

Attachment 1

Santa Barbara Bowl Foundation 2022 Annual Report



Santa Barbara Bowl Foundation 2022 Annual Report

Submitted to the County of Santa Barbara,
General Services Department
By Rick Boller

On behalf of the Santa Barbara Bowl Foundation Board of Directors

Santa Barbara Bowl Foundation 2022 Annual Report

The Management and Lease Agreement for the Santa Barbara Bowl provide that the Santa Barbara Bowl Foundation (Foundation) shall submit an Annual Report to the County of Santa Barbara which addresses several areas:

1. Board & Committee Lists

- Current Board & Committee Lists

2. Foundation Financial Health:

- Operations (gross and net receipts)
- Event Revenues Generated
- Fundraising

3. Subleases Granted Hereunder:

4. Santa Barbara Bowl Facilities:

- Current Upkeep and Condition
- Planned and Completed Capital Improvements
- Progress Made Toward the Master Plan

5. Schedule of Events

- Number of Events
- Tickets Sold
- House Counts

6. Community Engagement

- Public Hearings Conducted - a summary of issues raised and the resolution of said issues
- Neighborhood Engagement
- Community Listening

7. Initiative Impacts

- Outreach
- Greening the Bowl

This report is organized to address these specific responsibilities, to report other mandates related to the Management and Lease Agreement, and to provide the Board of Supervisors with a comprehensive update of the Santa Barbara Bowl Foundation for the 2022 calendar year.

Board & Committee Lists
Officers, Board of Directors, and Committee Members
of the Santa Barbara Bowl Foundation

Pursuant to the bylaws of the Foundation, the following volunteer Officers, Directors, and Committee members were active participants in 2022:

Officers

Chair, Karen Kerns
Vice Chair, Carola Nicholson
Secretary, Laurie Bentson Kauth
Treasurer, Nicola Parr

Board of Directors

| | | |
|------------------|--------------------|-----------------------|
| Mike Allen | Graham Lyons | Charles T. Plough III |
| Wendy Barels | Angel Martinez | Ben Scott |
| Tyler Duncan | Mike Mendoza | George Short |
| Andrew Firestone | Dawn Mitcham | Derek Shue |
| Tom Garcia | Chris Parker | Patricia Stathis |
| Lori Kari | Marianne Partridge | |

Committee Members

| | | |
|-------------------|-----------------|---------------|
| Joe Campanelli | Jaimie Jenks | Sandy Stahl |
| Yvonne Chin | Steven Keithley | Robert Szerwo |
| Gerald Comati | Richard Kelty | Jeff Theimer |
| Lesley Cunningham | Casey Kilgore | Tracy Trotter |
| Graham Farrar | Paul Kuhn | Gregg Wilson |
| Valerie Froscher | Carrie Poytress | |

Foundation Financial Health

Financial Results of Operations and Fundraising

Overview

2022 was the 28th year managed by the Santa Barbara Bowl Foundation, a 501(c)(3) California Nonprofit Public Benefit Corporation.

Total revenues for the Santa Barbara Bowl Foundation in 2022 were \$7,229,471 compared to \$10,919,327 in 2021. This decrease was due primarily to investment losses and the cessation of COVID-19 relief grants and credits that were prevalent in 2021, despite an increase in operational revenue in 2022. (See the Statement of Activities in the Audited Financials included with this report).

The total revenue amounts for 2022 included \$1,374,028 in fundraising revenue.

Organizational expenditures (all expenses excluding capital improvements) increased to \$8,423,058 in 2022, compared to \$5,806,041 in 2021, due to the increased number of concerts in 2022. These expenses include depreciation expense of \$1,201,019.

The value of the Master Plan Leasehold Improvements, Land, Property and Equipment (net of accumulated depreciation) decreased from \$31,081,910 in 2021 to \$30,571,447 in 2022. This decrease was due to fewer newly capitalized fixed assets along with increased accumulated depreciation in 2022.

Revenues Generated by Events

Following the reopening of the venue in 2021 with a shortened concert season, the County Board of Supervisors granted a one-time variance to allow up to 7 additional concerts over the 37-concert limit in 2022. The Foundation hosted an expanded season of 43 events in 2022, resulting in operating revenues increasing to \$7,187,859 in 2022 compared to \$3,935,316 in 2021. (See Schedule of Events on pg. 8 below).

Fiscal Controls

To ensure adequate segregation of duties and appropriate internal controls, the staffing structure remained the same as years previous in all fiscally responsible areas of the organization.

Leadership staff with financial oversight:

- Executive Director, Rick Boller
- Plaza Controller, Derrick Duong
- Box Office Manager, Allison Fitton
- Business Manager, Andrew Gardner
- Merchandise Manager, Ashly Othic
- Operations Manager, Tucker Papac
- Program Director, Eric Shiflett
- Plaza Controller 2, Brian Shively
- Food & Beverage Manager, Kori Soltz

Financial Management

The Foundation handles financial management and reporting on an in-house basis with the assistance of a part-time bookkeeper. The Business Manager and the bookkeeper manage all transactions and reports under the supervision of the Executive Director and the Board Treasurer. The independent accounting firm of Armanino, LLP provided audit and tax preparation services for the Foundation. While required by the lease agreement with the County, it is also the opinion of the Board of Directors that an independent audit is an essential component to an effective set of financial controls. The 2022 Audited Financial Statements and supporting documents are included with this report.

Fundraising

Successful cultivation of new and recurring donors provided the Santa Barbara Bowl Foundation with \$1,374,028 in donations and pledges in the 2022 fiscal year. All donations are applied to current capital projects and Outreach initiatives unless otherwise directed by the donor.

Fundraising staff:

- Executive Director, Rick Boller
- Outreach Program Manager, Lyndsay Cooke
- Development Manager, Greg Kirchmaier

Subleases Granted Hereunder

Debt, Subleases, and Financial Commitments

The Foundation carried no long-term debt and there were no subleases in effect in 2022.

Promotional Services Agreement

In 2015, the Foundation entered into a Promotional Services Agreement with a private promoter, Goldenvoice/AEG, effective with the 2016 Concert Season. This agreement expired in 2022 with an option to extend the agreement an additional two years, which the Foundation exercised in 2020, extending the agreement through 2024. This was the sole concert promotion agreement in effect during the 2022 fiscal year.

Santa Barbara Bowl Facilities

Condition of Santa Barbara Bowl Facilities, Including Planned and Completed Capital Improvements and Progress Made Toward the Master Plan

Master Plan

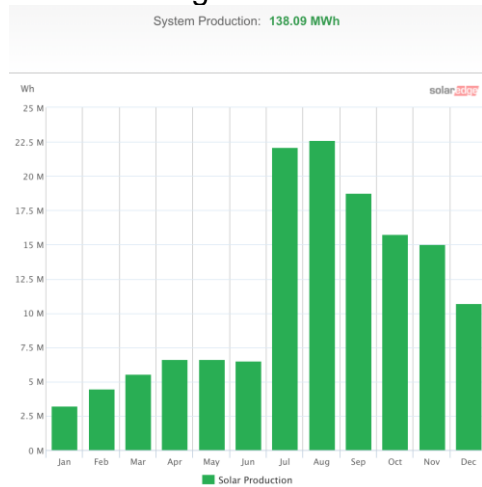
With the completion of the planned upgrade of the West Road in 2023, the Foundation believes that the renovations described in the Master Plan have been successfully achieved. While there will be many more upgrades and projects during the winter months, these will be to further upgrade the modernized buildings for improved operations rather than saving, restoring, or replacing the original areas.

For those reasons, Foundation is winding down and retiring the approved Master Plan submitted to Santa Barbara County in 1994.

Solar PV Project

The Foundation completed the final, and largest, phase of its Solar Photovoltaic Installation project in 2022. Underwritten by a generous donation, this project enables the Bowl to substantially offset its energy usage and reduce its carbon footprint with the end goal of eventually achieving carbon neutrality.

138.09 MWh generated in 2022.



On-going maintenance & upkeep

The Bowl maintains a high-level of facility stewardship protecting all capital investments. All systems are serviced regularly, and repairs are conducted immediately.

The Foundation believes that by carefully protecting, maintaining, and improving the existing structures, the reputation of the facility as one of the finest outdoor concert venues in the world will continue to grow.

2022 Schedule of Events

A Review of the Schedule of Events for the Past Year, Including the Number of Events and the Revenues Thereby Generated (noted in Financial Health section).

| Date | Concert | Genre | Sold Tickets | Attendance |
|--------------|------------------------------|----------------------|----------------|----------------|
| 03/26/2022 | Alt-J & Portugal. The Man | Indie Rock | 4,506 | 4,333 |
| 04/01/2022 | Westmont Spring Sing | School Event | 668 | 1,244 |
| 04/02/2022 | Alt-J & Portugal. The Man | Indie Rock | 3,147 | 3,202 |
| 04/09/2022 | Billy Strings | Jam Rock | 4,656 | 3,886 |
| 04/10/2022 | Billy Strings | Jam Rock | 3,203 | 2,833 |
| 04/20/2022 | Disclosure | Dance/Electronic | 4,848 | 4,305 |
| 05/07/2022 | Lorde | Alt Pop | 4,759 | 4,447 |
| 05/13/2022 | Smashing Pumpkins | Alternative Rock | 4,360 | 4,329 |
| 05/21/2022 | Olivia Rodrigo | Indie Pop | 4,858 | 4,784 |
| 05/27/2022 | Rainbow Kitten Surprise | Indie Rock | 4,424 | 3,968 |
| 06/01/2022 | Rex Orange County | Indie Rock | 4,618 | 4,495 |
| 06/17/2022 | Steve Martin & Martin Short | Comedy | 3,551 | 3,478 |
| 06/18/2022 | Rod Stewart | Classic Rock | 4,125 | 41,03 |
| 06/19/2022 | Lyle Lovett & Chris Isaak | Alt Country | 3,018 | 2,858 |
| 06/21/2022 | Brandi Carlile | Americana | 4,121 | 3,537 |
| 06/22/2022 | Bob Dylan | Classic Rock | 3,163 | 3,139 |
| 06/25/2022 | Music Academy of the West | Classical | 3,396 | 3,074 |
| 07/08/2022 | CAAMP | Folk | 2,913 | 2,802 |
| 07/09/2022 | Fleet Foxes | Indie Folk | 3,309 | 3,163 |
| 07/16/2022 | Rise Against | Punk Rock | 3,243 | 3,098 |
| 07/17/2022 | Slightly Stoopid | Reggae Rock | 4,409 | 4,344 |
| 07/24/2022 | The Black Crowes | Jam Rock | 4,021 | 3,907 |
| 07/29/2022 | The Chicks | Country Pop | 4,421 | 4,327 |
| 07/30/2022 | Josh Groban | Adult Contemporary | 3,081 | 2,939 |
| 08/05/2022 | Jon Pardi | Country | 4,816 | 4,715 |
| 08/06/2022 | SB Mariachi Festival | Traditional Latin | 3,919 | 4,303 |
| 08/07/2022 | Rebolution | Reggae Rock | 4,768 | 4,711 |
| 08/13/2022 | Trombone Shorty | New Orleans Jazz | 3,453 | 3,304 |
| 08/16/2022 | My Morning Jacket | Alt Rock | 2,558 | 2,328 |
| 08/17/2022 | Robert Plant & Alison Krauss | Pop/Rock & Bluegrass | 4,251 | 3,991 |
| 08/18/2022 | The Head & The Heart | Indie Folk | 3,106 | 2,813 |
| 08/25/2022 | Iration & Atmosphere | Reggae/Hip Hop | 3,513 | 3,500 |
| 09/01/2022 | Flume | Electronic | 4,838 | 4,650 |
| 09/03/2022 | Goo Goo Dolls | Alt Rock | 3,577 | 3,541 |
| 09/07/2022 | Jackson Browne | Classic Rock | 4,050 | 3,838 |
| 09/08/2022 | Leon Bridges | Neo Soul | 4,741 | 4,651 |
| 09/13/2022 | Nine Inch Nails | Industrial Rock | 4,577 | 4,434 |
| 09/15/2022 | Maren Morris | Country Pop | 3,364 | 3,179 |
| 09/22/2022 | Bonnie Raitt | Blues Rock | 4,323 | 4,105 |
| 10/04/2022 | Jack Johnson | Folk Rock | 4,544 | 4,617 |
| 10/05/2022 | Jack Johnson | Folk Rock | 4,634 | 4,764 |
| 10/08/2022 | Rufus du Sol | Alternative Dance | 4,779 | 4,821 |
| 10/19/2022 | Death Cab For Cutie | Indie Rock | 3,792 | 3,614 |
| TOTAL | | | 168,421 | 162,474 |

The average concert attendance in 2022 was 3,778 per performance, an increase compared to the average of 3,652 per performance in 2021.

As noted above, the County Board of Supervisors granted a variance request to allow additional concerts in 2022 to help offset the shortened 2021 season due to COVID-19. Goldenvoice presented 40 commercial events in 2022. In addition, the Bowl hosted three community events: the Westmont College Spring Sing in April, the Music Academy of the West in June, and the 25th annual Santa Barbara Mariachi Festival in August.

COVID-19 Protocols

The Foundation followed COVID-19 protocols in keeping with guidelines published by the CDC, Cal/OSHA, and the Santa Barbara County Public Health Dept. Though the protocols were relaxed substantially in 2022 compared to the previous year, the Foundation continued to monitor and follow the guidelines as published and continued to enforce the guidelines as recommended by the public health authorities.

Community Engagement

A summary of issues raised at public hearings conducted by the Foundation pursuant hereto, and the resolution of said issues.

Community Input

Public Organizational Meetings of the Board were held in March and November of 2022 and were legally noticed in the Santa Barbara News Press to encourage community input. There were no public attendees for either meeting.

Santa Barbara Bowl staff creates feedback loops for community engagement and communication and responds to meaningful issues and recommendations regularly.

Sound Control

The Foundation enforces the Santa Barbara Bowl Sound Control Plan with an assigned staff member monitoring the dB levels and curfew for compliance at all concerts. All data is public record and available for review at the Foundation administrative offices.

Traffic and Parking

Event days have impacts on neighborhood traffic and parking. The Foundation works to create ways to mitigate these impacts.

2022 was the 25th consecutive year in which the Foundation has operated the Santa Barbara High School parking lots during performances, with the agreement between the Foundation and the School District having been extended through the 2025 concert season.

The Foundation creates smooth and safe taxi and ride-share drop-off and pick-up zones with supplemented lighting for additional customer safety.

The Foundation offers complimentary bike valet for all concerts at the Foundation's cost. MOVE Santa Barbara County operates this program that has seen significant growth year over year. Helping to reduce neighborhood traffic and parking congestion, 2022 had an average of 76 bikes parked per show, a 20% growth from 2021.

Crowd Management and Event Safety

Event safety is one of the Foundation's highest priorities. One AMR standby Advanced Life Support ambulance with two EMT paramedics are on-site at all events at the Foundation's cost. The paramedic expense is deemed necessary to help treat and solve any medical and safety concerns that may arise the evening of an event in an efficient and timely manner.

The Foundation has continued the agreement with the Santa Barbara Police Department for expanded police coverage and traffic control at all Bowl events.

Foundation requires all alcohol beverage servers and related security supervisors to be certified in Responsible Beverage Service training prior to working at any events. The primary focus of this training is to educate servers and staff regarding liability, safety and at-risk situations related to the service of alcohol.

Onsite emergency generators and lighting systems are tested and maintained regularly.

The Santa Barbara Bowl Emergency Plan was revised and updated in June 2022, including an event emergency evacuation plan, and is available at the Foundation administrative office. This plan is table-topped annually and briefed with employees, volunteers, event contractors, promoters, and touring artists prior to each event. Copies are shared with local agencies including SBPD and SBFD.

The Foundation has an open policy for assisting emergency response agencies (SBPD, SBFD, AMR, etc.) to use the facility for training and exercises.

Initiatives Impact

Community impact through Bowl Outreach and Sustainability initiatives

Outreach

2022 contributions to fund arts: \$571,919 (7.96% of 2022 operating revenue)
Amount of that to public schools: \$216,528 (3.01% of 2022 operating revenue)

Santa Barbara Bowl Foundation contributes to schools, organizations and programs focusing on performing arts education for K-12 students in Santa Barbara County.

The SB Bowl Outreach program is an initiative dedicated to supporting performing arts education for youth in Santa Barbara County and is a key component of the Foundation's Mission Statement.

Through the various Outreach programs and the Santa Barbara Bowl Arts Subsidy detailed below, the Foundation contributed \$571,919 (includes SBBF Arts Subsidy – attached impact report does not). Please see attached 2022 Outreach Impact Report for further details on Outreach programs and giving.

- \$150,350 in Spring Cycle grants
- \$162,500 in Fall Cycle grants
- \$20,003 in Flash Grants
- \$20,000 in Legacy Scholarships administered by the Scholarship Foundation of Santa Barbara (awarded amount was \$23,000 due to a surplus carryover)
- \$31,250 in Sponsorships
 - Plus, additional \$17,000 presenting sponsorship for Pianos on State
- \$93,375 through Instrument Fund (awarded \$96,876 with some awarded funding not used until 2023)
- \$20,691 in underwriting through Community Ticket Subsidy
- \$56,750 in the SBBF Arts Subsidy

Outreach is funded through Santa Barbara Bowl Foundation ticket fees and donor fundraising. The Foundation commits \$1.00 per paid ticket to Outreach, totaling \$168,421 in 2022.

Foundation board members and community volunteers administer the funds and additional support through schools, partners, direct-to-artists, and local not-for-profit arts organizations for performances, artist-in-residencies, master classes, community events, in-school and afterschool programs, instrument purchases and much more.

Outreach Initiatives

Spring and Fall Grant Cycles

The flagship for the Bowl Outreach program, these cycles provide much needed support and funding to local schools, artists, and organizations to impact students' arts exposure throughout Santa Barbara County. Run through a rigorous grant process administered by Bowl staff and decided by a combination of Bowl Board members and engaged volunteer committee members.

Flash Grants

Designed to be quick and responsive opportunities for support for emergent issues for local organizations, the Foundation was able to keep this programmatic support at a high level to provide immediate relief for arts programs.

Legacy Scholarships

Administered through the Scholarship Foundation of Santa Barbara, Bowl legacy scholarships recognized the vital roles of past volunteer board members through a donor-designated fund to support secondary education for Santa Barbara County high school graduates. Up to 8 students each year are provided scholarships for secondary education in the fields of performing arts and music business.

Sponsorships

Each year, a budget amount is set aside exclusively to sponsor youth performing arts events and performances through the Outreach program. These sponsorships include the Santa Barbara Bowl Performing Arts Teach of the Year (SBB PATOY) Award through the Santa Barbara County Education Office's annual recognition of outstanding educators throughout Santa Barbara County. Josie Coburn, music and band teacher in the Orcutt Union School District where she teaches at five different schools, was the recipient of the 2022 SBB PATOY (this award is for the 2021-2022 school year) award.

Pianos on State

In 2022 the Outreach program continued to provide lead support for the annual Pianos on State event in downtown Santa Barbara. For two weeks each Fall, pianos are available along State Street for musical exploration, impromptu play, and group performances. This interactive musical experience encourages people of all ages to play, listen, and sing along on pianos decorated by local professional artists who transform each piano into a unique piece of art.

Instrument Fund

Through the generous support of community members, the Outreach program continued to fund this popular initiative in 2022. The Instrument Fund, designed to repair and/or replace musical instruments, supplies and equipment for area youth music programs, was created with the goal to ensure that the lack of an instrument doesn't prevent a child from learning music. In 2022, the Instrument Fund contributed \$93,375 (awarded \$96,876 with some of the funding crossing to 2023) in funding to repair or purchase over 656 instruments, supplies, and music equipment.

Community Ticket Subsidy

The Community Ticket Subsidy (CTS) program provides subsidized tickets to performances at the Bowl and other venues for students throughout Santa Barbara County. The Foundation contributed \$20,691 to underwrite tickets for performances at the Santa Barbara Bowl and other county venues in 2022.

SBBF Arts Subsidy

In accordance with the County lease agreement of 2011, the Foundation contributes to the Santa Barbara County Office of Arts and Culture's funding for community cultural arts programs. The amount payable to the S.B. Co. Office of Arts and Culture by the Foundation is designated as the Santa Barbara Bowl Arts Subsidy and is assessed at \$.50 per paid ticket sold annually, with a current cap of \$56,750 per season. The SBBF Arts Subsidy is paid to and used by the S.B. County Office of Arts and Culture as it is deemed appropriate for the direct funding of cultural arts events and programs in Santa Barbara County. Since the inception of the annual Arts Subsidy in 2011, the Foundation has made a total of \$485,364 in contributions to the S.B. Co. Office of Arts and Culture, including \$56,750 in 2022 based on ticket sales of 168,421 in the 2022 concert season.

Greening the Bowl

Entrusted with the 17-acres of Santa Barbara County open space, the Foundation considers itself the steward of the land. A robust and industry-leading greening effort is integral to the values and priorities of the Santa Barbara Bowl Foundation.

Greening Initiatives

Bike Valet

As previously detailed in this report, the Foundation runs a complimentary bike valet in the main lot for all community members every concert. The number of bikes parked has grown every year since inception.

Waste Sorting

The Foundation practices a single-stream waste capture for all events and sorts all event waste to maximize diversion. This sorting has historically reached 92% diversion from landfill to recycling and composting. The management company assigned to this sorting closed its doors due to the pandemic. As a replacement, one of the Bowl's concert contractors sorts at the end of each show with a lower amount of diversion.

Single Use Items

The Santa Barbara Bowl understands that concerts are a significant user of single-use items especially in Food & Beverage. To combat this usage, the Foundation is committed to both identifying single-use items that are not as impactful on the environment like compostable food-ware and building ways for patrons to re-use their drinkware. The Bowl's reusable cup program off-set 37,504 single use cups during the 2022 Concert Season.

Customers are encouraged to bring their own water bottle to use at the complimentary water stations throughout the venue.

Plastic Reduction

The Santa Barbara Bowl switched to aluminum cups in all drinkware for 2022. Moving away from plastic or compostable plastic, gave the Bowl a stronger diversion and ensured one of its largest sources of waste went somewhere other than landfill.

Local Products

Approximately 85% of food & beverage items sold at events come from locally sourced companies and products. Helping small companies like Santa Barbara Popcorn Company, Brander Vineyards, Firestone, Berryman, and more is a foundational keystone for Bowl values and business practices.

Solar Energy

With the completion of the 3rd and final phase of the Solar PV project in 2022, the Foundation continued with its commitment to a goal of net-neutral energy use. As mentioned previously, the Bowl solar array generated 138.09 MWhr in 2022.