



2015 Annual Report

Introduction

The past year was a pivotal one for the Pottery Lab. For the first time in the Lab's 60-year history, the program was run as a nonprofit organization rather than part of the City's Parks & Recreation Department. A transition like this is rare and challenging. It requires new ways of thinking and working, creative problem-solving and planning, and flexible, collaborative relationships at all levels.

The Board of Directors for Studio Arts Boulder takes our responsibility to the legacy of the Pottery Lab very seriously. Each one of us has a personal relationship with the Lab and is committed to providing transparent and effective leadership through this transition. To that end, we have prepared the organization's first-ever Annual Report for you to review. The following few pages outline basic information about the organization, its operations and finances, and our goals for the coming year.

We would also like to express our sincere gratitude for the generous support you have given to help launch the Pottery Lab into its next chapter. Thank you to the students, who continue to bring smiles and creativity into the building each day. Thank you to the staff, whose devotion and tireless effort is the backbone of the organization. Thank you to all the donors and volunteers, who provide the necessary resources and energy to make everything work. The community surrounding the Pottery Lab is amazing and we are honored to be working for you and with you.

2015 Year-End Review

The following information is a by-the-numbers overview of the organization's activities in 2015.

Enrollment & Outreach

- In 2015, adult enrollment at the Lab ranged from 106-131 students per session. Our youth program had between 69-84 students in each session. The amazing and dedicated staff also ran 19 camps last summer serving 184 kids.
- We continued our regular Friday afternoon class for adults with mild traumatic brain injuries, where a student recently told us that she saw improvements in her coping skills, speech, and physical abilities due to her participation in the class.
- The Lab hosted several visits in 2015 from Youth Services Initiative (YSI), a program of the City of Boulder Parks and Recreation department that provides community-based after school and summer programs for youth living in low-income housing.
- Other outreach in 2015 included pottery programs at the Watershed School, the Jewish Community Center, and the Longmont Library.

- The Lab also hosted a variety of workshops, including a Jomon Pottery class taught by several visiting Japanese masters.

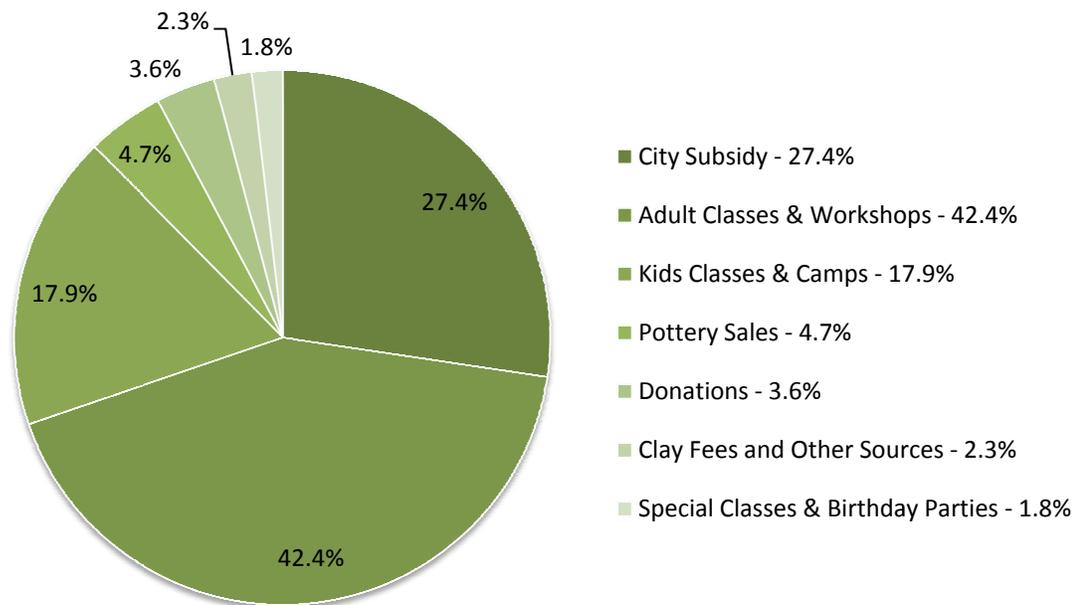
Staffing & Operations

- The major change in staffing in 2015 was the departure of Director Nancy Utterback in October and the promotion of Studio Manager Aaron Winston into the Interim Director position.
- The Lab has approximately 6 paid adult instructors and 7 paid youth instructors, 5 paid operations staff, and 7 volunteer teaching assistants, including one new assistant who joined us this Winter. In addition, there are a handful of regular volunteers and community service workers who help with operations and cleaning.
- A few adjustments were made late last year to improve the flow of pieces through the system and the addition of two new electric wheels has increased our capacity downstairs.
- Studio Arts Boulder also purchased a new gas kiln which will be installed outside in the near future. And a few other improvements will be coming soon!

Finances

With guidance from our CPA, we conducted an internal audit at the end of 2015 to ensure our finances for the year were clear and accurate. Thanks to the contractual subsidy from the City of Boulder Park & Recreation Department, the organization finished its first year as a nonprofit in a healthy financial position. The charts below provide an overview of the financial status of the organization including the breakdown of income sources and expense categories for 2015.

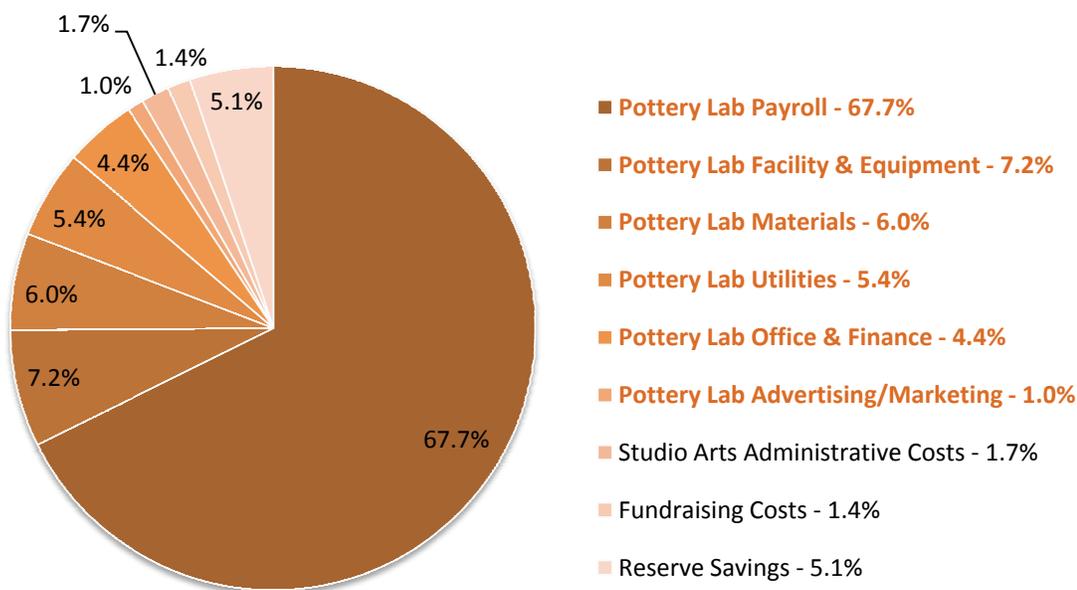
2015 Revenue Sources



The annual operating budget for the organization is nearly \$350,000. As in prior years under City management, earned income from classes, camps, workshops and other program sources was not enough to cover the cost of providing those programs. In the coming years, as the City Subsidy

decreases, donations and grants will become critical sources of income to offset the loss in subsidy and maintain existing programs.

2015 Expenses Breakdown



With almost 97% of expenses spent on direct service delivery and reserve savings, this is an exceptionally efficient nonprofit. As shown in the graph, the staff is our largest and most important investment. Their experience and talent is critical to the organization's success and will remain our primary expense.

2015 Cash Balance

Opening Cash Balance on 1/1/15	38,063.09
2015 Net Revenue	+ 21,512.14
Reserve Fund Savings	+ 15,000.00
Closing Cash Balance on 12/31/15	74,575.23

The fundraising efforts of 2014, including the Fireball event at eTown, created a positive cash cushion to open the year. Additional earned revenue and reserve savings means the organization closed the year in good financial shape.

Year-End Position

After a busy year getting up and running, the organization ended 2015 on sure footing. The atmosphere at the Lab is brighter and enrollment is up over last year. Our relationship with the City is solid, support from the ceramics community is strong, and our connections to other studio arts organizations are growing. All of this engenders a positive outlook for the coming year.

2016 Goals & Objectives

In November, the Board of Directors and Interim Director of the Pottery Lab held a workday to review the current state of the organization and plan for the new year. Together, we outlined several key goals for 2016.

Fundraising & Marketing

- There are two major fundraising events slated for 2016 - a dinner & auction in April and a large block party in front of the Lab in conjunction with a September pottery sale. In addition, a second-annual Studio Art Show & Holiday Sale may be organized for late in the year.
- We are set to apply for at least one grant per month and will be working on cultivating a small pool of major donors who can support our transition away from the City Subsidy.
- The Board is also actively engaged in a political effort to extend the 2A tax initiative to fund a "Decade for the Arts" that would provide nearly \$100 million over 10 years for the arts in Boulder.
- The new website will be launched this spring and an overall increase in advertising and promotion is already underway to boost enrollment and expand our reach.

Capacity Building

- The Board is committed to filling vacancies on the board with qualified candidates who close strategic gaps in capacity. A full working board will also mean more hands on deck and a better division of labor among committees and sub-groups.
- The hiring process for the permanent director position at the Pottery Lab will be conducted in 2016. We also anticipate new staff will be added to support program outreach efforts and other operational areas.
- In addition, over the next year steps to expand the volunteer and internship corps will harness the amazing energy of our community in exciting and rewarding ways.

Planning & Oversight

- We will be conducting a comprehensive and inclusive process to finish the organization's 5-year Strategic Plan as well as further work plans for fundraising, marketing, and programming.
- There are a handful of policies and nonprofit management fundamentals that still need to be implemented, including ongoing evaluation and data-collection processes to ensure we are meeting our goals.

Overall, we are excited to work in partnership with the Pottery Lab staff and the City to ensure the program continues running smoothly and to bring exciting improvements. The Board is taking every step to ensure our financial, operational, and structural foundations are sound. After a year as an independent nonprofit, the organization is well-poised to continue its evolution toward a successful, sustainable future. The coming year promises to be filled with fun and enriching activities as we move farther into this new chapter in the Pottery Lab's long history. Thank you to everyone involved in making it a reality!