



CITY OF CONCORD

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Finance

Brian G. LeBrun
Deputy City Manager
Finance

REPORT TO MAYOR AND THE CITY COUNCIL

FROM: Brian G. LeBrun, Deputy City Manager - Finance

DATE: February 22, 2018

SUBJECT: Auditorium Agreement and Recommendation

Recommendation

Accept this report, and approve keeping the Audi fee structure the same as 2017.

Background

On February 22, 2018, Chip Chesley, Jeff Hoadley and Jay Burgess, representing the General Services Department; David Gill and Terri Stevenson representing the Parks and Recreation Department and myself, met with Friends of the Auditorium President Steven Meier, Vice President Betty Hoadley, Treasurer Merwyn Bagan, and Marketing Chair Carol Bagan.

The purpose of the meeting was the annual review of contract compliance on the part of the two parties, a review of the fiscal operations of the Concord City Auditorium, and discussion of the programs and upgrades by the Friends of the Audi. Section 5.A.3 of the then in force contract provides for an annual meeting to be held in January to discuss contract items.

The current agreement between the City and Friends of the Audi still has four years left on the term. Generally a one year extension is added each year. However, the City and Friends are reviewing the whole agreement for any needed changes and when the finalized agreement is reached will be forward to City Council.

Financial Activity

Jeff Hoadley presented a spreadsheet for the revenue and expenses incurred by the Auditorium for the past year and projections for Fiscal 2018. These were presented on an operating and capital budget basis, along with the cash value of products and services provided by the Friends. A comprehensive review indicates that, on a budgetary basis in 2018, the City Auditorium is projecting a surplus of \$9,242. However, the Friends have contributed a total of \$10,323 through

in-kind labor and donations, primarily related to their “pitch in” process as documented in the attached report plus the \$105,000 seat restoration capital project. The City contributed \$20,000 for new lobby doors, which brings the final projected position to a positive \$104,565 for Fiscal Year 2018. Additionally, it is interesting to note that the City Auditorium was rented to 34 different groups for 80 rehearsals and 87 shows during this time period.

General Services provided assistance to the Audi for a variety of projects throughout the year including new lobby doors and other items as outlined in the attached report titled Concord City Auditorium Annual Overview 2017-2018.

The seat renovation project that the Friends of the Audi have been working on was completed under budget and ahead of schedule. \$105,000 was raised for this project, with Betty Hoadley as the Fundraising Chair.

Marketing

The Promotion Committee of volunteers continues to bring new promotional opportunities to the Audi, including production of calendars of upcoming events, Concord TV-22: weekly “What’s Happening at the Audi” program and Concord TV Eggstravaganza Project, Cooperative Bulk Mail Permit and mailings: Cooperative Act Now Voucher Program, Box office infoline, Friends information phone, Friends of the Audi website, Creation and distribution of posters for Friends shows and others on request, Maintenance of billboards, Chamber of Commerce participation in: Business After Hours, Annual Business Showcase, Creative Concord Committee and Funds for education Golf Project, Ticket Donations to Local non-profit fund raisers: B&G Club, Zonta, Goodlife Programs and Maintenance of 5,000 plus mailing list and 500 plus elist – co-op with Community Players.

Rate Increases

The Friends and the City discussed a rate increase for the FY 2019 show season. Considering the continued financial and operating support of the Friends, the projected operating surplus, the anticipated additional venues and the fact that many of the current renters are also the same groups that will have been volunteering and making donations, it was the recommendation of the Friends to keep the rental rates level for the upcoming season. The City Administration concurs with the recommendation.

Thanks

Appreciation goes to the Friends for their efforts and those of Jeff Hoadley, Jay Burgess, David Gill and Terri Stevenson for successfully managing this relationship on behalf of the City.

cc: Thomas J. Aspell, Jr.
Janice Bonenfant
Chip Chesley
David Gill
Merwyn & Carol Bagan