



SANTA BARBARA BOWL

ANNUAL REPORT OF THE SANTA BARBARA BOWL FOUNDATION 2018

**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
2018**

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 2018 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 2018:

Officers

President:	Charles T. Plough III
Vice President:	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, Eric Lassen, Mike Mendoza, Chris Parker, Marianne Partridge, George Short, Sandy Stahl, Patti Stathis

Committee Members

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

Financial Results of Operations

Overview

The 2018 Santa Barbara Bowl concert season was the 24th complete season managed by the non-profit Santa Barbara Bowl Foundation. This concert season included 31 commercial performances, 2 community events, and 3 benefit concerts over seven months, with total paid attendance of 143,968.

Total revenues for the Santa Barbara Bowl Foundation in 2018 were \$7,916,666, compared to \$5,916,110 in 2017. This increase was primarily a result of increased contribution income. The total revenue amounts for 2018 included \$2,012,461 in fundraising revenue and \$427,500 in sponsorship income. Operating expenditures (excluding capital improvements) increased from \$5,687,669 in 2017 to \$6,567,556 in 2018. This change is primarily a result of increased program expenditures, including Outreach expenditures, and includes depreciation expense of \$1,146,846. The value of the Master Plan Leasehold Improvements, and Land and Equipment, (net of accumulated depreciation) decreased from \$30,784,227 in 2017, to \$29,859,994 in 2018, the result of increased accumulated depreciation and a relative decrease in new leasehold improvements and new capitalized fixed assets in 2018.

Debt and other Financial Commitments

In 2018 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 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 2018, 14 entities participated in the Sponsorship Program, which generated \$427,500 in gross revenues. In addition, the Premier Access Program had 44 participants reserving 106 seats which generated \$397,000 in gross revenue, and the Concert Club had 198 participants reserving 480 seats garnering \$628,200 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 2018 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 2018. 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 2018 Audited Financial Statements and supporting documents is included with this report.

Fundraising

2018 marked the 21st year of fundraising efforts by the Santa Barbara Bowl Foundation. The successful cultivation of donors provided the Santa Barbara Bowl Foundation with \$2,012,461 in donations and pledges in the 2018 fiscal year. The Foundation's fundraising staff in 2018 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 2018 the Outreach program contributed \$249,345 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 \$143,968 in 2018. 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 ticket subsidies, and in April 2018 presented a performance of Japanese Taiko Drummers to approximately 5,000 local elementary schoolchildren.

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 2018. 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 \$76,000 in instruments and repairs to area schools and music programs in 2018. 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 \$29,309 to subsidize 492 discounted tickets, along with concessions food vouchers valued at \$6,270, through this program in the 2018 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 \$333,172.75 in contributions to the S.B. Co. Office of Arts and Culture, including \$50,000.00 in 2018, based on ticket sales of 143,968 in the 2018 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 \$404,654 directly to performing arts and music education in the Santa Barbara County community in 2018.

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 2018 concert season, and under the agreement Goldenvoice/AEG presented 31 commercial performances and 3 community benefit performances in 2018.

There were no subleases in effect in 2018.

Santa Barbara Bowl Condition Report

Front of House – Sound & Lighting Platform Renovation

In 2018 the Foundation began a renovation of the Front of House Sound & Lighting Mixer platform, involving a complete removal and redesign of the platform area, scheduled to be completed in 2019. This renovation includes 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

Following the replacement of the catering kitchen exhaust hood and the renovation of the kitchen ventilation system in 2017, the Foundation began in 2018 a complete refurbishment of the backstage dressing rooms, restrooms and production offices, located beneath the stage. These improvements include 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 will upgrade and freshen the backstage space first constructed in 2001, with the goal of providing first-rate dressing room and backstage accommodations for the artists, tour personnel, and their guests.

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 2018, these efforts succeeded in diverting 93% of the total waste generated at Bowl events away from landfills. The reusable 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 2018 the valet parked a total of 1,202 bicycles over 36 events, an average of 34 bicycles per concert.

2018 Schedule of Bowl Events

Date	Concert	Genre	Sold Tickets	Attendance
03/18/2018	Jack Johnson & Friends (<i>Benefit</i>)	Singer/Songwriter	4389	4364
03/24/2018	Westmont Spring Sing	Student Variety	795	1597
03/25/2018	The Avett Brothers	Pop/Folk	4804	4800
04/07/2018	HAIM	Pop Rock	3205	3116
04/16/2018	Alt-J	Indie Rock	3744	3686
04/21/2018	Portugal. The Man	Indie Rock	4277	4336
05/03/2018	LCD Soundsystem	Electronic Dance	3749	3545
05/11/2018	KJEE Summer Roundup	Alternative Rock	2808	3074
05/12/2018	Brad Paisley & Friends (<i>Benefit</i>)	Country Pop	4368	4355
05/19/2018	Katy Perry (<i>Benefit</i>)	Pop	4265	4735
05/26/2018	Tom Jones	Vocal Pop	2859	2810
05/27/2018	WAR	R&B/Pop Rock	2596	2735
06/12/2018	Sugarland	Country Pop	3505	3509
06/24/2018	Slightly Stoopid	Indie Rock	4378	4331
07/07/2018	Freestyle Explosion	90's Pop Revue	3261	3254
08/03/2018	Jackson Browne	Singer/Songwriter	4416	4208
08/04/2018	S.B. Mariachi Festival	Traditional Latin	3822	4127
08/08/2018	Bon Iver	Indie Folk	4335	4142
08/11/2018	Music Academy of the West	Classical	3976	3506
08/15/2018	Steve Miller Band & Peter Frampton	Classic Rock	4375	4292
08/19/2018	Jack White	Alternative Rock	4720	4388
08/24/2018	David Byrne	Alternative Pop/Rock	4370	4307
09/09/2018	Rebelution	Reggae	4721	4570
09/11/2018	Luis Miguel	Latin Pop	4426	4221
09/12/2018	Leon Bridges	R&B	4680	4548
09/15/2018	Jason Mraz	Singer/Songwriter	4296	4152
09/21/2018	Miguel	R&B	2996	3221
09/22/2018	The National	Indie Rock	2933	2613
09/23/2018	Culture Club & The B-52s	Pop Rock	3838	3767
09/27/2018	Alanis Morissette	Alternative Rock	4268	3997
09/29/2018	Rise Against	Indie Rock	4258	3893
09/30/2018	Banda MS de Sergio Lizarraga	Traditional Latin	3255	3285
10/06/2018	Jim Gaffigan	Standup Comedy	3921	3829
10/08/2018	Keith Urban	Country Pop	4782	4702
10/19/2018	Arctic Monkeys	Alternative Rock	4825	4558
10/21/2018	Rod Stewart	Classic Rock	4428	4345
10/29/2018	Sting & Shaggy	Pop Rock/Reggae	3324	3312
TOTAL			143,968	142,230

Average concert attendance in 2018 was 3,844 per performance, an increase from the average of 3,476 per performance in 2017.

Goldenvoice presented 31 commercial events in 2018, as well as 3 benefit concerts that raised funds for the victims of the Thomas Fire and the Montecito mud slides, featuring Jack Johnson, Brad Paisley and Katy Perry. In addition, the Bowl hosted two annual community events, the Westmont College student variety program “Spring Sing” in April, and the Santa Barbara Mariachi Festival in August. The Music Academy of the West presented a community outreach concert featuring Gustavo Dudamel in August. The Bowl also hosted the 2018 Santa Barbara High School Graduation ceremony in June, while their football stadium was being renovated.

Public Concerns

Public Organizational Meetings of the Board were held in April and November of 2018 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. 2018 was the 22nd 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 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 complete 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 2018, 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.