

GALLO CENTER  
FOR THE ARTS

May 24, 2017

Board of Supervisors  
County of Stanislaus

Re: Gallo Center for the Arts 2017-2018 Budget

Attached are the following as required by the Operating Agreement dated February 17<sup>th</sup>, 2004:

- Budget for Fiscal Year 2017-2018,
- Leases, prices, concessions, fees,
- Schedule for the 2017/2018 season

The attached budget is final.

We are pleased to report that things are going very well for the Gallo Center and it is financially healthy. This budget reflects \$249K being transferred from Central Valley Center for the Arts generated by interest earned from investments and concession sales held in Gallo Center for the Arts, LLC.

Please note the \$788K loss includes non-cash depreciation for the building; prior to depreciation we are operating at break-even.

Stanislaus County can feel proud of the impact being made in our County by the Gallo Center for the Arts and rest easily knowing this valuable asset is being well cared for.

Please let me know if you have any questions or need any other information.

Sincerely,

Landon Skinner  
Director of Finance  
Gallo Center for the Arts

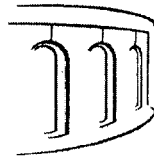
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BOARD OF SUPERVISORS

Projected Budget  
Gallo Center for the Arts  
2015 - 2016

**EXHIBIT C, PROJECTED BUDGET**

		(In 000) FY Ending 6/30/2018
<b>INCOME</b>		
<b>EARNED INCOME</b>		
Ticket Revenue	\$	4,660
Fees, Facility Use, Parking, Concessions	\$	1,364
Endowment and Other Interest	\$	<u>-</u>
EARNED INCOME TOTAL	\$	6,024
<b>CONTRIBUTED INCOME</b>		
Central Valley Center for the Arts and Subsidiaries	\$	249
Others	\$	<u>2,019</u>
CONTRIBUTED INCOME TOTAL	\$	<u>2,268</u>
INCOME TOTAL	\$	8,293
<b>EXPENSES</b>		
Center's Presentations	\$	3,815
Facility Use	\$	295
Ticket Office	\$	502
Fundraising	\$	410
Marketing	\$	641
Bond Interest	\$	357
Other General & Administrative Costs	\$	2,273
Non-Cash: Depreciation and Amortization and Interest Rate Swap	\$	<u>788</u>
EXPENSES TOTAL	\$	<u>9,081</u>
GALLO CENTER FOR THE ARTS P/L	\$	<u><u>(788)</u></u>



**GALLO CENTER**  
FOR THE ARTS

**EXHIBIT "D" LEASES, PRICES, CONCESSIONS, FEES**

**Subleases and License Agreements**

There are no subleases and/or license agreements in excess of 60 days.

**Admission Prices**

It is estimated that ticket prices will be between \$5 and \$149 depending on the performance, the seating, the status of attendee and non-ticket support for the program. It is estimated that the average ticket price for the year will be approximately \$50.

**Concessions:**

Concessions will be operated in-house and managed by the Gallo Center for the Arts for the 2017–2018 season; for reference, below are the current description of concession services and the projected food and refreshment prices.

*Description of Services*

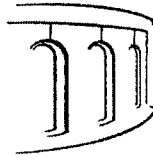
The Gallo Center for the Arts will sell food and beverages from the five concession locations located in the theater as well as utilizing rolling bars. They are (1) to sell food and beverages including alcoholic beverages to the general public attending performances at the Gallo Center and (2) to provide alcoholic beverage catering for all Gallo Center and third party events on the premises unless otherwise mutually agreed by the two parties.

*Food and Refreshment Prices*

Beverages	<u>Current</u>
Non alcoholic	\$2 - \$3
Wine	\$8 - \$15
Champagne	\$15
Beer	\$4 - \$5

**Food**

Candy	\$2
Cookies	\$2
Chips	\$2
Cheese	\$3
Nuts	\$4



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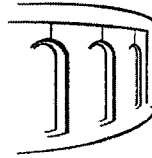
**Facility Use Charges:**

Facility use charges range from \$250 to \$5,000 depending on the tax status of the attendee, the part of the facility being utilized (e.g. theater, lobby, etc.), and the type of event. There are additional charges for production staffing (\$30/hour), equipment rental, and security costs to be reimbursed at actual costs.

In addition to the above facility use charges, the user will also incur a service fee of 6% of gross ticket sales and 3.5% credit card fee for all credit card purchases. The user may also incur facility restoration and consignment ticket charges.

**Service Charges:**

The Gallo Center charges \$4 per ticket for purchases made over the phone and on the website, with walkup ticket purchases having no service charge. In addition, there is a \$1 per ticket charge for facility restoration.



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**EXHIBIT "E" PRESENTATION SCHEDULE**

**Schedule for the 2017/2018 Season**

It is presently anticipated that the season will be comprised of:

**Gallo Center For the Arts Presents:**

Total Public Performances – Rogers Theater	87 Performances
Total Public Performances – Foster Theater	32 Performances
Total Arts Ed Performances	40 Performances

**Resident Company Presentations:**

Modesto Symphony Orchestra	22 performances
Townsend Opera Players	4 performances
Central West Ballet	12 performances
Modesto Community Concert Association	5 performances
Yes Company	10 performances
Modesto Performing Arts	13 performances

**Other Presenters:**

Estimated performances from renters	35 performances
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