

# **Attachment 1**

## **Santa Barbara Bowl 2019 Annual Report**



# **SANTA BARBARA BOWL**

## **ANNUAL REPORT OF THE SANTA BARBARA BOWL FOUNDATION 2019**

**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  
2019**

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 2019 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 2019:

### Officers

Chair:	Charles T. Plough III
Vice Chair:	Karen Kerns
Secretary:	Brett Burkey
Treasurer:	Carola Nicholson

### Board Members

Mike Allen, Wendy Barels, Barrie Bergman, Graham Farrar, Greg Faulkner, Rod Hare, Jeff Jacobs, Lori Kari, Laurie Bentson Kauth, Richard Kelty, Mike Mendoza, Chris Parker, Marianne Partridge, George Short, Sandy Stahl, Patti Stathis

### Committee Members

Dan Blumenthal, Joe Campanelli, Yvonne Chin, Gerald Comati, Valerie Froscher, Jaimie Jenks, Casie Killgore, Paul Kuhn, Eder Mejia, Carrie Poytress, Derek Shue, Robert Szerwo, Jeff Theimer, Tracy Trotter, Gregg Wilson

## Financial Results of Operations

### Overview

The 2019 Santa Barbara Bowl concert season was the 25th season managed by the non-profit Santa Barbara Bowl Foundation. This concert season included 35 commercial performances and 2 community events over eight months, with total paid attendance of 148,791.

Total revenues for the Santa Barbara Bowl Foundation in 2019 were \$9,524,053, compared to \$7,563,707 in 2018. This increase was primarily a result of increased contribution and investment income. The total revenue amounts for 2019 included \$2,139,275 in fundraising revenue and \$442,500 in sponsorship income. Operating expenditures (excluding capital improvements) increased from \$6,567,556 in 2018 to \$7,285,004 in 2019. This change is primarily a result of increased program expenditures, including Outreach expenditures, and includes depreciation expense of \$1,161,560. The value of the Master Plan Leasehold Improvements, Land and Equipment, (net of accumulated depreciation) decreased from \$29,859,994 in 2018, to \$28,807,408 in 2019, the result of increased accumulated depreciation and a decrease in new leasehold improvements and newly capitalized fixed assets in 2019.

### Debt and other Financial Commitments

In 2019 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 participation allows them to purchase designated seats and reserved 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 2019, 13 entities participated in the Sponsorship Program, which generated \$442,500 in gross revenues. In addition, the Premier Access Program had 46 participants reserving 112 seats which generated \$420,000 in gross revenue, and the Concert Club had 202 participants reserving 478 seats garnering \$623,850 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 2019 Bowl staff configuration outlined above is as follows:

Executive Director:	Rick Boller
Business Manager:	Andrew Gardner
Event Operations Manager:	Tucker Papac
Box Office Manager:	Allison Fitton
Program Director:	Eric Shiflett
Development Manager:	Greg Kirchmaier
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 2019. 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 2019 Audited Financial Statements and supporting documents is included with this report.

## Fundraising

2019 marked the 22<sup>nd</sup> year of fundraising efforts by the Santa Barbara Bowl Foundation. The successful cultivation of donors provided the Foundation with \$2,139,275 in donations and pledges in the 2019 fiscal year. The Foundation's fundraising staff in 2019 was comprised of the Executive Director and Development Manager.

## Outreach

The SB Bowl 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 2019 the Outreach program contributed \$276,362 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 \$148,791 in 2019. 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. Outreach endeavors to bring local schoolchildren to the Bowl whenever possible to attend presentations by world-class artists through the Kids at the Bowl program. In 2019 Outreach presented two performances each of the Alley Cats, an a cappella group, and The Kingdom Choir, a British gospel choir. These artists performed for a total of approximately 7,500 local elementary schoolchildren at the Bowl.

The 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 Outreach program continued to expand two newer initiatives in 2019. 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 \$96,810 in instruments and repairs to area schools and music programs in 2019. 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 Outreach programs. The Foundation contributed \$20,720 to subsidize 638 discounted tickets, along with concessions food vouchers valued at \$4,530, through this program in the 2019 concert season.

### 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 cap of \$50,000 per season. The SBBF Arts Subsidy is paid to and used by the S.B. County 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 \$383,172.75 in contributions to the S.B. Co. Office of Arts and Culture, including \$50,000.00 in 2019, based on ticket sales of 148,791 in the 2019 concert season. (See Schedule of Bowl Events on page 9 below).

### Summary of the Foundation's Community Contributions

Through the SB Bowl's Outreach programs and the Arts Subsidy detailed above, the Foundation contributed \$448,422 directly to performing arts and music education in the Santa Barbara County community in 2019.

### **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 2019 concert season, and under the agreement Goldenvoice/AEG presented 35 commercial performances in 2019.

There were no subleases in effect in 2019.



## **Santa Barbara Bowl Condition Report**

### **Front of House – Sound & Lighting Platform Renovation**

In 2019 the Foundation completed a renovation of the Front of House Sound & Lighting Mixer platform, involving a complete removal and redesign of the platform area. This renovation included installing a lowered concrete slab, the installation of removable handrails, and the construction and installation of a removable steel riser positioned atop the mix platform. Also included is a custom designed removable canopy for protection from weather. This renovation will allow for improved usage and enable the mix position to be utilized in the event of rain without hindering the sightlines of the seating areas directly behind the mix position.

### **Backstage Dressing Rooms Renovation**

The Foundation completed in 2019 a refurbishment of the backstage dressing rooms, restrooms and production offices, located beneath the stage. These improvements included new paint schemes, new ceilings, lighting, mirrors, carpets, and furniture in the dressing rooms and green room, and renovated artist restrooms and showers. These improvements upgraded and freshened the backstage space first constructed in 2001, with the goal of providing first-rate dressing room and backstage accommodations for tour personnel, the artists, and their guests.

### **Hillside Failure and Improvements**

In spring 2019 the facility experienced a failure of the northeast hillside slope adjacent to the venue seating area. This failure resulted in an emergency stabilization effort in spring and summer 2019. As a result of this failure, the Foundation began planning the design of new retaining walls and an improved drainage swale to permanently stabilize this hillside. In addition to the retaining walls, the Foundation also began the design of a new storage building to be constructed in the hillside next to the retaining walls and the stage area. These improvements are expected to be completed in early 2021.

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

## 2019 Schedule of Bowl Events

<b>Date</b>	<b>Concert</b>	<b>Genre</b>	<b>Sold Tickets</b>	<b>Attendance</b>
03/30/2019	Westmont Spring Sing	Private School Event	789	1655
04/19/2019	ZEDD	Electronic Dance	4843	4578
04/20/2019	Rufus Du Sol	Alternative Dance	4796	4717
04/21/2019	The 1975	Pop Rock	4783	4669
05/12/2019	Florence + The Machine	Indie Rock	4698	4469
05/13/2019	Florence + The Machine	Indie Rock	3329	3799
05/17/2019	Kali Uchis & Jorja Smith	Dance Pop	3613	3513
06/07/2019	Father John Misty	Indie Rock	3621	3673
06/11/2019	Train & The Goo Goo Dolls	Rock	4286	4153
06/16/2019	Rebelution	Reggae	4704	4563
07/14/2019	Music Academy of the West	Classical	4110	3652
07/20/2019	Nathaniel Rateliff	R&B/Americana	4224	4012
07/23/2019	The Head & The Heart	Indie Rock	2797	3047
07/27/2019	The Raconteurs	Rock	3883	3834
08/03/2019	S.B. Mariachi Festival	Traditional Latin	3825	4321
08/04/2019	Slightly Stoopid	Indie Rock	3818	3779
08/06/2019	Lionel Richie	R&B/Pop	4115	4066
08/07/2019	Elvis Costello & Blondie	New Wave/Punk Rock	3918	3931
08/08/2019	Young the Giant/Fitz & the Tantrums	Pop Rock	3988	3907
08/11/2019	JoJo Siwa	Pop	4445	4233
08/17/2019	Sebastian Maniscalco	Standup Comedy	3685	3585
08/24/2019	The Avett Brothers	Folk Rock	4819	4509
08/25/2019	Iration	Reggae	4365	4328
09/05/2019	Josh Groban	Pop Vocalist	3266	3199
09/17/2019	Maggie Rogers	Pop Rock	4298	3770
09/19/2019	Of Monsters & Men	Indie Folk/Pop	2521	2673
09/20/2019	Mark Knopfler	Rock	4433	4193
09/24/2019	Steely Dan	Jazz Rock	3251	3276
09/26/2019	Incubus	Indie Rock	3795	3695
09/27/2019	Gary Clark, Jr.	Blues Rock	4231	4003
09/28/2019	Rod Stewart	Classic Rock	4214	4138
09/29/2019	Banda MS de Sergio Lizarraga	Traditional Latin	3174	3453
10/05/2019	Van Morrison	Singer/Songwriter	4352	4197
10/12/2019	Bob Dylan	Folk/Songwriter	4398	4335
10/16/2019	Jimmy Buffett	Pop/Rock	4338	4138
10/24/2019	Hozier	Indie Rock	4757	4305
10/25/2019	Thom Yorke	Alt Rock	4518	3855
10/26/2019	Lila Downs	Latin	1791	1978
<b>TOTAL</b>			<b>148,791</b>	<b>146,201</b>

Average concert attendance in 2019 was 3,847 per performance, on a par with the average of 3,844 per performance in 2018.

Goldenvoice presented 35 commercial events in 2019. In addition, the Bowl hosted two annual community events: the Santa Barbara Mariachi Festival in August, and the Music Academy of the West's community outreach concert, featuring the London Symphony Orchestra, in July. In March the Bowl hosted the annual Westmont College private student talent show, and in June again hosted the Santa Barbara High School Graduation ceremony, as their football stadium was unavailable due to ongoing renovations.

## **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 2019, these efforts succeeded in diverting 90% of the total waste generated at Bowl events away from landfills. The reusable pint cup program 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 2019 the valet parked a total of 1,183 bicycles over 36 events, an average of 33 bicycles per concert.

## **Public Concerns**

Public Organizational Meetings of the Board were held in March and November of 2019 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. 2019 was the 23<sup>rd</sup> 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 SBF, 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 trolleys 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 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.

The Santa Barbara Bowl Emergency Plan was revised and updated in April of 2019, 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.