



2019 - Budgeted Statement of Activities

Assumptions
* 23 offsite Tobin Entertainment Events
* Lease space in Garage projected to begin in July 2019
* Jordan Foster & DC Partners will continue to lease space
* Cost of living increases at 3%

	2019 Budget	2018 Q3 Forecast	Variance to 2018 Forecast - Fav (Unfav)	% Variance	
Statistical					
Events (P. 7-12, 15-16)	418	372	46	12%	E
Rehearsals / Load in Days	94	86	8	9%	
Attendance (P. 7-12, 15-16)	259,384	222,646	36,738	17%	A
Earned Income					
Event Margins (P. 8-12)	\$ 1,283,960	\$ 1,259,714	\$ 24,246	2%	1
TOBi Fees (P. 8-12)	\$ 1,534,171	\$ 1,489,505	\$ 44,666	3%	2
Box Seats (P. 8-12)	\$ 210,550	\$ 202,512	\$ 8,038	4%	
Concessions (P. 8-12)	\$ 155,676	\$ 147,758	\$ 7,918	5%	
Catering (P. 8-12)	\$ 116,490	\$ 120,472	\$ (3,982)	-3%	
Merchandise Sales (P. 8-12)	\$ 73,208	\$ 71,570	\$ 1,638	2%	
Shared Services (P. 13)	\$ 200,300	\$ 250,035	\$ (49,735)	-20%	3
TPAC Parking Services (P. 14)	\$ 587,639	\$ 438,756	\$ 148,883	34%	4
Tobin Entertainment (P. 15-16)	\$ 102,768	\$ 16,772	\$ 85,996	513%	5
Direct Event Income	\$ 4,264,762	\$ 3,997,094	\$ 267,668	7%	
Contributed Income (P. 17-18)					
Sponsorships	\$ 348,393	310,214	38,179	12%	6
Membership Program	\$ 345,000	441,682	(96,682)	-22%	7
Benefit Events	\$ 200,000	150,000	50,000	33%	8
Education	\$ 406,000	312,944	93,056	30%	9
Annual Fund	\$ 358,250	386,972	(28,722)	-7%	10
Total Contributed Income	\$ 1,657,643	1,601,812	55,831	3%	
Other Income					
Rental Property	\$ 103,200	98,839	4,361	4%	
Interest Income	\$ 14,400	13,057	1,343	10%	
Total Other Income	\$ 117,600	111,896	5,704	5%	
Total Income	\$ 6,040,005	\$ 5,710,802	329,203	6%	

	2019 Budget	2018 Q3 Forecast	Variance to 2018 Forecast - Fav (Unfav)	% Variance	
Expenses (P. 19-30)					
General & Administrative	\$ 533,975	519,190	(14,785)	-3%	11
Accounting & Finance	\$ 566,040	553,724	(12,317)	-2%	12
Information Technology	\$ 214,388	184,966	(29,422)	-16%	13
Human Resources	\$ 134,999	187,606	52,606	28%	14
FOH / Community Engagement	\$ 117,357	100,943	(16,414)	-16%	15
Marketing	\$ 432,432	433,909	1,477	0%	
Programming	\$ 233,867	218,982	(14,886)	-7%	16
Education	\$ 168,172	115,876	(52,296)	-45%	17
Box Office	\$ 596,651	598,506	1,856	0%	
Facility Sales & Services	\$ 157,549	138,172	(19,377)	-14%	18
Development	\$ 462,904	382,571	(80,332)	-21%	19
Buildings & Grounds				0%	
General	\$ 405,156	390,331	(14,825)	-4%	20
Tobin Center	\$ 954,410	895,944	(58,466)	-7%	21
Tobin Annex	\$ 112,138	112,022	(116)	0%	
Production	\$ 425,818	380,137	(45,681)	-12%	22
Office Services	\$ 91,566	89,735	(1,831)	-2%	
Total Expenses	\$ 5,607,421	5,302,613	(304,808)	-6%	
Net Operating Income	\$ 432,583	\$ 408,189	24,394	6%	

Explanations to variances over \$10K

- E Events** - Increase due to a planned increase in offsite events (Tobin Entertainment +17), a planned increase in free programming on the plaza (+12), and incremental increases in events in both HEB and Alvarez Studio.
- A Attendance** - Uptick in attendance is driven by Tobin Presents offsite events (+25,300), and the uptick in events.
- 1 Margins** - Increase due to refinement of booking strategy and continued market research.
- 2 TOBi Fees** - Fee restructure went into effect in the fall of 2018. This will result in an increase across the entire 2019 year.
- 3 Shared services** - Decrease is due to the restructuring of the Symphony contract.
- 4 TPAC Parking Services** - Increase in secured monthly parkers (\$128K) along with a planned stronger Q1 than 2018.
- 5 Tobin Entertainment** - revenue will be up as the company is expected to expand.
- 6 Sponsorships** - Increase is a result of being able to realize 72% of the Principal Auto (BMW) in 2019 as the shows fell in the spring half of the season.
- 7 Memberships** - 2019 combines the Board Committee line along with the Ghost Light line with the Memberships line. Memberships are projected down as a specific campaign is not expected (McCloughlin).
- 8 Benefit Concert** - 2019 will be our 5th annual gala, which is expected to exceed the previous years.
- 9 Education** - Funding is expected to continue to grow as the program grows.
- 10 Annual fund** - Contributions budgeted to decrease as designation of gifts is expected.
- 11 General & Administration** - An increase in community spending is driving budget over previous year.
- 12 Accounting & Finance** - Insurance premium increase along with salaries drove budgeted expenses over previous year.
- 13 Information Technology** - Increase due to upgrade in ticketing system (\$20K) along with an increase in maintenance on an aging network.
- 14 Human Resources** - Legal costs in 2018 were unusually high due to the NLRB complaint.
- 15 FOH / Community Engagement** - 2018 saw a shift in timing with staffing causing expenses to be lower than normal.
- 16 Programming** - Increase in salaries.
- 17 Education** - Increase in programming expenses (Director of Education) as the program grows.
- 18 Facility Sales** - 2018 saw a shift in timing with staffing causing expenses to be lower than normal.
- 19 Development** - Addition of a Membership Manager to the staff.
- 20 Buildings & Grounds** - Increase in salaries.
- 21 Tobin Center** - \$20K in landscaping (includes triangle lot) along with an increase in maintenance and repairs as building ages.
- 22 Production** - Restructuring Department head to VP, along with an increase in maintenance and repairs as building ages.

	<u>2019 Budget</u>	<u>2018 Q3 Forecast</u>	<u>Variance to 2018 Forecast - Fav (Unfav)</u>	<u>% Variance</u>	
Non Operational Items					
Capital Campaign					
Capital Campaign		(800)			
Garage funding (City / County)	\$ -	563,894	-	0%	
Investments	\$ -	(3,085)	3,085	-100%	
Expenses	\$ -	(5,595)	5,595	-100%	
Total Capital Campaign	\$ -	554,414	(554,414)	-100%	
Interest Expense					
Line of Credit (P. 30)	\$ (390,285)	(445,669)	55,384	-12%	23
Parking Garage (P. 30)	\$ (326,220)	(300,011)	(26,209)	9%	24
Non Cash Items					
Time Value of Money Adjustment on Pledges	\$ 465,988	474,762	(8,774)	-2%	25
Depreciation Expense Note (P. 30)	\$ (5,200,200)	(5,146,088)	(54,112)	1%	
Net Income After Interest & Depreciation	\$ (5,018,134)	\$ (4,454,403)	(563,731)	13%	
Budgeted Capital Expenditures	\$ 304,100				

Explanations to variances over \$10K

23 Line of Credit - As the line of credit gets paid down, the interest expense will be reduced.

24 Parking Garage Note - Rate increase in September will result in an increase in interest for 2019

25 TVM Pledges - As the terms remaining on our Capital Campaign Pledges shortens the adjustment to the time value of money grows.