



# **SANTA BARBARA BOWL**

## **ANNUAL REPORT OF THE SANTA BARBARA BOWL FOUNDATION 2017**

**Submitted to the County of Santa Barbara General Services Department  
By Rick Boller & Andrew Gardner**

**On behalf of the Santa Barbara Bowl Foundation Board of Directors**

**Annual Report of the  
Santa Barbara Bowl Foundation  
2017**

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

1. A list of the current Board of Directors and officers of the Foundation;
2. Financial results of operations including gross and net receipts and fundraising progress;
3. Subleases granted hereunder;
4. A report on the condition of the Bowl facility including planned and completed capital improvements and progress made toward meeting the goals set forth in the Master Plan;
5. A review of the schedule of events for the past year, including the number of events and the revenues thereby generated;
6. A summary of issues raised at Public hearings conducted by The Foundation pursuant hereto, and the resolution of said issues.

This report is organized to address these specific responsibilities, address other mandates related to the Management and Lease Agreement, and to provide the Board of Supervisors with a comprehensive update to the operations of the Santa Barbara Bowl Foundation for the 2017 calendar year.

**The Board of Directors and Officers  
of the Santa Barbara Bowl Foundation**

Pursuant to the bylaws of the Foundation, the following officers, board members and committee members were active participants in 2017:

Officers

President: Greg Faulkner  
Vice President: Rod Hare  
Secretary: Graham Farrar  
Treasurer: Patricia Stathis  
Ex-Officio: Mike Allen, *S.B. County General Services Appointee*

Board Members

Wendy Barels, Barrie Bergman, Brett Burkey, Paul Dore, Ginni Dreier, Jeff Jacobs, Lori Kari, Richard Kelty, Karen Kerns, Eric Lassen, Mike Mendoza, Carola Nicholson, Chris Parker, Marianne Partridge, Tobe Plough, George Short, Tad Smyth, Sandy Stahl

Committee Members

Tom Brennan, Joe Campanelli, Yvonne Chin, Gerald Comati, Paul Freeman, Jaimie Jenks, Casie Killgore, Jodi Mitchell, Robyn Parker, Viviana Pouget, Carrie Poytress, Robert Szerwo, Jeff Theimer, Tracy Trotter, Gregg Wilson

## Financial Results of Operations

### Overview

The 2017 Santa Barbara Bowl concert season was the 23rd complete season managed by the non-profit Santa Barbara Bowl Foundation. This concert season included 35 commercial performances and 2 community events over seven months with a total attendance of 128,628 patrons.

Total revenues for the Santa Barbara Bowl Foundation in 2017 were \$5,916,110, compared to \$6,758,038 in 2016. This decrease was primarily a result of decreased contribution income. The total revenue amounts for 2017 included \$722,293 in fundraising revenue and \$441,000 in sponsorship income. Operating expenditures (excluding capital improvements) increased from \$5,626,361 in 2016 to \$5,687,669 in 2017. This change is primarily a result of increased program expenditures, including Education Outreach expenditures, and includes depreciation expense of \$1,120,559. The value of the Master Plan Leasehold Improvements, and Land and Equipment, (net of accumulated depreciation) decreased from \$31,280,243 in 2016, to \$30,784,227 in 2017, the result of increased accumulated depreciation and a relative decrease in new leasehold improvements and new capitalized fixed assets in 2017.

### Debt and other Financial Commitments

In 2017 the Foundation carried no long-term debt.

### Specialized Income Initiatives

To supplement regular concert income, the Santa Barbara Bowl Foundation operates a Concert Club, Premier Access Program and Sponsorship Program.

The Concert Club and Premier Access Program are preferred seating reservation programs in which an individual's membership allows them to purchase designated seats and parking for each of the concerts held at the Bowl throughout the season. The Sponsorship Program provides participants with tickets and access rights to concerts while providing advertising and promotional content space on Bowl concert programs and other media. In 2017, 11 entities participated in the Sponsorship Program, which generated \$441,000 in gross revenues. In addition, the Premier Access Program had 40 participants reserving 98 seats which generated \$373,500 in gross revenue, and the Concert Club had 199 participants reserving 488 seats generating \$593,400 in gross revenue.

## Fiscal Controls and Financial Management

Given the number of concerts during the season there is a large volume of cash transactions in both ticket and concessions sales. Food and beverage operations are supported by the management of a full-time Food & Beverage Manager and a part-time Plaza Controller. These positions oversee the operation of food and beverage supervisors and volunteers, allowing for peak operational and financial performance in each of those areas. To continue to assure adequate segregation of duties and appropriate internal controls, the staffing structure remains the same as years previous in the areas of Box Office operations and business management.

The Foundation's fundraising staff in 2017 was comprised of the Executive Director and Development Manager. Additionally, the Foundation again contracted the services of a fundraising consultant, the Kellogg Organization, Inc., throughout the year.

The 2017 Bowl staff configuration outlined above is as follows:

Executive Director:	Rick Boller
Business Manager:	Andrew Gardner
Event Operations Manager:	Tucker Papac
Facilities Maintenance Manager:	Eder Mejia
Box Office Manager:	Allison Fitton
Program Director:	Eric Shiflett
Development Manager:	Greg Kirchmaier
Education Outreach Program Manager	Kai Tepper
Food & Beverage Manager:	Kori Soltz
Plaza Controller:	Derrick Duong

The Foundation continued to handle financial management and reporting on an in-house basis with the assistance of a part time contracted bookkeeper. The Business Manager and the bookkeeper handle all transactions and report preparation under the supervision of the Executive Director and the review of the Board Treasurer. In addition, the independent accounting firm of Armanino, LLP provided audit and tax preparation services for the Foundation in 2017. 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 2017 Audited Financial Statements and supporting documents is included with this report.

## Fundraising

2017 marked the 20<sup>th</sup> year of fundraising efforts by the Santa Barbara Bowl Foundation. The Foundation continued its relationship with an outside fundraising counsel, the Kellogg Organization, Inc., and had completed the majority of the Santa Barbara Bowl Master Plan to renovate and improve the facility in 2014. The successful cultivation of donors provided the Santa Barbara Bowl Foundation with \$722,293 in donations and pledges in the 2017 fiscal year.

## Education Outreach

The Education Outreach program is a community outreach initiative dedicated to supporting performing arts education for students in Santa Barbara County, and is a key component of the Foundation's Mission Statement. In 2017 the Education Outreach program contributed \$227,758 creating partnerships with schools and community organizations to serve over 20,000 local schoolchildren. In addition, the Bowl Foundation continued its investment in Education Outreach by committing \$1.00 per paid ticket to the program, totaling \$129,056 in 2017. Foundation board members and volunteers collaborate with partners to fundraise and organize arts education outreach through school performances, artist-in-residencies, master classes, community events, in-school and afterschool programs, and instrument purchases. Education Outreach endeavors to bring local schoolchildren to the Bowl whenever possible to attend presentations by world-class artists through ticket subsidies and an annual presentation to approximately 5000 local elementary schoolchildren.

The Education Outreach program continued to facilitate 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 one-of-kind interactive musical experience encourages people of all ages to play, listen, and sing along on upright pianos, decorated by local professional artists who transform each piano into a unique piece of art.

Through generous support from community members, the Education Outreach program continued to expand two newer initiatives in 2017. The Instrument Fund project, designed to lend, repair, and replace musical instruments 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 to play an instrument. The Instrument Fund program contributed \$60,116 in instruments and repairs to area schools and music programs in 2017. The Community Ticket Subsidy program provides subsidized tickets, at a cost to the student of \$5.00 per ticket, to Bowl performances for students in the Santa Barbara area. Participants in this program include foster families, high school aged performers, social service organizations, and students enrolled in Bowl-supported Education Outreach programs. The Foundation contributed \$42,346 to subsidize 755 discounted tickets, along with concessions food vouchers valued at \$7,500, through this program in the 2017 concert season.

### SBBF Arts Subsidy

In accordance with the County lease agreement of 2011, the Foundation agreed to contribute 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 was assessed at \$.25 per paid ticket sold annually through the 2014 concert season. This contribution increased to \$.50 per paid ticket in 2015, with a cap of \$50,000 per season. The SBBF Arts Subsidy is paid to and used by the S.B. Co. Office of Arts and Culture as it deems appropriate for the direct funding of cultural arts events and programs in the Santa Barbara community. Since the inception of the annual Arts Subsidy, the Foundation has made a total of \$283,172.75 in contributions to the S.B. Co. Office of Arts and Culture, including \$50,000.00 in 2017, based on ticket sales of 129,056 in the 2017 concert season. (See Schedule of Bowl Events on page 9 below).

### Summary of the Foundation's Community Contributions

Through the Education Outreach programs and the Arts Subsidy detailed above, the Foundation contributed over \$380,000 directly to performing arts and music education in the Santa Barbara County community in 2017.

### **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 expires in 2022 with an option to extend the agreement an additional two years. This was the sole concert promotion agreement in effect during the 2017 concert season, and under the agreement Goldenvoice/AEG presented 35 commercial performances.

There were no subleases in effect in 2017.

## **Santa Barbara Bowl Condition Report**

In 2017 the Foundation completed two improvement projects designed to provide added amenities to both concert patrons and to visiting artists and their crews. The first was the installation of an assistive listening system, known as a hearing loop, throughout the entire venue seating area. This is a multi-segment audio frequency induction loop system that transmits an audio signal directly from the house sound mixer via the hearing loop wire, located inconspicuously within the seating area concrete floor. This enables patrons with hearing loss to receive the signal directly into their hearing aids, or into a radio receiver with headphones provided by the Bowl staff. The installation of the hearing loop continues to keep the Bowl at the forefront of compliance with the Americans with Disabilities Act while providing access for the hearing impaired.

The second project consisted of a redesign and replacement of the catering kitchen exhaust hood, located backstage. This improved exhaust hood, completed in early 2017, provides increased cooking ventilation, exhaust control, improved grease filters, and improved fire suppression. The design also increased the usable workspace above the kitchen grill and stovetop areas. This improvement benefits concert and tour catering by enhancing kitchen safety, ventilation and cleanliness.

Other improvements in 2017 included continuing the upgrade to state of the art LED lighting throughout the venue. This includes completing new improved stadium lighting with dimming capabilities, as well as the installation of low wattage lighting throughout the venue.

The Bowl continued to maintain a high level of ongoing facility stewardship protecting the Foundation's construction investments. All systems are serviced regularly and repairs are conducted immediately. The Bowl Foundation believes that only by protecting the existing structures will the reputation of the facility as one of the finest in the world remain intact.

### Greening the Bowl

The Foundation continued its Greening the Bowl program, with the goal of bringing the Bowl to as close to a zero-footprint as possible. Included in these practices are manual sorting of all trash for recyclables and compostables after every concert. In 2017, these efforts succeeded in diverting 92% of the total waste generated at Bowl events away from landfills. The reusable steel pint cup program, introduced in 2014, continues to be a success in reducing the amount of single use plastic beverage containers at all concerts. The Bowl continued its arrangement with the Santa Barbara Bicycle Coalition to offer free valet parking of bicycles for concert goers, helping to reduce neighborhood traffic and parking congestion on show nights. In 2017 the valet parked a total of 1,345 bicycles over 36 events, an average of 37 bicycles per concert.



## 2017 Schedule of Bowl Events

Date	Concert	Genre	Sold Tickets	Attendance
04/01/2017	Westmont Spring Sing	Student Variety	799	1916
04/07/2017	Sigur Ros	Alternative Rock	3298	3015
04/11/2017	Radiohead	Alternative Rock	4692	4667
04/12/2017	Travis Scott	Hip Hop	4783	4611
04/14/2017	Two Door Cinema Club	Indie Rock	3767	3749
04/18/2017	New Order	Pop Rock	3526	3316
04/22/2017	Glass Animals	Indie Rock	4801	4614
04/25/2017	Steely Dan	Classic Rock	4345	4156
04/30/2017	Willie Nelson	Country	3932	3779
05/25/2017	John Legend	Contemporary R&B	4354	4210
05/28/2017	Brian Wilson	Classic Rock	3721	3574
06/09/2017	La Arrolladora Banda El Limon	Latin	1409	1760
06/10/2017	KJEE Summer Roundup	Alternative Rock	3281	3515
06/11/2017	Boston	Pop Rock	3534	3412
06/18/2017	Rebelution	Reggae	4567	4698
06/24/2017	AIR	Electronic Pop Rock	1285	1463
07/07/2017	Blondie & Garbage	New Wave/Pop Rock	4222	4098
07/13/2017	Dirty Heads & Soja	Reggae/ Pop Rock	2626	2640
07/15/2017	Natalie Merchant	Alternative Rock	2558	2505
07/17/2017	Jack Johnson	Singer Songwriter	4573	4564
07/18/2017	Jack Johnson	Singer Songwriter	4630	4616
07/23/2017	Slightly Stoopid	Indie Rock	3867	3814
08/05/2017	S.B. Mariachi Festival	Traditional Latin	3826	4252
08/06/2017	Diana Krall	Vocal Jazz	2422	2349
08/13/2017	Hans Zimmer	Film Score/Classical	3031	3167
08/19/2017	Bryan Ferry	Pop Rock	2339	2234
08/25/2017	Young the Giant	Indie Rock	3646	3552
08/30/2017	Khalid	Contemporary R&B	4100	4040
09/08/2017	Lana Del Rey	Alternative Rock	4833	4625
09/18/2017	Tears For Fears	Pop Rock	3707	3754
09/27/2017	The XX	Alternative Rock	3829	3628
10/02/2017	Depeche Mode	Pop Rock	4744	4615
10/05/2017	Incubus	Indie Rock	2502	2577
10/06/2017	Flaming Lips	Alternative Rock	2531	2554
10/15/2017	Griz	Electronic Dance	1829	1654
10/18/2017	Alison Krauss & David Gray	Country/Pop Rock	2692	2559
10/24/2017	Odesza	Electronic Dance	4455	4376
<b>TOTAL</b>			<b>129,056</b>	<b>128,628</b>

Average concert attendance in 2017 was 3,476 per performance, compared to the 2016 average of 3,625 per performance.

In addition to the 35 commercial events presented by Goldenvoice in 2017, the Bowl hosted two annual community events. Westmont College staged its student variety program “Spring Sing” in April, and for the twenty-second consecutive year the non-profit Santa Barbara Mariachi Festival raised funds for school programs and scholarships with their annual festival during the Old Spanish Days Fiesta in August.

## Public Concerns

Public Organizational Meetings of the Board were held in April and November of 2017 and were legally noticed in the Santa Barbara News Press as a means of encouraging input from neighbors. There were no public attendees for either meeting, however, staff continued to communicate with neighbors, City and County representatives proactively throughout the year.

The Santa Barbara Bowl Foundation remains committed to enforcing the Santa Barbara Bowl Sound Control Plan. A Bowl staff member monitors the dB levels and curfew compliance at all concerts at the Bowl to ensure compliance with the Sound Control Plan. All sound monitoring data is public record and available for review at our administrative offices.

Traffic and parking activity in the surrounding areas on the days and evenings of performances continue to be of concern to all parties. 2017 was the twenty first consecutive year in which the Foundation has operated the Santa Barbara High School parking lots during performances. In 2017 the agreement between the Foundation and the School District to allow the Foundation to operate the parking lots during Bowl performances was extended through the 2020 concert season.

The Foundation has continued the agreement with the Santa Barbara Police Department for expanded police coverage and traffic control at all Bowl events. Additionally, the Foundation continues to work with the SBPD, the SBFD, AMR, and other local agencies to provide access to the venue for onsite first responder training for large crowd emergency contingencies.

The Foundation continues to be concerned with public safety at all Bowl events. The Foundation schedules and hires to be on site for all concerts one AMR standby ambulance with two EMT paramedics, and shuttle buses for convenient access for those with disabilities. As with the above-mentioned police expense, the paramedic expense was also deemed necessary to help treat and solve any medical and safety concerns that arise the evening of an event in an efficient and timely manner.

In the area of concessions beverage service, the Foundation requires all alcohol beverage servers and related security supervisors to complete the Santa Barbara Police Department's 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.

The Santa Barbara Bowl Emergency Plan was revised and updated in April of 2017, and includes an emergency evacuation plan, both of which are available at the Foundation administrative office. This plan is reviewed annually and is provided to the Police and Fire Departments, and is discussed with Bowl employees, event contract employees, and event volunteers. In addition, the onsite emergency generator and emergency lighting system is tested regularly as legally specified.