reputation, the Center attracts many visitors each year that come not only to support local artists, but they also patronize community businesses such as motels, restaurants, and stores. It helps increase property values by attracting visitors who ultimately may build or buy houses in Gualala, Sea Ranch, Point Arena, or other nearby communities. So Gualala Arts offers something valuable to many people who live along this coast, whether or not they have an interest in the arts.

Now that we are beginning our second decade in the building, Gualala Arts is planning to secure our long-term financial stability with aggressive fund-raising efforts. Fund raising is something we haven't done much in the last few years. Why are we doing it now? Simply put, it is to guarantee that the building is maintained and that the Arts Center flourishes for years to come.

Addressing the Immediate Operating Deficit

Gualala Arts is very well run. There is no mortgage on the building, and the business operations are closely managed every year to be sure that our dollars are spent wisely. But like many arts organizations, we run a small operating deficit annually. In other words, the revenues we receive from programs do not cover all of our expenses. Even in the early days, before the center was built, we had to borrow money temporarily each year from the Building Fund to meet operating expenses. It is still essential that Gualala Arts receive annual donations from members to cover a portion of its expenses. This year the operating deficit as of June 30 is \$30,300 and for the entire year 2006 we anticipate it will run to about the same as it has for the past 5 years, which is about \$60,000.

Raising Money for a Rainy Day

One particular concern is that there often are insufficient funds in the budget to properly fund long or short term maintenance or to provide for needed construction projects (such as an elevator for the handicapped) for the Arts Center. Don Kemp, our Finance Chair, has referred to this as a “structural deficit.” This shortfall would be less of a worry if, like colleges and museums, we had a large endowment fund to fall back on, but we don't have that luxury. While there is currently an endowment fund, it is very small and not nearly large enough to provide an income for basic building maintenance, let alone cover the expenses for a new roof, replacement of a furnace, or uninsured damage from an earthquake.

So over the next few years we plan to expand our fund raising efforts in order to build an endowment for Gualala Arts that will:

- provide on-going income for future building expenses
- cover our annual deficit
- free up dollars that ultimately will pay for expanded programs and personnel costs.

It's like putting away money for a rainy day. We hope to raise money, not only from annual contributions, but also from expanded fund-raising events and by helping people to establish charitable trusts for Gualala Arts, or providing information for those who may want make memorial gifts or legacies from their estates.

Conclusion

Members will receive a letter from Executive Director David Susalla before the end of this year providing details of this year's expenses and income, and requesting donations to assist with the 2006 deficit. Next year and later, you'll receive more information telling you about many of the events going on at the Gualala Arts Center, and asking you for donations to help build the endowment which will sustain Gualala Arts in the future. When you're asked to contribute, we hope you will think about what the Gualala Arts means to you, your family and this community, and give as generously as you can.



