



# **SANTA BARBARA BOWL**

## **ANNUAL REPORT OF THE SANTA BARBARA BOWL FOUNDATION 2014**

**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  
2014**

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 2014 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 2014:

Officers

President:	Paul Dore
Vice President:	Greg Faulkner
Secretary:	Graham Farrar
Treasurer:	Patricia Stathis
Ex-Officio:	Mike Allen, <i>S.B. County General Services Appointee</i>

Board Members

Wendy Barels, Barrie Bergman, Scott Brittingham, Monte Brown, Brett Burkey, Ginni Dreier, Rod Hare, Jeff Jacobs, Lori Kari, Richard Kelty, Eric Lassen, Mike Mendoza, Carola Nicholson (1<sup>st</sup> District Appointment), Marianne Partridge, Tobe Plough, George Short, Tad Smyth, Sandy Stahl

Committee Members

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

## **Financial Results of Operations**

### Overview

The 2014 Santa Barbara Bowl concert season was the 20th complete season managed by the non-profit Santa Barbara Bowl Foundation. This concert season encompassed 33 performances spanning over nine months with a total attendance of 113,669 patrons.

Total revenues for the Santa Barbara Bowl Foundation decreased from \$6,157,181 in 2013 to \$4,802,757 in 2014. This decrease was primarily a result of decreased contribution income. The total revenue amounts for 2014 included \$751,945 in fundraising revenue and \$349,602 in sponsorship revenue. Operating expenditures (excluding Capital Improvements) increased from \$4,246,405 in 2013 to \$4,901,807 in 2014. This change is primarily a result of increased show expenditures (including merchandise and concessions), increased Education Outreach expense, and increased depreciation. The value of the Master Plan, Leasehold Improvements, Land and Equipment, (net of accumulated depreciation) increased from \$29,495,799 in 2013 to \$32,221,378 in 2014, continuing to reflect the Foundation's ongoing commitment to realizing the Master Plan improvements for the Santa Barbara Bowl.

### Debt and other Financial Commitments

In June of 2013 the Foundation paid off its final loan incurred to purchase real estate adjacent to the Bowl property, and as of that date the Foundation has carried no other 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 80 percent of an individual's membership cost represents a tax-deductible contribution to the Foundation under current IRS guidelines. The Sponsorship Program provides preferred signage and access rights to sponsors while acting as a supplement to regular advertising. In 2014, 10 entities participated in the Sponsorship Program, which generated \$349,602 in gross revenues. In addition in 2014 the Premier Access Program had 41 participants controlling 102 seats which generated \$352,550 in gross revenue, and the Concert Club had 210 participants controlling 516 seats which generated \$580,550 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 part-time Plaza Manager, Plaza Controller, and Food & Beverage Manager. These positions oversee the operation of food and beverage services, allowing for peak operational and financial performance in each of those areas. To continue to assure adequate segregation of duties and appropriate internal checks and balances, the staffing structure remains the same as years previous in the areas of Box Office Operations and Business Management.

The Foundation Development Department staff was comprised of a Development Director and Development Associate. In addition to their normal duties, the Development staff provided support for a contracted fundraising consultant, The Kellogg Organization, Inc., throughout the year.

The 2014 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 Director:	Beth Skidmore
Development Associate:	Greg Kirchmaier
Education Outreach Program Manager	Kai Tepper
Plaza Manager:	Robert Mills
Plaza Controller:	Derrick Duong
Food & Beverage Manager:	Kori Soltz

## Fiscal Controls and Financial Management – Continued

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 Treasurer of the Foundation Board of Directors. In addition, the independent accounting firm of McFarlane Faletti & Co., LLP provided audit and tax preparation services for the Foundation in 2014. While required by the lease agreement with the County, it is also the feeling of the Board of Directors that an independent audit is an essential component to an effective set of financial controls. The 2014 Audited Financial Statements, as well as its supporting documents, are attached for your reference.

## Fundraising

2014 marked the seventeenth full year of fundraising efforts for the Santa Barbara Bowl Foundation. In 2014 the Foundation continued its relationship with an outside fundraising counsel, The Kellogg Organization, Inc., and completed the majority of the Santa Barbara Bowl Master Plan to renovate and improve the facility. With the fundraising counsel's assistance, cultivation of donors in 2014 provided the Santa Barbara Bowl Foundation with \$751,945 in donations and pledges. At the close of 2012, the Foundation completed a Strategic Assessment Study to explore its future fundraising needs, including facility maintenance, capital improvements and Education Outreach. In 2014 the SBBF Board of Directors continued to evaluate this study in consideration of the Foundation's future fundraising goals.

## Education Outreach

The Foundation continued to grow its Education Outreach program. The program is a community outreach initiative dedicated to supporting arts education for students in Santa Barbara County. In 2014 the Foundation hired a full time staff member to administer this growing program. The Education Outreach program contributed \$186,238 in 2014 creating partnerships with schools and community organizations to serve over 20,000 local schoolchildren annually. Foundation board members and volunteers work with partners to fundraise and organize education outreach through school performances, artist-in-residencies, master classes, classroom rentals, afterschool programs and instrument purchases. Education Outreach endeavors to bring local schoolchildren to the Bowl whenever possible to attend special presentations by world-class artists, such as the Yamato Drummers of Japan and the Children of Uganda Dance Troupe. In addition, the Bowl Foundation continued its investment in education outreach by committing \$1.00 per paid ticket to the program, totaling \$113,600 in 2014. The Education Outreach Committee strives to conduct symposiums with local arts education groups and school officials to correctly identify needs and to analyze the best use of its resources.

### Education Outreach, continued

The Education Outreach program strives to create need-based programming through its continued interaction with community action groups, educators and artists. All programming is vetted for quality and the highest impact on our community's youth possible. Other organizations, including the Santa Barbara Arts Collaborative, have begun modeling their organizational structure upon the Bowl's Education Outreach's inclusionary practices.

### SBBF Arts Subsidy

Per the lease agreement of 2011, the Foundation agreed to contribute to the Santa Barbara Arts Commission's funding for community cultural arts programs. The amount payable to the S.B. Arts Commission by the Foundation is designated as the Santa Barbara Bowl Arts Subsidy and is calculated at \$.25 per paid ticket sold annually through the 2014 concert season, increasing to \$.50 per paid ticket thereafter. The SBBF Arts Subsidy is paid to and used by the Santa Barbara Arts Commission 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 \$133,172.75 in contributions to the S.B. Arts Commission, including \$28,400.00 in 2014, based on ticket sales of 113,600 in the 2014 concert season. (See Schedule of Bowl Events on page 9 below).

### **Promotional Services Agreement**

The Promotional Services Agreement with Nederlander Downtown Inc. was the sole concert promotion agreement in effect in 2014. Under the agreement Nederlander presented 31 commercial performances during the 2014 concert season. There were no subleases in effect in 2014.

## **Santa Barbara Bowl Condition Report**

The Dreier Box Office and Administration Building and Lower Plaza project was completed in 2014. This project addressed renovations to the Lower Plaza walkway, parking lot, and the creation of the new Dreier Box Office and Administration Building. This final phase of the Bowl Master Plan created an expanded bus and truck parking area and a new retaining wall at the north end of the Bowl parking lot, allowing an increased number of tour vehicles that can be accommodated on show days. Included in this project is a new pedestrian walkway that opened at the start of the 2014 season. This improvement separates the pedestrian traffic from the vehicle traffic and parking, and created a dedicated walkway leading to the Bowl entrance at the Redding Gate. This separation is designed to increase safety for both pedestrians and vehicles as they enter and leave the venue.

The Dreier Box Office and Administration Building, also completed in 2014, includes new office space, an increased number of ticket windows, and new public restrooms that replaced the portable toilets at the Bowl entrance. The plaza next to the new building includes a new Memorial Begonia Garden, dedicated to the memory of the late Rudolf Ziesenhenné, a nationally recognized begonia expert who cultivated begonias on this site from 1934 to 2005.

The Bowl continued to maintain a high level of ongoing facility stewardship protecting the Foundation's construction investments. All systems are maintained 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. The Foundation has engaged outside consultants to study both patron transportation options from the Lower Plaza, as well as a comprehensive reserve study plan for future facility maintenance costs and repairs.

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 at every concert; using low toxicity eco-friendlier paints throughout the Bowl; careful water management; replacement of all lighting to low-energy LED fixtures; and implementing office practices to reduce waste. In 2014 the Bowl introduced a reusable steel pint cup program to reduce 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 2014 the valet parked a total of 1,398 bicycles over 32 events, an average of over 43 bicycles per concert.



## 2014 Schedule of Bowl Events

Date	Concert	Genre	Sold Tickets	Attendance
03/29/2014	Westmont Spring Sing	Community Event	1109	1899
04/19/2014	Bryan Ferry	Pop/Rock	3151	3088
04/25/2014	The National	Indie Rock	4150	3995
05/15/2014	KJEE Summer Roundup	Alternative Rock	2162	2311
06/04/2014	James Taylor	Singer/Songwriter	4403	4352
06/15/2014	Hunter Hayes	Country/Pop	3043	3055
06/19/2014	Michael Franti	Reggae	1950	2148
06/25/2014	Sarah McLachlan	Pop/Rock	3087	2838
06/26/2014	Maxwell	R&B	1710	1694
07/02/2014	Joan Baez & Indigo Girls	Folk	2453	2434
07/03/2014	Bob Weir & RatDog	Jam Rock	2631	2500
07/12/2014	Ringo Starr	Classic Rock	4346	4234
07/13/2014	Jurassic 5	Hip Hop	1439	1584
07/25/2014	Slightly Stoopid	Alternative Rock	3583	3819
07/27/2014	Foreigner & Styx	Classic Rock	4284	4284
08/02/2014	SB Mariachi Festival	Traditional Latin	2675	3055
08/04/2014	Arcade Fire	Indie Rock	4724	4564
08/15/2014	Rebelution	Reggae	4668	4760
08/31/2014	Jack Johnson	Pop/Rock	4666	4698
09/01/2014	Jack Johnson	Pop/Rock	4617	4672
09/13/2014	George Lopez	Standup Comedy	2283	2539
09/20/2014	Crosby, Stills & Nash	Classic Rock	4361	4347
09/21/2014	Diana Ross	Classic R&B	3047	3026
09/28/2014	Thievery Corporation	Trip Hop	2791	2835
10/09/2014	Lorde	Alternative Pop/Rock	4797	4708
10/16/2014	Jimmy Buffett	Pop/Rock	4414	4101
10/17/2014	Massive Attack	Trip Hop	2768	2835
10/18/2014	Ray LaMontagne	Singer/Songwriter	2952	2897
10/19/2014	Daryl Hall & John Oates	Pop/Rock	4393	4269
10/21/2014	Phish	Jam Rock	4903	4368
10/22/2014	Phish	Jam Rock	4952	4552
11/01/2014	Dia de los Muertos	Traditional Latin	3080	3119
11/15/2014	Foster the People	Alternative Pop	4008	4089
<b>TOTAL</b>	<b>33 Events</b>		<b>113,600</b>	<b>113,669</b>

Average concert attendance remained remarkably consistent: 2014 again averaged 3,444 per performance, the same average per performance as in 2013.

In addition to the 31 commercial events presented by Nederlander in 2014, the Bowl hosted two community events. Westmont College again staged its annual student variety program "Spring Sing" in March, and for the nineteenth consecutive year the non-profit Santa Barbara Mariachi Festival raised funds for school programs and scholarships through the presentation of their annual festival during the Old Spanish Days Fiesta in August 2014.

## **Public Concerns**

Public Organizational Meetings of the Board were held in March and November of 2014 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 throughout the year.

The Santa Barbara Bowl Foundation remains committed to enforcing the County Sound Ordinance. An independent contractor continues to handle the sound monitoring function at the Santa Barbara Bowl. 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. 2014 was the eighteenth consecutive year in which the Foundation has operated the Santa Barbara High School parking lots during performances. In November of 2013, the Santa Barbara High School principal notified the Foundation of his intention to terminate the parking Service Agreement and assume responsibility for the operation of the High School parking lots during Bowl events. Negotiations between the Foundation and School District Administrators took place in 2014 and 2015, and a new agreement was reached in early 2015 to allow the Foundation to continue to operate the parking lots during Bowl performances.

The Foundation has continued the agreement with the Santa Barbara Police Department for expanded police coverage at all Bowl events. Due to the improvements to both security and traffic management, this cost was deemed necessary by the Foundation and has now been added as part of all events that take place at the Santa Barbara Bowl.

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 ambulance, and multiple shuttle buses for convenient access for those with disabilities. As with the above mentioned Police expense, the ambulance 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 concession 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 any event. 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 September of 2014, and is available at the Foundation administrative office. This plan is provided to the Santa Barbara 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.