

FISCAL YEAR 2021

JULY 01, 2020 - JUNE 30, 2021

ANNUAL REPORT

TAM

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**Since March 2020, we have
all been impacted by the
pandemic. Nonetheless, TAM
staff—working largely from their
living rooms or home offices,
have been able to continue to
provide high-level programing
both virtually and again in person
since our April 2021 reopening.**

LETTER FROM THE DIRECTOR

While we are very proud of our continued efforts, we are also sad that many in-person exhibitions and programs, some created by our own staff, had to be curtailed or cancelled.

Fortunately, due in particular to the federal Payment Protection Plan program and Tacoma Creates, as well as the continuing generosity of our Foundation partners and our amazing donors, TAM managed to press forward with all possible programming and maintain a healthy financial position in the 2020-2021 fiscal year.

One particular area in which TAM made great progress during 2020-2021, was our Diversity, Equity, Inclusion and Access (DEIA) training for staff and board. Though we began this training in September of 2019, the events of 2020 encouraged TAM (and many other institutions) to examine how policies, procedures and personal biases may have caused harm to

our own staff and community in the past. While we have much work to do toward our aim of being an antiracist institution, we made great strides during this fiscal year, laying the groundwork of understanding for moving forward with this highly important work.

Our main challenges for 2021-2022, will be to continue with the important work of DEIA while scheduling exhibitions and programs in a still uncertain environment. TAM is dedicated to continuing to deliver the exhibitions and programs that satisfy and welcome all parts of our community, while protecting ourselves against future periods of uncertainty.



David F. Setford
EXECUTIVE DIRECTOR



**This past pandemic
year offered
interesting
opportunities for
us to think about
exhibitions in new
ways and also
challenged us to be
flexible in our thinking
and our plans.**

CURATORIAL

We reopened the doors in October and shortly thereafter the exhibition *South Sound Selects: Community Choices from the Collection* opened. This exhibition was curated by TAM staff and volunteers partnered with community members. They included family and friends, artists and activists, students, and teachers. The curators were given more than 2,000 works of art from TAM's collection to review and decide what they wanted to display. The exhibition also was our first experiment with Matterport, technology for digitally photographing spaces in 3-d to create a virtual walk-through. It made the exhibition accessible to visitors who might not be able to come see it in the galleries due to the pandemic. And when we had to close the doors again in November it was a wonderful resource for offering virtual content to our members and others.

We reopened to the public in April overjoyed to invite visitors back in and share the experience of being with artworks in person again. The suite of installations in the Haub Family Galleries were refreshed with new loans and artworks from the collection as were the galleries for our studio glass collection in the Benaroya Wing.

Despite the doors being closed for long stretches this past fiscal year, art donors continued to reach out to us with generous gifts to the collection, some of which are illustrated throughout this report. We added 43 works by Northwest artists including prints, paintings, sculptures, glass and ceramics. Among them were the stunning trompe-l'oeil *Pears Still Life* by Kathleen Elliott, exciting recent work by Margie Livingston that blurs the line between painting and sculpture, and the enigmatic mixed media *Untitled (Tincture)* by Elias Hansen. A drawing by artist Kenjiro Nomura from his time imprisoned at the Minidoka Relocation Center was a particularly poignant addition.

In the Predock Wing a new exhibition from the Northwest painting collection also debuted in March. *Painting Deconstructed: Selections from the Northwest Collection* offers a deep dive into the art of painting by focusing on the primary components: composition, color, medium, and technique. It also is a great opportunity to showcase our rich and varied painting collection. This exhibition also has been recreated on our website to continue to provide our virtual visitors chances to engage with our collection.

We also purchased two glass works for the collection: . *Coyote in Starlight* by RYAN! Feddersen from her 2019 residency at the Museum of Glass and a wall sculpture composed of colorful glass tubes by Jen Elek. The collection now numbers over 5,300 objects, which you can browse through virtually at our online emuseum site (tacoma.emuseum.com/emuseum/). Try the My Collections button and create your own virtual exhibitions of favorites.





RYAN! FEDDERSEN
COYOTE RESTORED IN STARLIGHT, 2019
 BLOWN GLASS
 12 X 11 X 11 IN.
 TACOMA ART MUSEUM, MUSEUM PURCHASE WITH FUNDS
 FROM THE GENERAL ACQUISITION FUND, 2020.8

During Fiscal Year 2021, 24 artworks from TAM's collection were on loan to the following exhibitions:

Degas at the Opera

National Gallery of Art
Washington, DC

July 20, 2020 through
October 12, 2020 (1 piece)

***Volcano! Mount St.
Helens in Art***

Portland Art Museum
Portland, OR

February 8, 2020 through
January 3, 2021 (2 pieces)

***Venice and American
Studio Glass***

Stanze del Vetro
Venice, Italy

September 6, 2020 through
January 10, 2021 (9 pieces)

***Lockwood Dennis:
Woodcuts***

Hallie Ford Museum of Art
Salem, OR

October 24, 2020 through
January 16, 2021 (1 piece)

***Forces of Nature:
Renwick Invitational
2020***

Renwick Gallery
Washington, DC

October 16, 2020 through
August 15, 2021 (1 piece)

***Counterparts: Glass
and Art Elements***

Museum of Glass
Tacoma, WA

April 2, 2021 through
March 2022 (5 pieces)

***Alden Mason:
Fly Your Own Thing***

Bellevue Art Museum
Bellevue, WA

May 14, 2021 through
October 10, 2021 (5 pieces)



During the 2021 fiscal year, the effects of COVID-19 weighed heavily on TAM and our community of supporters. The Museum's intermittent closures from March 2020 to April 2021 led to a drastic drop in memberships and related revenue but prompted increased support from major donors. All member events and donor engagement went virtual, as well as TAM's major annual fundraising events, providing opportunities for TAM staff to develop creative new ways to reach the TAM family and continue to bring them member-exclusive content throughout the year.

With strong government and foundation support through various relief funding initiatives, and increased support from TAM's major donors, the Museum met the adjusted contributed revenue targets for FY21, finishing the year strong despite unprecedented set-backs.

DEVELOPMENT

In October 2020, TAM welcomed its new Director of Development,

Shannon Rolbiecki. While the Development team focused on member engagement during the closure, they also took a forward-looking approach developing strategic programs for launch in fiscal year 2022, including:

Revamped membership program, ensuring all annual gifts to TAM are cumulative, leading to increased member benefits and recognition.

Refreshed and rebranded Planned Giving program, Visionary Circle, providing appropriate recognition and engagement for all of TAM's planned gift donors.

Donor database overhaul ensuring all member-donor history is properly tracked leading to better stewardship and engagement.

While FY21 proved a challenging year for fundraising, at TAM

and across the entire non-profit sector, it highlighted the strength and loyalty of TAM's family of supporters. We are grateful for all the individuals and foundation and corporate partners whose generous support made TAM viable through a pandemic year and allowed the Museum to look ahead with genuine optimism toward a thriving future.

1,172

**INDIVIDUAL
MEMBERS
AND DONORS**

26

**INSTITUTIONAL
FUNDERS**

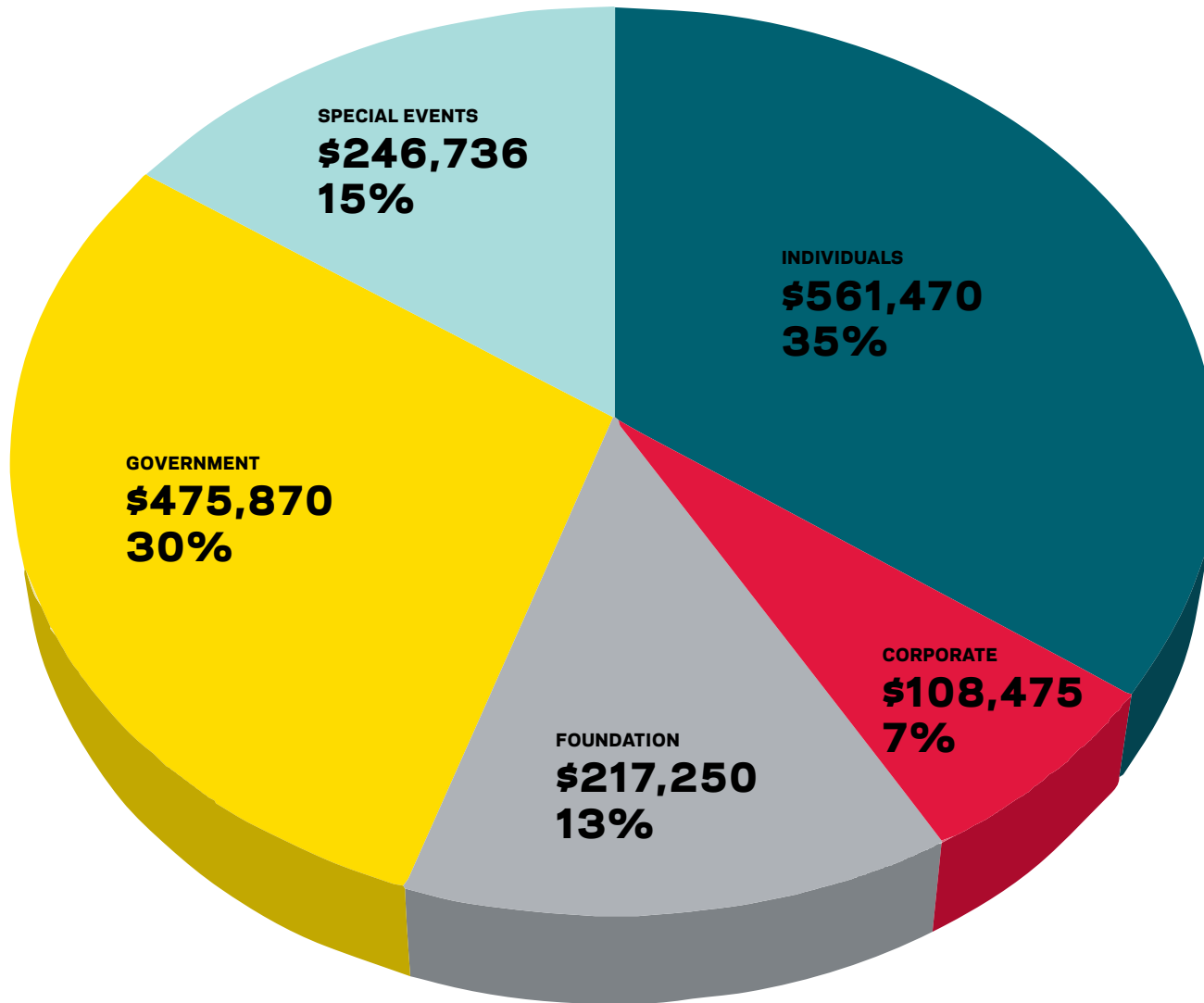
31

**IN KIND
DONORS**



Tacoma Art Museum celebrates and appreciates our dedicated members. Thank you for your support during an unprecedented year, full of many challenges. You helped inspire us to seek out and take advantage of the unique opportunities this year presented. We look forward to welcoming you back to inspiring in-person exhibitions and engaging programs in the future!

REVENUE BREAKDOWN



MEMBER ENGAGEMENT HIGHLIGHTS

The year called for a total reimagining of member engagement opportunities as we kept social distance while the museum remained closed. Nevertheless, TAM remained dedicated to offering members ways to more deeply engage with art and their community through a variety of virtual opportunities.

October – Virtual Soap and Candle Making Workshop

This exclusive member's workshop with Gretchen Konrath, owner of The Hobbyist Box, offered members the opportunity to join in the art-making from their own homes with custom dried flower soap and soy candle DIY kits, featuring native Washington flora. The workshop was inspired by *Oregon Flora* by Charlotte Mish, one of the works featured in *Forgotten Stories: Northwest Public Art of the 1930s*, which was on view at the time via virtual recording. The work highlighted flora native to Oregon and the Pacific Northwest region.

November, January, February – Cocktails with Curatorial

This brand new series offered members the opportunity to go behind the scenes with featured members of the Tacoma Art Museum Curatorial team, accompanied by a local craft cocktail from a featured local business. Over a series of three events, the program covered topics including exploring the various positions and staff on the museum's Curatorial team, the steps involved in mounting an exhibition, from the design of the concept to the opening of the exhibition, and finally, what provenance is and why museums care about it. Each event featured a specially designed cocktail recipe, prepared via a take-home kit, from Field Bar & Bottle Shop, Little Radio, and The Mule Tavern. TAM was excited to be able to support local neighborhood businesses with this fun concept.

December - Virtual Members Opening of *South Sound Selects*

This member's event celebrated the opening of the *South Sound Selects* exhibition, which highlighted artwork chosen from TAM's permanent collection by people from within our community. Artwork on view was selected by teams of TAM employees and volunteers from the greater South Sound community, exploring a variety of interests from reflections on place and race to the impacts of COVID-19. Members were invited to an online meet-and-greet with some of the guest curators who provided insight on why they chose their works, leading to better stewardship and engagement.

February - Virtual Members Opening of *Painting Deconstructed*

TAM members were invited to join in virtual conversation with fellow art enthusiasts and members of the Curatorial team around *Painting Deconstructed: Selections from the Northwest Collection*. This exhibition takes a deep dive into the art of painting by focusing on the core components that come together to create a finished image.

May - Virtual TAM Spring Luncheon

The 2021 Virtual Spring Luncheon celebrated the launch of Tacoma Art Museum's new mission and vision and previewed the exciting exhibition *The Kinsey African American Art & History Collection*, which ran from July 2021 - December 2021. Members were an important part of this virtual community gathering and celebration—live-streamed from Tacoma Art Museum!

June - Painting with Uncorked Canvas: A Virtual Member Program

Our final member event of the year was a virtual art-making experience led by local paint studio, Uncorked Canvas. Members celebrated with a happy hour, networking, and of course, painting.

CORPORATE, FOUNDATION, & GOVERNMENT FUNDERS

\$25,000+

ArtsFund
City of Tacoma
Columbia Bank
JP Morgan Chase & Co.
M.J. Murdock Charitable Trust
Propel Insurance
School's Out Washington
Terra Foundation for American Art
The Greater Tacoma
Community Foundation

\$15,000-\$24,999

Bank of America
Names Family Foundation
The Bamford Foundation
Titus-Will

\$10,000-\$14,999

Gottfried and Mary Fuchs
Foundation

\$7,500-\$9,999

Aloha Club
Nordstrom
Tacoma Urban League, Inc.
Washington State Arts Commission

\$5,000-\$7,499

Anonymous/Foundation
The Driscoll Foundation
The Hyde Family Foundation
Union Bank National Association

\$3,000-\$4,999

Watson's Greenhouse and Nursery

\$2,000-\$2,999

Allison Foundation Trust
Brown and Brown of Washington
Olson Kundig Architects
PCS Structural Solutions
TOTE Maritime Alaska

\$1,000-\$1,999

Summit Wealth Management
The Lester and Phyllis Epstein
Foundation Inc.
United Way of Pierce County

\$500-\$749

Thurston Charitable Foundation

\$250-\$499

MacDonald Builders Legacy Fund

INDIVIDUAL DONORS

\$25,000+

William Driscoll and Lisa Hoffman
Elizabeth and Wade Perrow

\$15,000-\$24,999

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Anne and Lee Kilcup
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Lisa and William Holderman
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James and Sally Will
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Kathryn Van Wagenen Bryan
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Joseph and Gloria Mayer
Kristine and Peter McLean
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Judy Pigott
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\$500-\$749

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Brooke Brouillet
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JW Harrington and John Burkhardt
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 P. David Sumrall and Maren Griboskov
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 Nancy Throne
 William and Josephine Turner

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 Barbara and Lafe Altier
 Bill and Carol Baarsma
 Stephen Bardin

Rebecca Benaroya
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 Erik and Barbara Bjarke
 John Blix
 Steven and Susan Boyer
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 William Calderhead and
 Kazuhiro Kawasaki
 Don and Gretchen Campbell
 Joseph and Patricia Candiotta
 Grace Ruth Cannon
 Jeannette and Felix Chanez
 Scott and Mary Chapman
 Linda Cordero and Ron Feldman
 Christine Cordes
 Kristi Correa
 Margaret and John Cunningham
 Kathleen and Garald Deakins
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 Doug and Kathleen Dorr
 Tom and Therese Dowd
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 Sharon and Steven Huling
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 Elizabeth Jachim
 Jean Jacobson
 Pamela Johnson
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 Sargent and Claudia Kieszling
 Hilly Kravitz
 Mark and Suzanne Lackermayer
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 Constance and Charles Lassiter
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Emily Wood
Judith and Rex Wood
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David and Barbara Young
Marie Zervantian
Robert and Kelly Best
Erik and Barbara Bjarke
Phyllis Cairns
William Calderhead and Kazuhiro
Kawasaki
Don and Gretchen Campbell
Grace Ruth Cannon

IN KIND DONORS

Alaska Airlines, Inc.
Anonymous
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Chihuly Studios
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F. Sandy Desner and
Laura Hogge-Desner
Kathleen Elliot
Muriel and Dennis Foucher
Freedom Boat Club
Blake Goldberg
Susan Russell Hall and
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Robert Jacobs and Tia Fukunaga
Anne and Lee Kilcup
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Kathy McGoldrick
Poki Namkung
OLY ARTS Magazine
Gary Owen and Cara Bailey
Shaun Peterson
Kathie Phillips and Ric Arredondo
David F. Setford
Showcase Media
Melvin and Barbara Smith
Julie Speidel and Joseph Henke
Tacoma Country & Golf Club
Tacoma Wine Merchants
The Cheney Stadium



**The 2021 fiscal
year found us
working from home
and pivoting our
programming into
a virtual space.**

**We learned how
to create robust
digital content while
continuing to work
with community
partners and artists.**

**EDUCATION &
COMMUNITY**

YEAR IN REVIEW:

In The Spirit: Northwest Native virtual festival
1,457 views

Virtual Pride party
604 views

Virtual Dia de los Muertos
2,144 views

WPA-Public Art in Tacoma panel
211 views

WPA-Conservation conversation
77 views

RYAN! Feddersen artist talk
168 views

Painting Deconstructed curator conversation
107 views

Meet the Kinsey Family
1,536 views

Virtual Teacher workshops

Teen Art Council
Virtual meetings and OPEN continuing on Dischord
Quarenzine
Art Eyes

TAM at Home videos (12)
Brought artmaking and art from the collections to
YouTube

Virtual school tours
316 students from four school districts

Virtual Sketch Club
Served 187 students from across Tacoma Public
Elementary schools

In-person programming for youth of essential workers
15 programs

At the close of the 2021 fiscal year, the museum reported a \$519,225 surplus, consistent with prior quarter end reporting, and well in excess of our budget target. The year-end surplus is a result of higher than expected contributed income, and lower than expected staffing expenses.

FINANCE

CONTRIBUTIONS

Annual major giving totaled \$300,000, well above the budgeted target of \$180,000. Despite the ongoing COVID-19 pandemic, major donor support was higher than expected, returning to 2019 levels of giving. Membership revenue continued to decline however, with a decrease of 33% in membership revenue year over year.

EARNED INCOME

Earned income for the organization totaled \$96,058, a decrease of \$600,000 year over year. This is reflective of the museum's closure to the public due to COVID-19. In April 2021, the museum reopened to the public with limited hours.

EXPENSE SUMMARY

Total expenses were \$3,329,192 for the fiscal year, a decline of 33% from pre-pandemic level costs. The reduction in expenses was primarily savings in staffing costs and in exhibition loan fees. The budget for fiscal year 22 is \$5,050,000, a return to pre-pandemic levels of spending, largely driven by two significant exhibitions, and the return of full-time staffing.

OPERATING SURPLUS

Tacoma Art Museum ended the fiscal year 21 with a \$519,000 surplus. Of this surplus, \$75,000 will be added to the facility reserve, while \$150,000 will be added to the following fiscal year 22 budget.

INDEPENDENT AUDITOR'S REPORT

Conducted by Jacobson Jarvis & Co., PLLC:

We have audited the accompanying financial statements of Tacoma Art Museum (a nonprofit corporation), which comprise the statements of financial position as of June 30, 2021 and 2020 and the related statements of activities, functional expenses and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audits. We conducted our audits in accordance with auditing standards generally

accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial

statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

TACOMA ART MUSEUM
STATEMENTS OF FINANCIAL POSITION
JUNE 30, 2021 AND 2020

	<u>2021</u>	<u>2020</u>
<u>ASSETS</u>		
Current Assets		
Cash and cash equivalents	\$ 1,292,127	\$ 1,210,003
Promises to give, net (Note C)	445,500	146,000
Accounts and grants receivable	26,358	19,563
Prepays and deposits	283,214	120,149
Inventory	287,994	280,077
Total Current Assets	<u>2,335,193</u>	<u>1,775,792</u>
Other Assets		
Long-term promises to give, net (Note C)	343,469	39,482
Investments (Note D)	35,068,043	30,187,813
Assets held in trust (Note E)	1,433,627	1,226,798
Total Other Assets	<u>36,845,139</u>	<u>31,454,093</u>
Permanent Collection (Note G)	-	-
Property and Equipment, net (Note H)	<u>35,152,918</u>	<u>36,382,392</u>
Total Assets	<u>\$ 74,333,250</u>	<u>\$ 69,612,277</u>
<u>LIABILITIES AND NET ASSETS</u>		
Current Liabilities		
Accounts payable	\$ 122,527	\$ 157,988
Accrued expenses	8,984	7,092
Paycheck Protection Program loan	519,982	520,283
Total Current Liabilities	<u>651,493</u>	<u>685,363</u>
Line of Credit (Note J)	<u>6,650,000</u>	<u>7,650,000</u>
Total Liabilities	<u>7,301,493</u>	<u>8,335,363</u>
Net Assets		
Without donor restrictions	41,889,049	40,392,521
With donor restrictions	25,142,708	20,884,393
Total Net Assets	<u>67,031,757</u>	<u>61,276,914</u>
Total Liabilities and Net Assets	<u>\$ 74,333,250</u>	<u>\$ 69,612,277</u>

Opinion

In our opinion, the financial statements referred to in the first paragraph of this letter present fairly, in all material respects, the financial position of Tacoma Art Museum as of June 30, 2021 and 2020, and the changes in its net assets and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

- Jacobson Jarvis & Co, PLLC

TACOMA ART MUSEUM
STATEMENTS OF ACTIVITIES
YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
OPERATING:						
Support						
Contributions	\$ 478,023	\$ 42,179	520,202	\$ 849,358	\$ 19,945	\$ 869,303
Grants	1,213,703	170,000	1,383,703	451,990	25,000	476,990
Special events	244,236	25,000	269,236	375,286	17,500	392,786
Business contributions	108,475	94,035	202,510	194,191	-	194,191
In-kind contributions	2,500	1,500	4,000	21,373	-	21,373
Transfers from non-operating activity	767,402	-	767,402	1,676,018	-	1,676,018
Total Support	2,814,339	332,714	3,147,053	3,568,216	62,445	3,630,661
Revenue						
Retail income	45,288	-	45,288	338,879	-	338,879
Admissions and tours	32,090	-	32,090	255,617	-	255,617
Memberships	113,070	-	113,070	169,528	-	169,528
Facility rentals	(6,424)	-	(6,424)	58,977	-	58,977
Art loan fees and shipping	20,963	-	20,963	10,228	-	10,228
Other income	18,872	-	18,872	41,528	-	41,528
Total Revenue	223,859	-	223,859	874,757	-	874,757
Net Assets Released from Restrictions						
Satisfaction of purpose restrictions	791,642	(791,642)	-	894,379	(894,379)	-
Total Operating Support and Revenue	3,829,840	(458,928)	3,370,912	5,337,352	(831,934)	4,505,418
Expenses						
Program Services						
Exhibitions and curatorial	946,914		946,914	1,034,018		1,034,018
Museum services	446,996		446,996	951,076		951,076
Marketing	331,527		331,527	278,911		278,911
Education	442,310		442,310	450,610		450,610
Total Program Services Expenses	2,167,747		2,167,747	2,714,615		2,714,615
Administration	886,113		886,113	876,632		876,632
Development	690,249		690,249	735,931		735,931
Total Supporting Services Expenses	1,576,362		1,576,362	1,612,563		1,612,563
Total Operating Expenses	3,744,109		3,744,109	4,327,178		4,327,178
Operating Change in Net Assets	85,731	(458,928)	(373,197)	1,010,174	(831,934)	178,240

TACOMA ART MUSEUM

STATEMENTS OF ACTIVITIES (Continued)

YEARS ENDED JUNE 30, 2021 AND 2020

	2021			2020		
	Without Donor Restrictions	With Donor Restrictions	Total	Without Donor Restrictions	With Donor Restrictions	Total
NON-OPERATING:						
Endowment contributions	-	671,816	671,816	\$ -	\$ 11,100	\$ 11,100
Change in value of assets held in trust	-	206,829	206,829	-	163,240	163,240
Depreciation	(1,339,674)	-	(1,339,674)	(1,337,952)	-	(1,337,952)
Investment returns	2,859,805	4,606,000	7,465,805	(58,151)	(94,607)	(152,758)
Acquisition of collection items	(36,335)	-	(36,335)	(36,488)	-	(36,488)
Interest and fees	(73,536)	-	(73,536)	(208,947)	-	(208,947)
Gain on sale of assets	537	-	537	1,380	-	1,380
Satisfaction of purpose restrictions	767,402	(767,402)	-	1,676,018	(1,676,018)	-
Transfers to operating activity	(767,402)	-	(767,402)	(1,676,018)	-	(1,676,018)
Non-Operating Change in Net Assets	1,410,797	4,717,243	6,128,040	(1,640,158)	(1,596,285)	(3,236,443)
Total Change in Net Assets	1,496,528	4,258,315	5,754,843	(629,984)	(2,428,219)	(3,058,203)
Net Assets - beginning of year	40,392,521	20,884,393	61,276,914	41,022,505	23,312,612	64,335,117
Net Assets - end of year	\$41,889,049	\$25,142,708	\$67,031,757	\$40,392,521	\$20,884,393	\$61,276,914

TACOMA ART MUSEUM

STATEMENT OF FUNCTIONAL EXPENSES

YEAR ENDED JUNE 30, 2021

	Program Services					Supporting Services			Total
	Exhibitions/ Curatorial	Museum Services	Marketing	Education	Total Program Services	Administration	Development	Total Supporting Services	
Operating Expenses									
Salaries and related expenses	\$ 539,999	\$ 303,608	\$ 198,324	\$ 285,095	\$ 1,327,026	\$ 521,354	\$ 515,372	\$ 1,036,726	\$ 2,363,752
Contracted services	141,792	63,994	57,648	98,693	362,127	180,420	40,224	220,644	582,771
Telephone and utilities	91,805	23,485	-	8,540	123,830	89,670	-	89,670	213,500
Insurance	69,979	6,728	-	2,447	79,154	25,689	-	25,689	104,843
Supplies	25,436	5,869	3,596	20,374	55,275	13,995	8,629	22,624	77,899
Bad debt	-	-	-	-	-	-	72,471	72,471	72,471
Publicity and advertising	-	-	57,900	410	58,310	-	254	254	58,564
Postage and shipping	37,316	3,188	706	1,333	42,543	3,143	8,873	12,016	54,559
Printing and publications	3,413	2,408	1,609	3,641	11,071	7,166	30,207	37,373	48,444
Miscellaneous	18,885	4,608	2,760	4,534	30,787	11,091	293	11,384	42,171
Building repairs and maintenance	15,709	4,018	-	1,461	21,188	15,343	-	15,343	36,531
Dues and subscriptions	3,686	6,321	6,043	7,743	23,793	6,302	2,505	8,807	32,600
Interest and bank charges	4,645	3,700	2,303	4,080	14,728	10,260	5,074	15,334	30,062
Cost of goods sold	-	14,651	-	-	14,651	-	-	-	14,651
Travel and entertainment	6,351	543	329	1,035	8,258	1,466	(240)	1,226	9,484
Photography	5,984	-	-	-	5,984	-	-	-	5,984
Catering	188	2,489	93	164	2,934	416	1,657	2,073	5,007
Equipment rental/maintenance	2,883	1,454	-	-	4,337	-	-	-	4,337
Donated goods and services	-	-	-	-	-	-	4,000	4,000	4,000
Professional development	(25)	(68)	216	2,760	2,883	(202)	930	728	3,611
Exhibition loan fees	(21,132)	-	-	-	(21,132)	-	-	-	(21,132)
Total Operating Expenses	946,914	446,996	331,527	442,310	2,167,747	886,113	690,249	1,576,362	3,744,109
Acquisition of collection items	36,335	-	-	-	36,335	-	-	-	36,335
Depreciation	574,988	59,749	-	144,283	779,020	560,654	-	560,654	1,339,674
Interest and fees	-	-	-	-	-	73,536	-	73,536	73,536
Total Expenses	\$ 1,558,237	\$ 506,745	\$ 331,527	\$ 586,593	\$ 2,983,102	\$ 1,520,303	\$ 690,249	\$ 2,210,552	\$ 5,193,654

TACOMA ART MUSEUM
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED JUNE 30, 2020

	Program Services					Supporting Services			Total
	Exhibitions/ Curatorial	Museum Services	Marketing	Education	Total Program Services	Administration	Development	Total Supporting Services	
Operating Expenses									
Salaries and related expenses	\$ 562,766	\$ 683,326	\$ 172,319	\$ 321,310	\$ 1,739,721	\$ 472,261	\$ 522,195	\$ 994,456	\$ 2,734,177
Contracted services	95,040	80,185	34,132	60,861	270,218	71,198	64,555	135,753	405,971
Telephone and utilities	91,054	23,293	-	8,470	122,817	88,937	-	88,937	211,754
Insurance	42,302	-	-	-	42,302	65,369	-	65,369	107,671
Supplies	33,883	39,191	2,158	28,250	103,482	11,696	4,217	15,913	119,395
Bad debt	-	-	-	-	-	18,425	-	18,425	18,425
Publicity and advertising	-	47	52,271	187	52,505	-	626	626	53,131
Postage and shipping	41,543	1,362	-	-	42,905	10,917	3,401	14,318	57,223
Printing and publications	69,763	301	7,310	4,850	82,224	18,519	19,990	38,509	120,733
Miscellaneous	10,718	781	156	1,286	12,941	24,123	767	24,890	37,831
Building repairs and maintenance	330	-	-	1,360	1,690	-	48,424	48,424	50,114
Dues and subscriptions	2,478	3,496	6,930	2,548	15,452	15,101	1,102	16,203	31,655
Interest and bank charges	156	2,177	70	105	2,508	39,635	4,247	43,882	46,390
Cost of goods sold	-	67,168	-	-	67,168	-	-	-	67,168
Travel and entertainment	12,311	175	1,174	12,818	26,478	27,954	11,428	39,382	65,860
Photography	2,287	-	571	-	2,858	-	-	-	2,858
Catering	325	48,125	839	4,374	53,663	1,264	31,610	32,874	86,537
Equipment rental/maintenance	675	1,449	-	-	2,124	-	-	-	2,124
Donated goods and services	-	-	-	-	-	-	21,373	21,373	21,373
Professional development	3,306	-	981	4,191	8,478	11,233	1,996	13,229	21,707
Exhibition loan fees	65,081	-	-	-	65,081	-	-	-	65,081
Total Operating Expenses	1,034,018	951,076	278,911	450,610	2,714,615	876,632	735,931	1,612,563	4,327,178
Acquisition of collection items	36,488	-	-	-	36,488	-	-	-	36,488
Depreciation	574,249	144,097	-	59,673	778,019	559,933	-	559,933	1,337,952
Interest and fees	89,680	22,504	-	9,319	121,503	87,444	-	87,444	208,947
Total Expenses	\$ 1,734,435	\$ 1,117,677	\$ 278,911	\$ 519,602	\$ 3,650,625	\$ 1,524,009	\$ 735,931	\$ 2,259,940	\$ 5,910,565

TACOMA ART MUSEUM

STATEMENTS OF CASH FLOWS

YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Cash Flows from Operating Activities		
Cash received from:		
Donors	\$ 2,443,679	\$ 3,263,853
Retail income	38,493	338,879
Admissions and tours	32,090	255,617
Membership	113,070	169,528
Facility rental	(6,424)	58,977
Other	39,835	51,756
Cash paid for:		
Personnel	(2,361,860)	(2,739,832)
Services and supplies	(1,673,029)	(1,672,208)
Interest and fees	(73,536)	(208,947)
Net Cash Used by Operating Activities	<u>(1,447,682)</u>	<u>(482,377)</u>
Cash Flows from Investing Activities		
Purchases of investments	(283,981)	(11,383,489)
Proceeds from sale of investments	2,869,556	13,742,542
Purchases of property and equipment	<u>(55,769)</u>	<u>(791,961)</u>
Net Cash Provided by Investing Activities	<u>2,529,806</u>	<u>1,567,092</u>
Cash Flows from Financing Activities		
Cash received from endowment contributions	-	100,000
Cash received from capital contributions	-	203,383
Payments on line of credit	<u>(1,000,000)</u>	<u>(1,000,000)</u>
Net Cash Used by Financing Activities	<u>(1,000,000)</u>	<u>(696,617)</u>
Changes in Cash and Cash Equivalents	82,124	388,098
Cash and Cash Equivalents - beginning of year	<u>1,210,003</u>	<u>821,905</u>
Cash and Cash Equivalents - end of year	<u>\$ 1,292,127</u>	<u>\$ 1,210,003</u>

TACOMA ART MUSEUM
STATEMENTS OF CASH FLOWS
YEARS ENDED JUNE 30, 2021 AND 2020

	2021	2020
Reconciliation of Change in Net Assets to Net Cash		
Flows from Operating Activities		
Change in net assets	\$ 5,754,843	\$ (3,058,203)
Adjustments to reconcile change in net assets to net cash used by operating activities		
Depreciation	1,339,674	1,337,952
Interest and dividends reinvested	(681,307)	(754,565)
(Gain) loss on investments	(6,784,498)	907,323
Change in value of assets held in trust	(206,829)	616,760
Gain on sale of assets	(537)	(1,380)
Decrease (increase) in		
Promises to give	(603,487)	8,766
Accounts and grants receivable	(6,795)	10,434
Prepays and deposits	(163,065)	(21,079)
Inventory	(7,917)	(2,445)
(Decrease) increase in		
Accounts payable	(89,355)	(40,568)
Accrued expenses	1,591	514,628
Net Cash Used by Operating Activities	<u>\$ (1,447,682)</u>	<u>\$ (482,377)</u>

NOTES

The entirety of the audit, including footnotes, are available on TAM's website

As one of the most intersectional departments at TAM, Marketing and Communications spent the 2021 fiscal year supporting ongoing large-scale projects across the Museum while also leading the conversation on messaging strategy and brand awareness. Given the Museum's closure to the public for much of the year, the entire department was instrumental in continuing Museum engagement with our audiences through print and digital channels.

MARKETING & COMMUNICATIONS

HIGHLIGHTS FROM THIS YEAR INCLUDED:

Launching Art Is Always Open, a comprehensive institutional awareness campaign relying on paid, earned, and owned media channels to spread the word about TAM's digital offerings during times of museum closure and continued social distancing due to the ongoing COVID-19 pandemic.

Collaborating with the Education and Community Programs department to continue TAM at Home, a series of education videos connecting younger visitors with objects from the Museum's collection. The MarComm team produced, edited, and shared fresh video content for this project every month.

Created TAM's first-ever virtual-first exhibition for *Painting Deconstructed: Selections from the Northwest Collection*. Utilizing a compelling website format, this project encouraged audiences to explore the art of painting through unique layouts and ample visuals prior to the physical exhibition opening in spring 2021.

Worked with the Curatorial department to promote virtual and in-person exhibition experiences related to *The Naturalist & The Trickster: Audubon/Ryan!*, *South Sound Selects: Community Choices from the Collection*, *Painting Deconstructed: Selections from the Northwest Collection*, and *Glass as Canvas*.

Working closely with colleagues in Education and Community Programs to develop and share content for two virtual festivals— *IN THE SPIRIT* and TAM's 16th annual *Dia de los Muertos Festival*. The latter featured TAM's first-ever virtual display of community ofrendas (altars) along with art projects, blogs, and recorded performances celebrating the event.

Ultimately, the last 12 months were a test of the team's creativity, ingenuity, and ability to pivot as we all worked to support museum efforts to connect with our communities. We were consistently reminded that the Museum's digital presence is one of the most effective ways of communicating and engaging with our communities, seeing generally positive levels of engagement across TAM owned channels (e.g. website, social media, and email). We hope to maintain these connection points as we continue to provide new and exciting content for visitors digitally and in-person.

The Operations department stayed very busy throughout FY21, continuing to adapt policies and procedures to accommodate remote work. With a focus on the safety of our staff and visitors, we were able to successfully navigate the rapidly changing guidance of state and local health organizations, and bring staff back on site as well as resume limited in-person processes in early in the fiscal year, with a successful limited public reopening in October of FY21.

OPERATIONS

NOTEWORTHY EVENTS:

NPBI Ionization System

In October of 2020, just prior to our public reopening, TAM partnered with our mechanical contractor West Coast Mechanical Solutions to install state-of-the-art air purification technology to all 5 of our existing air handling units. This purification system works in concert with our existing filtration systems to further neutralize airborne pathogens and improve the air quality throughout the museum.

This technology, known as needlepoint bipolar ionization, allowed us to add an additional layer of protection against COVID-19, without introducing excess ozone to the gallery spaces (which could have a negative impact on the art work) that traditional UV-based purification systems may cause.

The addition of this system was funded by the federal Payment Protection Plan program.

Hosted Collaborative Tools / Remote Work

Originally implemented in early 2020, just prior to shifting most TAM staff to remote work, we continued the work of migrating on-premises collaborative tools to Microsoft 365 to allow staff and community partners to continue to do business while physically separated.

As with so many other organizations, adapting tools like Microsoft Teams and Zoom into our day-to-day work processes has proved invaluable to us—and their implementation has allowed us to re-evaluate the way in which we work going forward. In FY21, TAM developed and implemented its first ever Remote Work policy, providing staff with the flexibility to work remotely some days which has expanded the administrative staff's overall availability and allowed us to provide even better customer service.

CAPITAL RESERVE

Despite COVID-19, TAM was able to contribute in full the budgeted amount of \$75,000 from FY20 to the Facility/Capital Reserve bringing the FY21 ending balance of the reserve to a healthy \$268k. These funds are utilized for ongoing capital repairs and maintenance of the building, as well as other capital purchases.

TAM