

OLD SCHOOL SQUARE

DOWNTOWN DELRAY

Mid-Year Progress Report

Administration & Operational Strategy Updates:

- *Executive & Management:*
 - President/CEO search is currently underway, with a timeline in place to hire in October 2019.
 - Facility Director applications are currently being accepted. Anticipated hire dated late June.
 - A Finance Director has been hired and will begin in June.
- *Organizational Structure:*
 - OSS is currently revising our Organizational Chart and updating job descriptions to improve employee efficiency and streamline operations to decrease overtime and duplication of duties. A preliminary draft of the chart has been prepared and is under review and drafts of updated job descriptions are being prepared.
 - Currently pursuing an internship program with FAU for marketing and advertising support.
 - Looking to expand the volunteer program to assist staff, including community service program for high school students.
- *Formation of new Board Committees:*
 - Grants Committee – Created with the mission to supplement Old School Square revenue with support from private and public foundations and corporations to support specific programming.
 - Accomplishments to date: \$20,000 donation from Lewis Cassett Foundation
 - Current tasks:
 - In contact with a private Foundation for funding Cornell Art Museum operations.
 - Researching programming for kitchen project and communicating with potential community partners about collaborative opportunities, as well as restaurateurs about their needs in terms of employment training
 - Researching corporations for in-kind contributions for technical support of Old School Square's theatre
 - Programming Committee – Created to assist with engineering a season with a broad appeal and creating a consistent approach to profitability.
 - Marketing Committee – The goal of the committee is to evaluate how marketing dollars are spent between inside and outside resources and determine how we can spend them more effectively. The committee also provides market guidance to internal staff on marketing decisions in place of an internal marketing director.
 - Accomplishments to date:
 - Conducted interviews with key staff members and outside marketing counsel, Damn Good Agency

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- Provided direct feedback to the staff on specific marketing decisions related to the Crest Theater
- Established a strategy for using outside resources for the remainder of their contract
- Assessed the marketing needs of the organization going forward.
- Current tasks:
 - Provide report to OSS Executive Committee on findings and recommendations
 - Plan to work closely with the development and marketing staff on marketing and profiling of OSS members and donors
- Development Committee – The goal of this committee is to create and implement a formal development plan for OSS, nurturing ongoing patron support and increasing overall donor revenue.
- CEO Search Committee – tasked with finding new Executive Leadership for OSS. Evaluated and hired an outside firm then worked with them to develop a detailed job description, desirable traits and characteristics, and qualification criteria. The search launched in April 2019 with an anticipated hire date of October 2019.

Rental Services Department Updates

- Pricing inconsistencies in pricing, outdated procedures and staffing misalignments limited OSS ability to realize revenue potential from rental services. To correct these deficiencies, OSS has completed overhauled the department, resulting in a 35% overall increase in revenue for the first half of the fiscal year, as compared to the prior year. Changes implemented include:
 - Implementation of a new software system in October 2018 to manage the calendar and billing functions
 - Introduction of new rental pricing in October 2018:
 - A-la-carte pricing replaced all-inclusive pricing, allowing better expense recovery and improved revenue.
 - Four pricing levels were introduced: Retail, Event Planners, Non-Profit Partner, and Local Government. These price levels eliminate the need for individual pricing negotiations and improving efficiency and consistency.
 - New price sheets were created, allowing additional staff to assist in pricing and booking rentals. This increased rental booking rates by improving customer response time.
 - A new full-time rental coordinator was hired in March to manage calendar bookings, contracts and invoicing.

Theatre Department Updates

- Recognizing the need to improve overall performance profitability, OSS continued to focus on quality over quantity strategy, with a focus on improved marketing, higher audience density and decreased expenses.

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- Improved season planning resulted in a 12% decrease in programming expenses over the previous year.
- Staffing adjustments and improved scheduling resulted in a 28% decrease in overtime over the prior year.
- Planning for the upcoming 2019-20 Season is currently underway to further improve ticket sales and sponsorships while managing expenses
 - A new Ovation subscription series will be added to 2019-20 Season. Subscriptions encourage increased ticket sales by allowing patrons to select seats & renew annually with discounted ticket price and earlier sales windows. Subscriptions improve revenue predictability and decrease marketing expenses.
 - Preliminary programming budget for 2019-20 Season is conservatively based on 60% ticket sales with net income \$23,000 greater than the prior year.
 - Price breaks have been identified for each venue and used to create a simple system for estimating show profitability.

Creative Arts School

- The Creative Art School has remained a consistent revenue source for OSS. In 2018, the part-time staff was eliminated to decrease expenses.
- For the current fiscal year, efforts are focused on improving attendance through effective marketing.
- Year-to-date, revenues are 8% higher than the prior year, with no significant change in expenses. This improvement is the result of strategic marketing efforts, including a shift toward digital advertising and the replacement of a season brochure with a smaller marketing piece that could be sent to a larger number of people.

Cornell Art Museum

- This fiscal year-to-date, the Cornell has seen admissions increase by 18% and sponsorships by 24% over the prior year.
- New marketing strategies have been effective in attracting visitors. The most dramatic of these was our Social Media Influencer Event, where prominent social media personas were invited to an exclusive exhibition opening event and encouraged to promote our exhibition online.

Development Department Updates

- The Development Committee hired the Kannico Agency to:
 - Provide development and fundraising training for Department Heads and Board Members. Training will continue through the end of this fiscal year.
 - Develop a new Case Statement for support of Old School Square.
 - Create a comprehensive Development Plan to identify goals, objectives and methodology. We anticipate completion this fall.
- New sponsorship marketing materials have been developed

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- OSS received a \$250,000 anonymous matching donation in the fall of 2018 and met 100% of the match.
- Margaret Blume has generously donated \$300,000 to begin renovation of the Crest Theatre Building. Her total pledge for the renovation is \$900,000, with an estimated total project expense of \$1.2M. The goal of the project is to increase revenue for OSS by creating a more functional and visually appealing space. OSS will initiate a fund drive to raise the additional funds. The scope of the renovation includes:
 - Opening & expansion of the current lobby bar to allow more efficient service
 - Installation of a new bar in the Producer's Lounge/Library area to increase bar revenue and provide member benefits to drive membership sales.
 - Upgrade of 2 existing restrooms to ADA – compliance and improvements of all 1st-floor restrooms.
 - Installation of a commercial kitchen with the opportunity to generate additional revenue through educational classes.
- OSS is currently planning to utilize the renovated kitchen for future job training programs for residents in collaboration with the City and local non-profits. Training would be provided free of charge as an economic development initiative consistent with the City's goals. Training may include bar-back, line cook, server, bartender, and dishwasher. ESOL classes are also under consideration. OSS expects to implement this plan by the end of next fiscal year.

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Case for Support

Why Old School Square Matters

The many people who love Old School Square like to say that it's "the beating heart of Delray Beach." When you make a visit, you will quickly understand what folks are talking about. What you will find is a warm, vibrant, historic landmark bursting with opportunities for you to join with others to experience the visual and performing arts...and celebrate one another.

Old School Square is the natural gathering place for all of Delray Beach. As an example, Old School Square warmly embraced a frightened and stricken community as Delray Beach townspeople gathered from every neighborhood at Old School Square where they comforted one another and searched for a way to heal together following the Marjorie Stoneham Douglass School shootings, Conversely, Old School Square is also the place where the community comes to celebrate together. It was Old School Square that hosted the last Olympic torch ceremony, where it proudly illuminated Delray Beach, and the community gathered to cheer for the U.S.A.

Old School Square, and the visual and performing arts that are at its heart, bring us together and foster community. At Old School Square you can feel the wondrous magic of making the arts an integral part of your life, and you can witness the ways that magic infuses the lives of everyone who embraces it.

Old School Square is a unique place where you will find art and artists both inside AND outside its museum, its Creative Arts School, and its theater. Every one of us has the ability to create and to come together to make our community a rich, creative, strong and cohesive place. That's what Old School Square is all about...bringing people together to build strength and connection through the visual and performing arts.

Since man first took chalk to the walls of a cave, artists, designers, and arts organizations have had a role in shaping our lives. The idea that art can shape a community is as old as human civilization, and it has been happening in America for years.

When you visit Old School Square, you will be reminded how the arts can stir those deep feelings that are hard to articulate, and how the arts can inspire you to stretch beyond the concrete to imagine a vibrant, exciting future. At Old School Square you will be reminded that we're all creative beings — and that whether you are making art or music, telling stories or sharing in the visual or performing arts, we are all connected.

Old School Square is an Economic Driver. It contributes to community vitality, creates jobs, revitalizes neighborhoods and contributes to cultural tourism. Old School Square helps attract local economic growth and creates new ground for you to come together with people of different cultures and backgrounds.

Old School Square is a Collaborator. Through use of multi-venue environments, Old School Square supports a variety of non-profits from small arts collaboratives to health and human services agencies, ensuring that community-wide, charitable activities benefit. Old School Square provides a way for the community to express itself, teaches multiculturalism, fosters trust among participants, and increases the trust of others.

Old School Square is a Center for Education. By providing extended and enhanced learning opportunities, hands-on practicums and access to best practices, OSS offers you and scholars young and old broad exposure to cultural activities. OSS is helping to educate citizens who appreciate the arts and culture, who overlook economic disparities, and help to equalize access to the arts in our community.

What Old School Square Means to the Community

The History. Old School Square was established in 1986 when a group of concerned citizens saved a 4.5-acre site that housed a c.1913 elementary school and the c.1925 Delray High School campus and buildings. Forgotten and abandoned, the stately buildings were at risk of being razed when a group of creative thinkers decided those beautiful buildings could be put to better use. Founders shared a vision of celebrating the past and preserving campus history while also creating an exciting future. Today, Old School Square is encouraging fresh perspectives and innovative approaches to engage you in multi-disciplinary arts and entertainment offerings.

“Old School Square is the soul of Delray Beach. It was the key catalyst for the revitalization of downtown Delray, and now it is the place where the community gathers in times of celebration and in times of healing.”

Frances Bourque, founder, board member & donor

The City of Delray Beach owns the buildings of Old School Square and leases them to the 501(C)3 non-profit organization. For the benefit of the community it serves, Old School Square has raised millions of dollars to restore the historic facilities, modernizing and beautifying the theater and museum and adding an expansive outdoor pavilion on the grounds. Visit Old School Square and you will experience for yourself how lovingly it has been restored and converted

into a lively center of cultural expression and creativity. You will enjoy the beautiful Cornell Art Museum, the Crest Theatre, the School of Creative Arts and the light-filled Fieldhouse. Once a gymnasium, the Fieldhouse is now home to dozens of community events each year.

The Mission. Old School Square’s mission is to be the community’s cultural center and gathering place for enriching the lives of community members by providing a total arts experience through visual and performing arts, education, and entertainment, while preserving its National Historic Site.

*In 2017, **Americans for the Arts** reported that 67 percent of Americans believe “the arts unify our communities regardless of age, race, and ethnicity,” and 62 percent agree that the arts “help me understand other cultures better.”*

By making good on its promise to bring artists and audiences together, presenting the highest quality nationally and internationally recognized performing arts programming, and inspiring artists and educators to expand creative thinking, Old School Square is fulfilling its mission.

The Values. With its team of dedicated staff, board, and volunteers who embrace cultural diversity, work to establish strong partnerships, and protect its historic buildings, Old School Square strives to provide superior professional performing and visual arts programming.

The Vision. Old School Square is dedicated to offering a broad range of programs and services that will inspire every segment of the community to participate. Fueled by the generous financial support of its members and friends in the community, Old School Square will achieve solid financial stability and will experience continued growth as a multi-disciplinary organization, leading the City's plan to be a national cultural arts destination.

With a mission to be the cultural center and gathering place for Delray Beach, Old School Square has a lot happening. When you meet the staff and board members, you are sure to be impressed by their unflagging dedication and enthusiasm.

Old School Square is a change agent. Universally accepted as the primary catalyst in the transformation from "Dullray" Beach to Delray Beach, Old School Square presents a steady stream of cultural, entertainment, and educational offerings. Neighboring Atlantic Avenue has morphed from a run-down, blighted thoroughfare to one of the most dynamic locations in South Florida.

Old School Square's strategic location draws tourists and visitors into the downtown area. From Old School Square's central hub, you can stroll eastward or westward along Atlantic Avenue towards restaurants and shops. Area businesses and local residents understand the significant financial impact Old School Square has on their revenue streams, and thus have significant financial reason to support Old School Square and celebrate the cultural experience it provides.

The Old School Square campus includes the Crest Theatre, Cornell Art Museum, Fieldhouse, Pavilion, and the Creative Arts School. Each of the five venues lends its own unique character to the immersive art experience and collectively draws its audience of over 500,000 annually from Palm Beach, Broward, and Martin Counties and beyond.

*According to the **Economic Impact Report on Cultural Tourism** published by the Palm Beach Cultural Council in June 2018, Old School Square is responsible for \$59,817,202 in total spending and significant economic impacts on Palm Beach County including:*

- 1320 Total FTE Jobs
- \$25,643,000 Additional Household Income
- \$2,495,000 Local Government Revenue
- \$2,930,000 State Government Revenue

The Cornell Art Museum (CAM) is the principal orchestrator of community outreach opportunities offered at Old School Square. Its Spotlight Gallery hosts feature exhibitions in collaboration with First Friday Art Walk, a year-long feature event of the Delray Beach Downtown Development Authority. At the Art Walk you will discover talented but unknown local and national artists. CAM partners with local art groups to curate, manage, and promote art exhibitions that benefit local arts related causes. The Spotlight Gallery fosters connection and conversation among the participating artists and with the community, allowing underserved artists a valuable opportunity for their art to be appreciated. Some of Old School Square's partners in Spotlight Gallery exhibits are:

- Milagro Center
- Florida Atlantic University
- Palm Beach State College
- Delray Art League
- National Association of Women Artists
- Women in the Visual Arts

Additionally, the Cornell Art Museum offers a robust schedule of Art Talks featuring artists exhibiting in the main gallery, Spotlight Gallery artists, and our own Creative Art School instructors. The Museum Store at Old School Square also features the works of 50 artists each year. The works are all consigned and inventory is continually changing. Exhibiting artists receive 70% of consignment sales and the Museum retains the remaining 30% to sustain its work. The Museum Store presents a valuable opportunity for unrepresented artists to display their work in a highly trafficked Atlantic Avenue location.

Currently, Old School Square offers a full season of over 3,000 cultural and entertainment activities: 3 museum exhibitions, 4 nationally ranked professional theater shows, 6 Crest Theatre family events, 5 Broadway Cabaret shows starring major Broadway performers, 4 comedy shows in partnership with “Catch a Rising Star” national comedy club, and 5 local showcase performances in the Fieldhouse as well as ticketed and free concerts held throughout the year at the Outdoor Pavilion.

Old School Square is *THE* collaborator in Delray Beach. In addition to producing its own full calendar of performances, exhibitions, and classes in 2018, a grant from Delray Beach CRA allowed Old School Square to ensure the success of fundraising events for some 60+ other non-profits.

By providing free or reduced-cost rental space, logistical assistance and expertise, Old School Square staff leveraged resources to produce profitable events for dozens of charitable causes ill-equipped to produce these events on their own. With assistance from Old School Square’s expert staff, a variety of charitable organizations are able to substantially support their missions.

In 2018, half of Old School Square’s staff members spent 30% of their time working on behalf of other area charitable causes.

Supporting the local nonprofit sector is one of Old School Square’s most important core values. Leadership believes this high level of community support is key to successfully fulfilling the mission of serving as a trusted pillar of the community. Take a look at the list below of charities OSS has supported. You are very likely to find Old School Square has helped more than one of your favorites.

Tackling the Need

As Old School Square boldly leads in the rising tide of Delray Beach –you and other residents and visitors will benefit from its presence. You are invited to become an integral part of its exciting future. When Old School Square thrives, the community thrives too. With your support and strong community collaboration, Old School Square will strengthen its mission of being the community’s cultural center and gathering place. With your help, Old School Square will achieve its vision of enriching the lives of all the people who live in Delray Beach, and those visitors who come to bask in the glow of a cohesive community.

2018 Old School Square Community Impact Snapshot

- 60 local non-profits held events at Old School Square
 - 350,000 people attended these events
 - \$195,000 in discounts were given to area non-profits
- \$300,000 in free staff services were provided to area non-profits*

The 2018 Old School Square budget was just over \$3 million. Support from the city and minor support from the state and private foundations help underwrite general operations while sponsorships, donations, and ticket sales contribute to the cost of OSS’s seasonal productions. That support and the current level of philanthropy from generous local patrons and foundations simply cannot continue to cover the cost of Old School Square’s operations.

*This is a composite average. Costs may vary widely depending on support needed. For example, the costs of a full-scale theatrical production are far greater than a Kindergarten art show.

Where Old School Square Is Headed

OSS’s immediate goal for 2019 is to continue to provide its current level of cultural and entertainment offerings as well as the services that support the charitable, educational, and cultural needs of our community.

Today, OSS meets that ambitious undertaking with only 15 staff members, including many who work part-time and an annual budget of just over \$3,000,000 -- not nearly enough.

Old School Square is making a difference with an excellent, wide-range of cultural and entertainment programming. Our outstanding services are increasing the profitability and effectiveness of non-profit organizations across the region.

In fact, current donors are so passionate about the role that Old School Square plays in our community that one of them has stepped forward with a 1 for 1 match, up to \$250,000, to be completed by September 30, 2019. Please consider participating in this important ***Old School Square 2019 Gift Match***.

Opportunities for Support

While there are many ways to meaningfully support its work, OSS is currently seeking partners to help fund services in two key areas of impact:

- **Support current programming and build OSS infrastructure for future growth and expansion.** With 80% of state funding cut for the arts in Florida, your support will help sustain the current level of programming, providing a robust array of cultural arts and entertainment opportunities. You will have a vital role in building a strong infrastructure that will ensure Old School Square's ability to raise needed funds to grow its efforts going forward and to increase its community outreach.
- **Offer services to the area's many non-profit organizations.** You can also help OSS continue to offer its high level of support to other non-profits and provide reduced cost or free access to Old School Square facilities and resources. Old School Square's goals can only be met with your support. Your support may take many forms. For instance, you may choose to underwrite the costs of Old School Square staff as they deliver supportive event services to area non-profits, or you can also designate your gift as an offset toward reduced or waived rental income.

Thank You in Advance!

Every gift, every dime, and every dollar you contribute toward Old School Square's significant funding needs is appreciated. Please consider how you might partner to fund priority programs while you and Old School Square enjoy double the value through the **2019 Gift Match**. **For a limited time**, any gift you make will qualify for matching funds (up to a total of \$250,000). **Thank you** for supporting the work of Old School Square. You will be helping to sustain and expand Delray Beach's role as a primary center for arts and entertainment in South Florida.

Old School Square Non-Profit Collaborators

- Achievement Centers (children and families)
- American Lung Association (health)
- Arts Garage (visual and performing arts)
- Atlantic Community High School (education)
- Avenue Church (family strengthening)
- Boca Raton Singers/Boca Community Choir (performing arts)
- Boys Scouts of America, City of Delray Beach (children)
- Community Redevelopment Agency (poverty relief)
- CROS Ministries/Caring Kitchen (feeding program)
- Dance Theater of Florida (performing arts)
- Delray Beach Chamber of Commerce Foundation (community strengthening)
- Delray Art League (visual arts)
- Delray Beach Drug Task Force (drug prevention)
- Delray Beach Interfaith Clergy Association (community strengthening)
- Delray Beach Community Land Trust (local development)
- Delray Beach Fire Rescue
- Delray Beach Historical Society
- Delray Beach Police Department
- Delray Beach Public Art Advisory Board
- Florida Atlantic University
- Greenmarket in the Park (health)
- Hispano-Latino Cultural Alliance
- Impact 100
- Lynn University
- Mental Health Counselors Association of Palm Beach County
- Milagro Center
- Palm Beach Chamber Music Festival
- Palm Beach County Food Bank
- Palm Beach Poetry Festival (performing arts)
- Palm Beach Technology Association (advancement of technology)
- Plumosa Elementary School of the Arts
- Spady Cultural Heritage Museum
- School of the Arts Foundation (Dreyfoos)
- Southern Handcraft Society
- Treasure Coast Regional Planning Council
- US Army Field Band/Jazz Ambassadors
- Weinbaum Yeshiva High School (education)
- YMCA of South Palm Beach County (family services)

Old School Square

Fiscal Sustainability Forecast

Progress Report fiscal year-to-date 03-31-2019

Theatre Programming

	Fiscal Year 2018-19 Budget (Pro Forma)	Fiscal Year-to-Date 03-31-2019 Budget	Fiscal Year-to-Date 03-31-2019 Actual	FYTD Var. \$	FYTD Var. %
Theatre Programming					
Direct Revenue	980,000	683,520	719,214	35,694	5%
Direct Expenses	(1,250,000)	(862,010)	(825,327)	36,683	4%
Box Office Expense	(135,000)	(68,513)	(67,139)	1,374	-2%
Sub Total	(405,000)	(247,004)	(173,252)	73,752	30%
Overhead Allocations (+/-)	212,860	101,420	145,446	44,026	43%
Net after Allocations	(192,140)	(145,584)	(27,806)	117,778	81%

Pro-Forma Programming Goals

YTD Programming Results

1	Attendance projected to improve by 5-10% to a goal of 65% sales	1	The total number of shows decreased by 40% from previous year, however FYTD average attendance per show has increased by 25%.
2	Continuing focus on marketing strategies to improve sales	2	Marketing and advertising has been outsourced to an outside agency, focus on improving sales continues.
3	Target 5% overall reduction in programming expenses	3	FYTD programming expenses are 12% lower than previous year.
4	Overtime will continue to fall as we develop a more seasoned core theatre technical staff	4	FYTD theatre department overtime is 28% lower than previous year.
5	Sponsorship levels remain stable	5	FYTD Sponsorships are 4% lower than previous year.
6	Additional theatre equipment acquired through	6	This goal has not yet been realized.

Creative Arts School

Creative Arts School	Fiscal Year 2018-19 Budget (Pro Forma)	Fiscal Year-to-Date 03-31-2019 Budget	Fiscal Year-to-Date 03-31-2019 Actual	FYTD Var. \$	FYTD Var. %
Direct Revenue	345,000	155,500	350,000	194,500	125%
Direct Expenses	(325,000)	(178,633)	(330,000)	(151,367)	-85%
Sub Total	20,000	(23,133)	20,000	43,133	-186%
Overhead Allocations (+/-)	(54,553)	(4,328)	11,650	15,979	369%
Net after Allocations	(34,553)	(27,461)	31,650	59,112	-215%

Pro-Forma Programming Goals		YTD Programming Results	
1	No significant revenue increase expected	1	FYTD revenues are 8% higher than previous year.
2	No significant expense increase expected	2	FYTD expenses have not significantly changed from prior year.

Cornell Art Museum

Cornell Art Museum	Fiscal Year 2018-19 Budget (Pro Forma)	Fiscal Year-to-Date 03-31-2019 Budget	Fiscal Year-to-Date 03-31-2019 Actual	FYTD Var. \$	FYTD Var. %
Direct Revenue	190,000	109,024	107,661	(1,363)	-1%
Direct Expenses	(220,000)	(153,276)	(177,119)	(23,843)	-16%
Sub Total	(30,000)	(44,252)	(69,458)	(25,206)	57%
Overhead Allocations (+/-)	(42,670)	16,175	36,135	19,960	-123%
Net after Allocations	(72,670)	(28,077)	(33,323)	(5,246)	-19%

Pro-Forma Programming Goals		YTD Programming Results	
1	As museum reputation grows - Admission revenue will grow 15-17%	1	FYTD admissions are 18% higher than previous year.
2	3% increase in expenses	2	5% increase in FYTD expenses, due to museum exhibition opening and month-to-month variances.
3	25% increase in exhibition underwriting	3	FYTD Sponsorships are 24% higher than previous year.

Rental Services

	Fiscal Year 2018-19 Budget (Pro Forma)	Fiscal Year-to-Date 03-31-2019 Budget	Fiscal Year-to-Date 03-31-2019 Actual	FYTD Var. \$	FYTD Var. %
Rental Services					
Direct Revenue	375,000	253,054	354,884	101,830	40%
Direct Expenses	(240,000)	(120,506)	(174,699)	(54,193)	-45%
Sub Total	135,000	132,548	180,185	47,637	36%
Overhead Allocations (+/-)	77,013	64,889	9,177	(55,711)	-86%
Net after Allocations	212,013	197,437	189,363	(8,074)	-4%

Pro-Forma Programming Goals		YTD Programming Results	
1	7% increase in revenues as rental rate increases and expanded marketing efforts take hold	1	FYTD revenue is 35% higher than previous year.

	FY 2018-2019		FY 2017-2018	FY 2016-2017	FY 2015-2016
Income	FY 2018-19 Year-to-Date 03/31/2019	FY 2018-19 Budget	FY 2017-18 Year-to-Date 09/30/2018	FY 2016-17 Year-to-Date 9/30/2017	FY 2015-16 Year-to-Date 06/30/16
Fees, Tickets, Registration, etc.	1,236,789	1,577,200	1,346,124	1,591,962	1,094,799
Sponsorships	118,552	155,000	-	-	11,500
Individual Donations/Membership	204,122	195,000	264,482	869,199	204,563
Major Gifts	650,000	290,000	-	-	20,000
Government- Local/County	87,163	174,326	164,112	144,335	146,340
Government- State	4,660	9,321	(200,072)	(161,027)	301,590
In-Kind	14,822	25,000	37,637	7,414	2,575
Interest Income	-	-	14,297	57,569	83,425
Membership			147,153	88,540	15,250
CRA Actual or Requested	250,000	750,000	600,000	412,500	412,500
City of Delray Beach - from CRA	125,000	-	300,000	250,000	250,000
Other: Outdoor Concerts, Rentals, Fri Preservation Fees/Volunteer Tours			329,830	427,983	345,012
Other: Fundraising Events/Sponsorships			18,289	6,744	52,196
Miscellaneous			177,012	48,903	181,587
Other: Recovered Program Expenses	84,688	118,600			37,030
Other: Miscellaneous	37,501	1,000			
Other: Discounts to Partners (In Kind)	244,276	175,000	474,704	349,399	197,248
Total Income	3,057,573	3,470,447	3,673,568	4,093,521	3,355,615
Expense	FY 2018-19 Year-to-Date 03/31/2019	FY 2018-19 Budget	FY 2017-18 Year-to-Date 09/30/2018	FY 2016-17 Year-to-Date 9/30/2017	FY 2015-16 Year-to-Date 09/30/16
Salaries & Related Taxes	647,887	1,382,543	1,472,804	1,547,766	1,508,302
Fringe Benefits	65,736	139,146	119,301	176,247	154,510
Professional Svcs/Consulting	48,505	49,100	45,219	54,910	21,620
Insurance	18,607	41,900	37,846	45,451	33,599
Licenses, Registration, Permits	16,554	22,000	21,070	17,949	1,769

Conferences			7,450	9,378	4,319
Copying & Printing	92	1,000	886	2,280	13,182
Equipment Rental/Maintenance	63,436	84,500	89,329	32,950	73,911
Rent/Mortgage & Maintenance	64,228	99,208	109,044	101,820	56,541
Utilities	100,653	178,450	86,725	88,515	79,031
Telecommunication	23,612	46,200	48,945	48,434	26,612
Office & Program Supplies	13,651	24,500	39,012	24,904	11,314
Postage & Delivery	27,066	34,500	63,962	50,190	43,431
Local Travel	30	500	23,989	13,083	4,106
Capital Expenditures	-	42,000	-	-	-
Advertising & Fundraising	146,737	272,500	235,817	243,180	212,112
Discount Given to Partners	244,276	175,000	474,704	349,399	197,248
Performer Fees	299,800	385,000	523,300	756,713	486,809
Program Expense	332,450	335,000	401,867	581,016	419,717
Other: Cost of Goods Sold	45,951	42,500			
Other: In kind expense	14,077	25,000			
Sub-Total Expenses	2,173,348	3,380,547	3,801,270	4,144,185	3,348,133
Admin/Indirect Expense	41,714	89,900	147,004	160,536	290,797
Total Expense	2,215,062	3,470,447	3,948,274	4,304,721	3,638,930
NET INCOME	842,511	-	(274,706)	(211,200)	(283,315)
<i>Less restricted donation</i>	<i>(400,000)</i>				
<i>Adjusted Net Income</i>	442,511				



FISCAL SUSTAINABILITY FORECAST

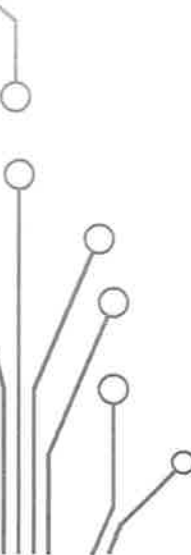

2017-2020 | OLD SCHOOL SQUARE



MISSION STATEMENT

- The mission of Old School Square is to be the community's cultural center and gathering place for enriching the lives of all people by providing a total arts experience through visual and performing arts, education, and entertainment, while preserving our National Historic Site.

Vision Perspective

- Community gathering place
 - Financially strong
 - Relevant, recognized and appreciated community asset
 - Economic driver for local businesses
 - Artistically/Aesthetically/Functionally in synch with the community
 - Provide a diverse cultural, educational, and entertainment experience
 - Evolve into an Arts and Entertainment Park
- 
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RATIONALE FOR SUPPORT

- Outstanding Municipal **Investment**
 - Over 500,000 guests visit Old School Square to attend a cultural event every year making the campus the #1 venue in Palm Beach County
 - Old School Square hosts over 3,000 public offerings per year
 - The Creative Arts School has over 1,550 registrations for fine art classes every year
 - Old School Square plays host to over 300 events for over 70 local organizations at a reduced or \$0 rent
 - The Cornell Museum is undergoing a \$1mm, privately funded renovation and will be one of the most significant destination assets in Delray Beach
 - With a staff of 20, a budget of \$3.5mm – Old School Square is the most efficient venue in Palm Beach County by a very wide margin
 - Total impact of Old School Square with the addition of the Amphitheatre according to the Americans for the Arts – Arts and Economic Prosperity Calculator IV
 - Additional spending in Delray Beach - \$16,686,000
 - Total FTE Jobs – 504
 - Additional Household Income created - \$11,142,750
 - Local Government Revenue - \$785,673
 - State Government Revenue - \$876,704
 - Old School Square's fund raising capacity as a 501c3 allows us to operate this historic site and multi-disciplinary, cultural campus while achieving a tremendous cost savings to the taxpayers
 - Underfunding Old School Square operations contributed significantly to the depletion of the organizations reserves

FISCAL SUSTAINABILITY OVERVIEW

- Old School Square Center for the Arts, Inc., a 501c3 non-profit, has been continuously evolving to meet the needs of the community for over 25 years
- Several private bequests have been utilized to compensate for significant operating losses at OSS for more than a decade
- 2 years ago, the board of directors of OSS conducted a national search to find a President/CEO charged with reversing the operational short falls
- The board of OSS unanimously approved a Strategic Plan and Comprehensive Development Plan to address these key issues:
 - Increase the relevance, value, census, image, functionality, diversity, and fiscal sustainability of OSS
 - Evaluate and correct operational and business practices
 - Create a Development (fund raising) function at OSS
 - Achieve fiscal sustainability with consistent revenue streams from operations, development efforts, and municipal support
- We are currently in a position where our reserves have been exhausted and we will require additional municipal support until our strategic and development changes have taken effect. This forecast demonstrates the rationale for increased near-term support and establishes OSS's ability to reduce this support over the next few years
- **We have established Business Units: Programming, Creative Arts School, Museum, Rentals. As each of these profit centers become self sustaining, we anticipate a reduction in the amount of municipal support needed to sustain OSS annual operations**

PROGRAMMING

PROGRAMMING BUSINESS UNIT	FY 2015-16 Actual	2016-17 Projected	2017-18 Budget Proposal	2018-19 Budget Forecast	2019-20 Budget Forecast
Direct Revenue	\$ 626,657	\$ 819,401	\$ 920,477	\$ 980,000	\$ 1,100,000
Direct Expense	\$ (1,106,544)	\$ (1,683,071)	\$ (1,397,352)	\$ (1,250,000)	\$ (1,233,750)
Box Office Expense	\$ (107,142)	\$ (137,500)	\$ (133,042)	\$ (135,000)	\$ (137,500)
Sub Total	\$ (587,030)	\$ (1,001,169)	\$ (609,917)	\$ (405,000)	\$ (271,250)
Overhead Allocations (+/-)	\$ 268,921	\$ 358,917	\$ 313,661	\$ 212,860	\$ 158,800
Net after Overhead Allocations	\$ (318,108)	\$ (642,252)	\$ (296,256)	\$ (192,140)	\$ (112,450)

Programming Assumptions

2016-2017 Projected	<ol style="list-style-type: none"> 1. Attendance was low as market was not prepared for expanded programming, subscription changes, etc. Changes not expected from OSS. 2. Programming budget was based on overly aggressive attendance assumptions of 80-100% 3. Marketing resources were not adequate to meet the demands of the expanded offerings 4. Labor expenses and overtime increased as a result of having to move equipment to/from all 3 campus venues 5. High technical expenses due to overlapping events and limited attention to calendar function 6. Limited success in garnering sponsorships without dedicated development staff 7. Florida Grant revenue cut by \$10,650 - state allocation cut - additional \$30,000 cut in 17-18 8. Loss of on campus festivals resulted in OSS bearing the cost of tent rental on the pavilion grounds - \$60,000
2017-2018 Projected	<ol style="list-style-type: none"> 1. Programming budgets are based on attendance assumptions of 50-60% - New programming analysis model in place 2. Completely redesigned marketing function will be coming online. New website and smart phone application 3. Reduced programming calendar reduces advertising expense 4. Targeted 12-15% overall reduction in theatre expenses 5. Addition of a dedicated Development Coordinator to increase sponsorships 6. Balanced programming calendar will decrease need for rental equipment by 30% 7. Talent contract being negotiated more aggressively
2018-2019 Projected	<ol style="list-style-type: none"> 1. Attendance project to improve by 5-10% to a goal of 65% sales 2. Continuing focus on marketing strategies to improve sales 3. Target 5% overall reduction in programming expenses 4. Overtime will continue to fall as we develop a more seasoned core theatre technical staff 5. Sponsorship levels remain stable 6. Additional theatre equipment acquired through outside donations will further reduce rental expenses
2019-2020 Projected	<ol style="list-style-type: none"> 1. Attendance projected to improve by 10% to a goal of 75% sales 2. Continuing focus on marketing strategies to improve sales 3. Targeted to maintain expense levels 4. Sponsorship levels remain stable

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CREATIVE ARTS SCHOOL BUSINESS UNIT	FY 2015-16 Actual	2016-17 Projected	2017-18 Budget Proposal	2018-19 Budget Forecast	2019-20 Budget Forecast
Direct Revenue	\$ 309,482	\$ 341,368	\$ 341,750	\$ 345,000	\$ 350,000
Direct Expense	\$ (306,141)	\$ (305,404)	\$ (320,260)	\$ (325,000)	\$ (330,000)
Sub Total	\$ 3,341	\$ 35,963	\$ 21,490	\$ 20,000	\$ 20,000
Overhead Allocations (+/-)	\$ (103,881)	\$ (94,294)	\$ (61,110)	\$ (54,553)	\$ (51,700)
Net after Overhead Allocations	\$ (100,540)	\$ (58,331)	\$ (39,619)	\$ (34,553)	\$ (31,700)

Creative Arts School Assumptions

2016-2017 Projected	1. Revenue was in line with budget 2. 9% increase in expenses due to increased payroll and instructor fees
2017-2018 Projected	1. No significant revenue increase expected 2. No significant expense increase expected
2018-2019 Projected	1. No significant revenue increase expected 2. No significant expense increase expected
2019-2020 Projected	1. No significant revenue increase expected 2. No significant expense increase expected

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CORNELL MUSEUM BUSINESS UNIT	FY 2015-16 Actual	2016-17 Projected	2017-18 Budget Proposal	2018-19 Budget Forecast	2019-20 Budget Forecast
Direct Revenue	\$ 79,978	\$ 71,840	\$ 160,500	\$ 190,000	\$ 220,000
Direct Expense	\$ (208,265)	\$ (218,895)	\$ (222,839)	\$ (220,000)	\$ (225,750)
Sub Total	\$ (128,287)	\$ (147,055)	\$ (62,339)	\$ (30,000)	\$ (5,750)
Overhead Allocations (+/-)	\$ (78,494)	\$ (83,194)	\$ (55,006)	\$ (42,670)	\$ (38,100)
Net after Overhead Allocations	\$ (206,781)	\$ (230,249)	\$ (117,345)	\$ (72,670)	\$ (43,850)

Museum Assumptions

2016-2017 Projected	<ol style="list-style-type: none"> 1. Museum closed from May through September for \$1,000,000 privately funded interior renovations. No admission donations or Museum store sales. 2. Exceeded budget due primarily to high shipping and insurance costs associated with higher value and scale of exhibits
2017-2018 Projected	<ol style="list-style-type: none"> 1. Number of exhibition will be reduced from 3 to 2 annually 2. Implementing an admission fee program - conservatively estimating that admission revenue will remain the same 3. Art on the Square revenue estimated to increase by 30% 4. Budgeting \$40,000 per exhibit underwriting support 5. No gain on reduction of exhibits - money saved will be reallocated on improving the quality of the exhibits and adding staff
2018-2019 Projected	<ol style="list-style-type: none"> 1. As museum reputation grows - admission revenue will grow - 15-17% 2. 3% increase in expenses 3. 25% increase in exhibition underwriting
2019-2020 Projected	<ol style="list-style-type: none"> 1. Admission revenue grows 7% 2. 3% increase in expenses

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RENTAL SERVICES BUSINESS UNIT	FY 2015-16 Actual	2016-17 Projected	2017-18 Budget Proposal	2018-19 Budget Forecast	2019-20 Budget Forecast
Direct Revenue	\$ 473,216	\$ 352,098	\$ 353,500	\$ 375,000	\$ 400,000
Direct Expenses	\$ (323,563)	\$ (247,915)	\$ (227,872)	\$ (240,000)	\$ (245,000)
Sub Total	\$ 149,653	\$ 104,183	\$ 125,628	\$ 135,000	\$ 155,000
Overhead Allocations (+/-)	\$ 50,566	\$ 36,046	\$ 78,999	\$ 77,013	\$ 53,000
Net after Overhead Allocations	\$ 200,219	\$ 140,229	\$ 204,627	\$ 212,013	\$ 208,000

Rental Services Assumptions

2016-2017 Projected	<ol style="list-style-type: none"> 1. Over \$30,000 revenue lost with cancellation of campus festivals 2. 3-5% decrease in expenses 3. Increased use of outside caterers and bartenders will reduce overtime
2017-2018 Projected	<ol style="list-style-type: none"> 1. 6% increase in revenues projected with implementation of new Food and Beverage program and increase marketing efforts for rentals 2.
2018-2019 Projected	<ol style="list-style-type: none"> 1. 7% increase in revenues as rental rate increases and expanded marketing efforts take hold 2.
2019-2020 Projected	<ol style="list-style-type: none"> 1. 2.

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	2015-16 Actual	2016-17 Projected	2017-18 Budget Proposal	2018-19 Budget Forecast	2019-20 Budget Forecast
Programming/Theatre	-\$318,108	-\$642,252	-\$296,256	-\$192,140	-\$112,450
Cornell Art Museum	-\$254,781	-\$230,249	-\$117,345	-\$72,670	-\$43,850
Creative Arts School	-\$100,540	-\$58,331	-\$39,619	-\$34,553	-\$31,700
Rental Services	\$140,219	\$140,229	\$204,627	\$212,013	\$208,000
Return of FL Endowment	\$240,000	-\$240,000			
Cornell Renovation Donation (Blume)		\$720,000			
Total Operational Income	-\$293,210	-\$310,602	-\$248,593	-\$87,350	\$20,000
Supplemental Development Revenue *			\$300,000	\$300,000	\$300,000
Net Income	-\$293,210	-\$310,602	\$51,407	\$212,650	\$320,000
Municipal Support **					
CRA	\$412,500	\$662,500	\$600,000	\$500,000	\$400,000
Delray	\$250,000		\$300,000	\$250,000	\$250,000
	\$662,500	\$662,500	\$900,000	\$750,000	\$650,000

Notes	Net Operational Income reflects acceptance of \$240,000 FL Endowment revenue	Net Operational Income reflects return of (\$240,000) FL Endowment revenue	Increase in City of Delray Beach and CRA Support	Reduction in City of Delray Beach and CRA Support	Reduction in CRA Support. Municipal support below 2015 levels

* In addition to \$200,000 of Major Gift development revenue included in the fiscal year budget for each of the forecast years

** Included in consolidating revenue above