

CITY OF SARASOTA, FLORIDA
VAN WEZEL PERFORMING ARTS HALL

| | Actual 2007-08 | Budget 2008-09 | Amended Budget 2008-09 | Estimated 2008-09 | Budget 2009-10 |
|---|-------------------|-------------------|------------------------------|----------------------|-------------------|
| Available Fund Balance | \$ 495,603 | \$ 248,608 | \$ 443,219 | \$ 443,219 | \$ 443,219 |
| Revenues | | | | | |
| Ticket sales net of refunds | 5,102,297 | 5,746,776 | 5,746,776 | 4,799,278 | 5,852,837 |
| Ticket surcharge - operations | 335,527 | 281,163 | 281,163 | 310,024 | 338,340 |
| Building/Other space rental and fees | 548,406 | 512,500 | 512,500 | 569,263 | 312,505 |
| Parking Lot Rental and fees | 57,767 | 262,235 | 262,235 | 293,062 | 323,319 |
| Program Ads | 45,000 | 45,000 | 45,000 | 45,000 | 45,000 |
| Bar/food revenue | 85,767 | 62,000 | 62,000 | 48,683 | 47,500 |
| Van Wezel Foundation Grants | 252,400 | 400,000 | 400,000 | 390,047 | 325,000 |
| State Grants | 112,140 | 39,400 | 39,400 | 42,110 | - |
| Other Grants, contributions/sponsorships | 335,284 | 290,000 | 290,000 | 245,313 | 181,500 |
| Postage & handling charges | 97,613 | 135,292 | 135,292 | 57,548 | 130,000 |
| Concessions | 40,534 | 15,170 | 15,170 | 15,985 | 17,000 |
| Miscellaneous | 42,511 | 9,500 | 9,500 | 5,769 | 17,900 |
| Investment income | 83,184 | 40,000 | 40,000 | 62,170 | 20,000 |
| Total Revenue | 7,138,430 | 7,839,036 | 7,839,036 | 6,884,252 | 7,610,901 |
| Expenditures | | | | | |
| Personnel | 1,647,171 | 1,736,637 | 1,736,637 | 1,634,821 | 1,567,633 |
| Operating expenses | 2,226,424 | 2,510,424 | 2,496,622 | 2,173,354 | 2,366,592 |
| Performance fees | 3,137,366 | 3,396,050 | 3,396,050 | 2,981,422 | 3,257,672 |
| Other Performance expenses | 1,147,115 | 1,035,113 | 1,062,988 | 823,990 | 1,144,036 |
| Total Expenditures | 8,158,076 | 8,678,224 | 8,692,297 | 7,613,587 | 8,335,933 |
| Increase (decrease) in Fund Balance without General Fund Subsidy | (1,019,646) | (839,188) | (853,261) | (729,335) | (725,032) |
| General Fund subsidy | 1,013,100 | 740,000 | 740,000 | 729,335 | 595,000 |
| Increase (decrease) in Fund Balance | (6,546) | (99,188) | (113,261) | - | (130,032) |
| Projected Ending Fund Balance | 489,057 | \$ 149,420 | \$ 329,958 | \$ 443,219 | \$ 313,187 |
| Fund Balance Adjustment | (45,838) | | | | |
| Actual Ending Fund Balance | <u>\$ 443,219</u> | | | | |

Note: Projected General Fund Subsidy for 2009-2010 net of OPEB costs would be \$433,591.

VAN WEZEL PERFORMING ARTS HALL

Mission Statement

To present a broad spectrum of the world's finest performing artists in order to meet the diverse cultural needs of all of Southwest Florida's residents and visitors; and to provide a quality venue for other City-based cultural organizations to present arts and cultural programming.

Description of Operations

The City of Sarasota, as owner and operator of the Van Wezel Performing Arts Hall, is unique from the standpoint that it not only provides the physical plant and its facilities for community programming, but as a presenter, the Van Wezel takes financial risks to bring a broad variety of programming to the City and the community.

The Van Wezel presents a broad spectrum of local, regional, national, and international performing artists in order to meet the varied cultural needs of all of Southwest Florida's residents and to further Sarasota's national and international reputation as the cultural capital of Florida. In addition, the Van Wezel is available to other City based non-profit organizations such as the Sarasota Orchestra, Ringling Town Hall Series and the Sarasota Concert Association. The Van Wezel continues to make prime dates available to these groups, sometimes years in advance, to allow the community groups to plan their programs. The rates for the hall are tiered so that groups wanting to use the hall during the week pay less than those wanting the prime-time weekends. The mid-week rate is still less than the fixed cost of operating the hall for a day.

In addition to being the major presenter of programs in the area each year, the Van Wezel has a significant economic impact on the City and the region. The 1,300 plus annual visiting artists who come from all over the world to work at the Van Wezel stay in hotel rooms, eat at local restaurants and significantly enhance the retail economy within the City. Patrons who come to the Van Wezel often have a meal before or after the performance at one of the many City restaurants. As in years past, the majority of attendees come from outside the City limits with more than 25% coming from regional through international locations, further illustrating the breadth of the Hall's influence. The economic impact of the Van Wezel operation in the community has been estimated at \$27 million per year.

For the coming year the Van Wezel will improve its programming mix. More programming will be focused on shows that have the best risk-reward ratio, and will hopefully draw more audience members to the Hall. Additionally, the Van Wezel will minimize off-site programming to allow more focus on mainstage operations. Subscription campaigns have been instituted for the Great Orchestra/Classical Series, the Broadway Series and a new Dance Series will be launched.

The Van Wezel is funded through a combination of ticket sales, other earned income such as concessions and rentals, contributed income, grants and sponsorships and a subsidy from the City. Keeping the City subsidy within reasonable limits depends on continuing efforts to increase earned and contributed income.

In FY 2010, the Van Wezel will endeavor to increase earned income through a combination of initiatives. The parking fee initiated in mid-2008 will continue to run for the entire 2010 budget year and will affect all the City operations. Rental rates for community partners and for commercial users will be increased for the second consecutive year with an economic focus placed on the highly sought weekend nights "in-season". An aggressive approach to expanding concession areas, concession offerings and ensuring that concessions are available during all rental events will also be instituted.

In FY 2010, sources of contributed income will also be under economic pressure. State funding through the Department of Cultural Affairs has been severely cut and economic pressure will adversely impact current Corporate sponsors and the Van Wezel Foundation. While keeping these conditions in mind, the Hall will continue to seek contributed income increases through a more structured approach to sponsorships, ongoing discussions with the Van Wezel Foundation, and foundations that specifically support educational and community events that the Van Wezel provides.

CITYWIDE PRIORITIES

PRIORITY - Budget/Finance

Strategy

To increase operating revenues and decrease expenses to minimize the subsidy required from the City.

VAN WEZEL PERFORMING ARTS HALL

Task

Increase the rental rates for all outside users of the hall and increase charges for additional services.

Increase the number of corporate, media and patron sponsorships as revenue sources.

Work in tandem with the Van Wezel Foundation to apply for new grants and find new friends and donors.

Continue to skillfully reduce performance fees, other performance related expenses, as well as other operating costs using creativity, ingenuity and more economies in every area - without sacrificing artistic integrity.

PERFORMANCE MEASURES

| Description | Unit | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------------------------------|---------|---------|---------|---------|---------|
| Output Measure | | | | | |
| Rental rate increase | Percent | 5% | 0% | 0% | 5% |
| Operations surcharge per ticket | Dollars | \$1.00 | \$2.00 | \$2.00 | \$2.00 |
| Parking fee | Dollars | n/a | \$1.00 | \$2.00 | \$2.00 |
| Effectiveness Measure | | | | | |
| Days rented | Number | 90 | 184 | 180 | 160 |

PRIORITY - Citizen Engagement

Strategy

To offer a wide range of free or affordable educational outreach experiences to students, teachers and lifelong learners.

Task

Continue school-time performances.

Continue to work with the school system to offer opportunities for teacher training and artists in the classrooms.

Work with the Kennedy Center and Dana Foundation to implement educational programming.

Work in tandem with the Van Wezel Foundation to apply for new grants and find new donors.

PERFORMANCE MEASURES

| Description | Unit | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|---------------------------------------|--------|---------|---------|---------|---------|
| Output Measure | | | | | |
| Educational program tickets sold | Number | 29,134 | 24,850 | 19,476 | 21,000 |
| Grants applied for through Foundation | Number | 6 | 8 | 16 | 10 |
| Effectiveness Measure | | | | | |
| Schools involved in programs | Number | 101 | 89 | 109 | 110 |

PRIORITY - Citizen Engagement

Strategy

To offer many different kinds of programs at the Van Wezel and to continually increase both the numbers and the diversity in the audience.

Task

To present a diverse, balanced season that appeals to the cultural and entertainment interests of all of Southwest Florida's residents and visitors.

To expand the current marketing and public relations efforts that inform the public of the Van Wezel's many offerings.

PERFORMANCE MEASURES

| Description | Unit | FY 2007 | FY 2008 | FY 2009 | FY 2010 |
|----------------------------|--------|---------|---------|---------|---------|
| Output Measure | | | | | |
| Tickets sold | Number | 142,000 | 99,636 | 86,178 | 90,000 |
| Ticketed hall performances | Number | 135 | 133 | 78 | 85 |

VAN WEZEL PERFORMING ARTS HALL

Department Expenditures by Cost Center

| | | FY 2008 Actual | FY 2009 Budget | FY 2010 Continuation | FY 2010 Issues | FY 2010 Totals |
|--------|--------------------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|
| 121000 | VAN WEZEL PERFORMING ARTS HALL | 7,605,816 | 8,164,048 | 7,832,095 | 0 | 7,832,095 |
| 121077 | VAN WEZEL EDUCATION PROGRAM | 553,412 | 514,176 | 503,838 | 0 | 503,838 |
| | Totals | \$8,159,228 | \$8,678,224 | 8,335,933 | 0 | \$8,335,933 |

Department Expenditures By Category

| | FY 2008 Actual | FY 2009 Budget | FY 2010 Continuation | FY 2010 Issues | FY 2010 Totals | |
|------------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|-------------|
| Personnel | 1,647,173 | 1,736,637 | 1,567,633 | 0 | 1,567,633 | |
| Operating Expenditures | 6,038,021 | 6,619,467 | 6,508,792 | 0 | 6,508,792 | |
| Capital Expenditures | 1,389 | 0 | 0 | 0 | 0 | |
| Transfer Expenditures | 472,645 | 322,120 | 259,508 | 0 | 259,508 | |
| | Totals | \$8,159,228 | \$8,678,224 | 8,335,933 | 0 | \$8,335,933 |

Personnel Summary

| | | | | | |
|------------------|--|-------|-------|------|-------|
| Actual Positions | | 14.42 | 13.00 | 0.00 | 13.00 |
|------------------|--|-------|-------|------|-------|

Revenue Summary

| | FY 2008 Actual | FY 2009 Budget | FY 2010 Continuation | FY 2010 Issues | FY 2010 Totals |
|------------------------------|-------------------|-------------------|-------------------------|-------------------|-------------------|
| INTERGOVERNMENTAL | 112,140 | 39,400 | 0 | 0 | 0 |
| CHARGES FOR SERVICES | 6,337,864 | 7,060,136 | 7,081,001 | 0 | 7,081,001 |
| INTEREST | 83,184 | 40,000 | 20,000 | 0 | 20,000 |
| OTHER MISCELLANEOUS REVENUES | 604,246 | 699,500 | 509,900 | 0 | 509,900 |
| TRANSFERS | 1,013,100 | 740,000 | 595,000 | 0 | 595,000 |
| | \$8,150,534 | \$8,579,036 | \$8,205,901 | \$0 | \$8,205,901 |

**CITY OF SARASOTA, FLORIDA
VAN WEZEL SURCHARGE FUND**

| | Actual 2007-08 | Budget 2008-09 | Amended Budget 2008-09 | Estimated 2008-09 | Budget 2009-10 |
|---------------------------|---------------------|-------------------|------------------------------|----------------------|-------------------|
| Available Fund Balance | \$ 1,409,315 | \$ 1,154,490 | \$ 1,225,863 | \$ 1,225,863 | \$ 1,059,560 |
| <u>Revenues</u> | | | | | |
| VW ticket surcharge | 170,479 | 140,031 | 140,031 | 156,000 | 173,439 |
| Investment income | 51,112 | 15,000 | 15,000 | 25,000 | 15,000 |
| Total Revenue | 221,591 | 155,031 | 155,031 | 181,000 | 188,439 |
| Estimated Funds Available | 1,630,906 | 1,309,521 | 1,380,894 | 1,406,863 | 1,247,999 |
| <u>Expenditures</u> | | | | | |
| Operating | 81,510 | 1,644 | 8,894 | 9,902 | 2,624 |
| Capital | 323,533 | 742,000 | 770,496 | 337,401 | 707,000 |
| Total Expenditures | 405,043 | 743,644 | 779,390 | 347,303 | 709,624 |
| Projected Ending Balance | <u>\$ 1,225,863</u> | <u>\$ 565,877</u> | <u>\$ 601,504</u> | <u>\$ 1,059,560</u> | <u>\$ 538,375</u> |

VAN WEZEL EQUIPMENT SURCHARGE FUND

Description

The Van Wezel Surcharge Fund was established to accumulate funds for the necessary replacement of equipment or major repair of the facility. The surcharge is levied at the rate of \$1.00 per ticket sold

Beginning Fund Balance \$1,059,560

Revenue Summary

| Title | Continuation | Issues | Total |
|----------------------|--------------|--------|-----------|
| CHARGES FOR SERVICES | 173,439 | 0 | 173,439 |
| INTEREST | 15,000 | 0 | 15,000 |
| Totals | \$188,439 | \$0 | \$188,439 |

Department Expenditure Summary

| Title | Continuation | Issues | Total |
|--------------------------------|--------------|--------|-----------|
| VAN WEZEL PERFORMING ARTS HALL | 709,624 | 0 | 709,624 |
| Totals | \$709,624 | \$0 | \$709,624 |

Ending Fund Balance 538,375

VAN WEZEL PERFORMING ARTS HALL - Capital Improvement Plan

| Acct | Project (Figures in Thousands) | 09/10 | 10/11 | 11/12 | 12/13 | 13/14 | 5 Yr. Total |
|------|--------------------------------|---------------|---------------|---------------|--------------|--------------|-----------------|
| 672 | Security System | 125.00 | 0.00 | 0.00 | 0.00 | 0.00 | 125.00 |
| 672 | Upgrade Fire Alarm System | 12.00 | 0.00 | 0.00 | 0.00 | 0.00 | 12.00 |
| 672 | Terrace Expansion | 0.00 | 0.00 | 450.00 | 0.00 | 0.00 | 450.00 |
| 672 | Reconfigure Offices | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 | 0.00 |
| 680 | Hardware Annual Upgrades | 17.50 | 17.50 | 17.50 | 17.50 | 17.50 | 70.00 |
| 683 | New Seating | 450.00 | 0.00 | 0.00 | 0.00 | 0.00 | 450.00 |
| 683 | Main Stage Sound System | 0.00 | 400.00 | 0.00 | 0.00 | 0.00 | 400.00 |
| 683 | Relocate Sound Board | 50.00 | 0.00 | 0.00 | 0.00 | 0.00 | 50.00 |
| 683 | Main Stage Curtain | 35.00 | 35.00 | 0.00 | 0.00 | 0.00 | 70.00 |
| 683 | Miscellaneous items | 10.00 | 10.00 | 20.00 | 20.00 | 20.00 | 60.00 |
| 695 | Software Annual Upgrades | 7.50 | 7.50 | 7.50 | 7.50 | 7.50 | 30.00 |
| 444 | City Technology Charges | 0.10 | 0.10 | 0.10 | 0.10 | 0.10 | 0.40 |
| 920 | Administrative Cost Allocation | 2.50 | 1.65 | 1.70 | 1.75 | 1.75 | 7.60 |
| | TOTALS | 709.60 | 471.75 | 496.80 | 46.85 | 46.85 | 1,725.00 |