

Chewelah Performing and Cultural Arts Center (PACA)

Executive Director's Report for October, 2008

Attached please find a copy of the categories for budget information to be supplied with our application for 501C3.

- 1) Do you have additional categories that should be added to this document?
- 2) Do you have input concerning the amounts that should be entered into the budget?
- 3) What are your thoughts as to the timing of our opening in relation to the current down turn in economic forecast?
- 4) Are the dates appropriate or should we wait one more year?
- 5) Should we take money already designated towards PACA and secure the building ownership from the city so that they can put that money towards a new garage?

Please allow me to give you an overview of the possible revenue opportunities for PACA. We can make money through admissions to events. We would keep all of the money generated by the show's we produce and ask for a percentage take on the shows brought in from the outside. (Park Avenue Players, Stage Time, Northern Ballet, etc.)

We can approach classes in a similar way based upon the agreement we strike with the teachers of those classes. If we do the advertising, registration etc. on the classes and pay the teachers an equitable rate for the classes, we would keep the proceeds from class work and performances. The process might call for a contract, in the form of a letter of agreement with each group that delineates the agreement. We can sell advertising in our program and concessions at the shows. We can solicit sponsors for events that pay cash to have their companies name on the productions or displays. Once we know the cost of doing business we should plan to have earned income cover 70% of our annual expense. That means another 30% must be raised in the annual fund drive. As mentioned before, the first year of operation is budgeted with 0 employees other than the teachers paid to run the education program. This is not ideal and one of the first grants we should write is for start up money to pay an Executive Director and/or Technical Director who would be paid to insure smooth operation of the facility and to supervise the volunteer work force.

Don McLaughlin, Executive Director
October 28, 2008