

**Besser Museum for Northeast Michigan
Treasurer's Report
October 20, 2020 Board Meeting (September Financials)**

Notes/Highlights to First Quarter (JUL-SEP) Financial Statement:

Revised quarterly statement has been sent today. In reviewing information for the board meeting, we noted some accrual items that were not recorded.

Revenues:

Considering the pandemic, we had a wonderful season of admissions. Admission revenue exceeded the budget, while contributions were a bit lower. Special projects/grants funded by Besser Foundation and the Cook Fund at CFNEM resumed during the quarter. While the budget was established using net income for the store, it should be noted that the store revenue minus expenses also exceeded budget.

Expenditures:

- *Utilities Expenses continue to be up significantly (around \$600 additional for power) due to running the HVAC system more than usual to help with humidity issues and meet Covid-19 regulations. An adjustment will be made in preparation of the audit to pro-rate the utilities for June and that will decrease the current quarter's expenses for utilities by approximately \$1,500.
- *Supply Expense is up due to a one-time purchase of shelving from Neiman's for the storage area in the amount of \$1,000 (a great bargain for nearly \$80,000 worth of shelving).
- *Advertising & Marketing is up due to an annual payment for our information to be included on the area maps that are available for visitors to the area. We also advertised as part of the reopening process to inform potential visitors of our hours and sanitation processes to encourage visitors to the Museum.

Bottom Line:

Total Revenues minus total expenditures for the quarter are breakeven.

PPP - Also, the PPP funds of \$42,700 are recorded as a loan and will be recorded as "other income" once the forgiveness application is approved. The forgiveness application was submitted approximately 2 weeks ago. The bank has 60 days to forward the application to the SBA and the SBA has 90 days to accept or reject the forgiveness application. We believe our application will be approved, but it may take up to 5 months to receive.