

Thank you for your interest in learning more about ACT – A Contemporary Theatre’s fiscal health and goals. We are pleased to make available the audited financial statements for the 18-month period of January 1, 2020 – June 30, 2021. Following this letter, you will find the completed audit as prepared by the accounting firm of Clark Nuber, P.S.

The financial statement for ACT includes results for three separate, related entities: ACT Theatre produces and presents theatre; Eagles Theatre Centre is the owner of the historic landmark building which houses and is wholly owned by the theatre; ACT Foundation receives and invests endowment contributions for the benefit of ACT Theatre. Because the three organizations share some common trustees/board members and common management, the accompanying audited financial statements consolidate all three entities. Pages 20 and 22 of the audit break out the performance of each entity. This statement is presented as an 18-month year to reflect the operational decision to adjust ACT’s fiscal year. In addition to this completed audit, you will find six 990s representing the three above mentioned entities for the following periods of time that comprise the 18-month fiscal year: January 1, 2020 - December 31, 2020 and January 1, 2021 - June 30, 2021.

Change in Fiscal Year

The COVID pandemic presented an opportunity for ACT to change the fiscal year from January 1 – December 31 to July 1 – June 30. This is a model adopted by many nonprofit organizations, and more closely matches the desired operating and production schedule.

Impact of COVID-19

ACT closed days before the opening of the 2020 Season, with a production of Lynn Nottage’s *Sweat*. Knowing little, staff and artists planned to return within weeks and begin the season.

Pandemic Impact on Finances

The mandated closure of performance venues sent financial shockwaves throughout the arts and culture sector. An ArtsFund study on the impact of closures found a regional decrease of \$95.9 million in revenue in the arts sector, from 2019 to 2020. The ramifications of the pandemic will continue to affect the sector through 2024 and beyond. Despite lost revenue from ticket sales and programs, ACT was able to move forward on strong financial footing.

The ACT community was incredibly generous, supporting the theatre in a time of great uncertainty. Subscribers were asked to consider converting their ticket package into a donation and responded overwhelmingly to the call; 90% of ticket buyers gave a donation of their tickets, significantly higher than the industry standard of 85%.

ACT’s donors also gave generously. Foundation and Corporate sponsors continued to support the organization even when there was little opportunity for recognition. ACT received a

notable gift of \$75,000 from ArtsFund, to help alleviate the impact of lost revenue. Individual donors exceeded their gifts of previous years.

Government relief funding had significant importance in allowing the Theatre to continue operations and productions. ACT received \$1,702,918 in forgivable loans through the Payroll Protection Program. In addition, ACT received \$731,209 in funding through the Shuttered Venue Operating Grant program in July 2021, which is not reflected in this financial statement.

Artistic Milestones

Like so many organizations ACT turned to presenting digital productions during the pandemic. This in and of itself was an artistic milestone, but a few moments stand out.

Our first production was a partnership with Letters Aloud, *All Our Best*. This timely collection of letters unveiled private moments from history. These moving and sometimes humorous stories resonated with a message of perseverance and hope in times of struggle, from history-makers and people who live right next door. The live performance over Zoom (our first) was well received from audiences around the country and continued to be produced by other venues. By offering digital content, ACT reached new audiences in new ways; these programs became a model for the Theatre to continue to produce and engage with audiences throughout the pandemic at a time when live audiences were unable to attend in person.

Before the pandemic, ACT entered into partnership with Trial and Error Productions, and the ACTLocal Playwright Series was born. The objective of this program is to shine a spotlight on local playwrights and the development of new, contemporary work. Intended to be an in-person play reading series, ACTLocal converted to online conversations and readings. ACT worked with local playwrights and artistic collaborators like eSe Teatro to share how local artists are crafting the future of theatre.

In October 2020 ACT presented a virtual gala *A Great Night In*, featuring talent from the local community. Core Company artist Claudine Mboligikpelani Nako curated a powerful artistic program that inspired guests in the comfort of their own homes, in the greater Seattle area and across the country. The night was a financial success and raised over \$400,000 for the Theatre.

A Christmas Carol is a beloved tradition for families throughout the region. In 2020 it wasn't possible to bring audiences together, so families and friends gathered in their homes to mark their holidays with ACT's radio play of *A Christmas Carol*. The community responded immediately and helped ACT close 2020 on strong financial footing. As a gift to our

community, the program was broadcast locally with national reach on KING FM and KUOW radio.

In 2021 ACT undertook the most challenging digital project to date: the digital world premiere of Core Company member Keiko Green's play *WAD*. This digital play was directed and rehearsed over Zoom, and produced in the homes of actors Avery Clark and Rachel Guyer Mafune. ACT's production department staff built sets, installed cameras and lighting, and all other equipment necessary to create a safe stage for the artists to create a play in the safety of their own home. The result was astounding and debuted to audiences across the country and abroad.

An important evolution happened in the way that ACT chooses the work audiences will see on stage. A Curation Committee was created, comprised of Core Company members at ACT. The goal in creating this committee is more transparency and a reduced likelihood of arbitrary decisions that favor the status quo, by adding new voices and advisors to allow the perspectives of an inclusive community to help inform the decision-makers. You can read more about the committee and ACT's equity values [here](#). This work is reflected in our 2022 season and beyond.

ACT's Equity, Diversity, Inclusion, Accessibility, and Belonging (EDIAB) Work

The artistic work of the Curation Committee mentioned above is rooted in ACT's ongoing EDIAB efforts. Like so many organizations and individuals, ACT was shocked by the murder of George Floyd. In response to civil unrest, Black, Indigenous, and People of Color (BIPOC) theatre makers formed a collective to address the scope and pervasiveness of anti-Blackness and racism in the American theater. *We See You White American Theatre* laid bare the inequities and racism faced by BIPOC artists and demanded change.

ACT used this document to build on the EDIAB work that was already being done, and as a mirror to help evaluate internal processes and procedures. This work continues today. ACT has retained a number of professionals to help guide our evolution.

Transition in Leadership

After 10 years at ACT, Becky Witmer resigned from her role as the Managing Director. She reinvigorated the Theatre and set a course for the future. Under her leadership the theatre retired \$2M in historic debt and collaborated with the Board of Trustees to develop a strategic plan that incorporated ACT's equity values in preparation for the future. She guided ACT's staff and Board of Trustees through Equity, Diversity, and Inclusion training and took great steps to make the theatre more accessible through initiatives like the implementation of a closed captioning system that makes the art readily available to Deaf and hard of hearing patrons.

Mary Cadera served as Interim Managing Director June – December 2021 and through the onboarding of ACT's new permanent Managing Director Anita Shah in January 2022.

Anita Shah is a highly experienced, successful, and well-regarded leader in the theatre community. Anita has had a long career in the theatre, beginning as a technician and then transitioning into producing and organizational leadership. Additionally, she brings a solid venue management background to ACT. Prior to her recent move to Seattle, Anita worked in New York City on Broadway and with organizations such as Lincoln Center, Cedar Lake Contemporary Ballet, and most recently with Blue Man Group.

Our Historic Home

ACT's historic building (Eagles Theatre Centre) continued to be a focus of our strategic plan, as we carried on with efforts to steward and preserve our historic home. Our building is on the National Register of Historic places, is recognized as a Seattle Landmarked building and a member of Seattle's Downtown Historic Theatre District. We continue work to update our HVAC systems and modernize our building while honoring the rich history of our historic building's past.