

A decorative graphic on the left side of the slide, consisting of light blue lines and circles that resemble a circuit board or data flow diagram. The lines are vertical and horizontal, with small circles at various points, creating a network-like structure.

FISCAL SUSTAINABILITY FORECAST

2020-2023 | 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 501(c)(3) 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 Arts Education Campus

RATIONALE FOR SUPPORT

- Outstanding Municipal **Investment**
 - Over 800,000 guests visit Old School Square to attend a event every year making the campus the #1 venue in Palm Beach County
 - Old School Square hosts over 3,600 public/private offerings per year
 - The Creative Arts School has over 3317 registrations for fine and performing arts classes including a virtual children's performing arts summer camp which are provided on our campus and via Zoom and caters to both a national and international audience
 - Old School Square plays host to over 300 events for over 70 local non-profit organizations at a significantly reduced rent
 - The Cornell Museum has undergone a \$1M, privately funded renovation and is one of the most significant destination assets in Delray Beach
 - The Crest building is undergoing a \$1.5M, privately funded renovation including the building of a new commercial kitchen, renovated rental spaces, painting of the entire interior of the building, refinishing/carpeting of all the floors
 - With a staff of 22, a budget of \$3.9M and 3600 events – Old School Square is the most utilized, understaffed and under funded (private donations, private/public grants, sponsorships) venue in Palm Beach County
 - According to the American's for the Arts Economic Prosperity Calculator, the total Economic impact of Old School Square is \$101M annually
 - Until October of 2019, Old School Square did not promote itself as a 501(c)(3) organization or have a consistant Development Director. The result is the community largely believes that OSS is a City entity, which has resulted in underfunding by the community and potential sponsors

FISCAL SUSTAINABILITY OVERVIEW

- Old School Square, a 501(c)(3) non-profit, has been continuously evolving to meet the needs of the community for over 29 years
- Several private bequests were used to compensate for significant operating losses at OSS for more than a decade
- A national search for a new President and CEO was completed in 2019, she has been charged with:
 - Rebranding the organization as a 501(c)(3) organization
 - Diversify the programming on the stages and in the Creative Art School
 - Develop educational and outreach programs
 - Evaluate and correct operational and business practices
 - Create a Development (fund raising) function at OSS
 - Achieve fiscal sustainability with consistent revenue streams through operations, fundraising and municipal support
- The Staff at OSS has been evaluated and strategic moves were made to put employees in positions where their strengths lie
- A Development Position was created and new fundraising tactics were approved by the Board
- A Marketing Director was hired and a clear plan is in place for re-branding
- Relationships were developed with Principals at the public primary and middle schools and educational and outreach strategies were discussed and in the case of the middle school, tested successfully
- New financial and operational procedures were put into place, a new auditor hired
- Until COVID-19, OSS was on track to make or exceed budget for FY 2020

PROGRAMMING

PROGRAMMING BUSINESS UNIT	FY 2019-20 Actual	2019-20 Projected	2020-21 Budget Proposal	2021-22 Budget Forecast	2022-23 Budget Forecast
Direct Revenue	\$ 655,553	\$ 655,553	\$ 1,708,982	1,726,072	1,777,854
Direct Expense	\$ (192,713)	\$ (218,653)	\$ (1,130,000)	\$ (1,141,300)	\$ (1,175,539)
Box Office Expense	\$ (60,875)	\$ (76,336)	\$ (137,500)	\$ (138,875)	\$ (143,041)
Sub Total	\$ 401,965	\$ 360,564	\$ 441,482	\$ 445,897	\$ 459,274
Overhead Allocations (+/-)	\$ (528,534)	\$ (528,534)	\$ (650,000)	\$ (656,500)	\$ (676,195)
Net after Overhead Allocations	\$ (126,569)	\$ (167,970)	\$ (208,518)	\$ (210,603)	\$ (216,921)

Programming Assumptions

2019-2020 Projected	<ol style="list-style-type: none"> 1. Due to COVID-19 target was not met. 2. TDC Grant was cut by 30%
2020-2021 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
2021-2022 Projected	<ol style="list-style-type: none"> 1. Attendance and sales goals project to improve by 1%. 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
2022-2023 Projected	<ol style="list-style-type: none"> 1. Attendance projected to improve by 3% 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 2019-20 Actual	2019-20 Projected	2020-21 Budget Proposal	2021-22 Budget Forecast	2022-23 Budget Forecast
Direct Revenue	\$ 172,503	\$ 282,425	\$ 285,249	\$ 293,806	\$ 302,620
Direct Expense	\$ (51,128)	\$ (100,863)	\$ (182,050)	\$ (183,871)	\$ (189,387)
Sub Total	\$ 121,375	\$ 181,262	\$ 103,199	\$ 109,935	\$ 113,233
Overhead Allocations (+/-)	\$ (3,397)	\$ (6,047)	\$ (50,000)	\$ (51,700)	\$ (53,251)
Net after Overhead Allocations	\$ 117,978	\$ 175,215	\$ 53,199	\$ 58,235	\$ 59,982

Creative Arts School Assumptions

2019-2020 Projected	1. Revenue was in line with budget prior to COVID-19 2. No significant expense increase expected.
2020-2021 Projected	1. 3% increase expected due to virtual classes. 2. Increase in expenses due to increased payroll and instructor fees.
2021-2022 Projected	1. No significant revenue increase expected 2. No significant expense increase expected
2022-2023 Projected	1. No significant revenue increase expected 2. No significant expense increase expected

CORNELL MUSEUM BUSINESS UNIT	FY 2019-20 Actual	2019-20 Projected	2020-21 Budget Proposal	2021-22 Budget Forecast	2022-23 Budget Forecast
Direct Revenue	\$ 43,844	\$ 45,364	\$ 113,410	\$ 114,544	\$ 117,980
Direct Expense	\$ (60,249)	\$ (60,249)	\$ (108,249)	\$ (111,496)	\$ (114,841)
Sub Total	\$ (16,405)	\$ (14,885)	\$ 5,161	\$ 3,048	\$ 3,139
Overhead Allocations (+/-)	\$ (55,328)	\$ (55,328)	\$ (68,503)	\$ (69,188)	\$ (71,264)
Net after Overhead Allocations	\$ (71,733)	\$ (70,213)	\$ (63,342)	\$ (66,140)	\$ (68,125)

Museum Assumptions

2019-2020 Projected	<ol style="list-style-type: none"> 1. Museum was closed for the entire months of October, March, April and May where there was no admissions, donations or Museum store sales. 2. Budget was not met due to COVID-19
2020-2021 Projected	<ol style="list-style-type: none"> 1. Special Events revenue and expenses will no longer be classified under Museum, but will be classified under under Special Events. 2. Admissions/ Donations will be classified as such and New Membership program will be implemented. 3. Museum merchant store will go virtual.
2021-2022 Projected	<ol style="list-style-type: none"> 1. As museum reputation grows – admission and membership revenue will grow. 2. 3% increase in expenses
2022-2023 Projected	<ol style="list-style-type: none"> 1. Admission revenue grows 3% 2. 3% increase in expenses

RENTAL SERVICES

RENTAL SERVICES BUSINESS UNIT	FY 2019-20 Actual	2019-20 Projected	2020-21 Budget Proposal	2021-22 Budget Forecast	2022-23 Budget Forecast
Direct Revenue	\$ 265,837	\$ 265,837	\$ 400,000	\$ 404,000	\$ 416,120
Direct Expenses	\$ (117,119)	\$ (131,935)	\$ (245,000)	\$ (247,450)	\$ (254,874)
Sub Total	\$ 148,718	\$ 133,902	\$ 155,000	\$ 156,550	\$ 161,246
Overhead Allocations (+/-)	\$ 14,326	\$ 14,326	\$ 53,000	\$ 53,530	\$ 55,136
Net after Overhead Allocations	\$ 163,044	\$ 148,228	\$ 208,000	\$ 210,080	\$ 216,382

Rental Services Assumptions

2019-2020 Projected	1. Over \$150,000 revenue lost due to COVID-19
2020-2021 Projected	1. Increase in revenue as rental rate increases, and rental numbers increase. 2. No significant expense increase expected.
2021-2022 Projected	1. No significant revenue increase expected. 2. No significant expense increase expected.
2022-2023 Projected	1. 3% Increase in revenues as rental rate increases.

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	2019-20 Actual	2019-20 Projected	2020-21 Budget Proposal	2021-22 Budget Forecast	2022-23 Budget Forecast
Programming/Theatre	-\$318,108	-\$642,252	-\$296,256	-\$192,140	-\$112,450
Cornell Art Museum	-\$71,733	-\$70,213	-\$63,342	-\$66,140	-\$68,125
Creative Arts School	\$117,978	\$175,215	\$53,199	\$58,235	\$59,982
Rental Services	\$163,044	\$148,228	\$208,000	\$210,080	\$216,382
Payroll Protection Program	\$309,709	\$309,709			
Crest Renovation Donation (Blume)		\$200,000			
Total Operational Income	\$200,890	\$261,113	-\$98,399	10,035	\$95,789
Supplemental Development Revenue			\$300,000	\$300,000	\$300,000
Net Income	-\$293,210	-\$310,602	\$201,601	\$310,035	\$395,789
Municipal Support **					
CRA	\$375,000	\$750,000	\$900,000	\$900,000	\$900,000
	\$375,000	\$750,000	\$900,000	\$900,000	\$900,000

Notes	Net Operational Income reflects acceptance of \$309,709 PPP	Net Operational Income reflects Use of PPP	Increase in CRA Support	Maintain CRA Support	Maintain CRA Support

* 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