



City of San Antonio

Agenda Memorandum

File Number:18-1424

Agenda Item Number: 14.

Agenda Date: 1/18/2018

In Control: City Council A Session

DEPARTMENT HEAD: Lori Houston

DEPARTMENT: City Manager's Office

COUNCIL DISTRICTS IMPACTED: City-wide

SUBJECT:

Funding Agreement with the Bexar County Performing Arts Center Foundation in the amount of \$368,400.00 to support the San Antonio Symphony

SUMMARY:

This ordinance authorizes a funding agreement with the Bexar County Performing Arts Center Foundation (Tobin Center) in the amount of \$368,400. The funding will be used to cover expenses associated with the support and production services that the Tobin provides to the San Antonio Symphony. The Symphony Society of San Antonio supports this item.

BACKGROUND INFORMATION:

The Fiscal Year 2018 Budget approved \$614,000 for the San Antonio Symphony. The funding was awarded through the City's competitive arts funding process for Fiscal Year's 2017 and 2018. The funding agreement for Fiscal Year 2018 was with Symphonic Music for San Antonio (SMSA), which was created in July of 2017. SMSA was managing the Symphony on behalf of the Symphony Society of San Antonio (SSSA) in an effort to restructure and rebrand the organizations. In December 2017, SMSA and SSSA announced they were no longer working on a transition.

Per the funding agreement with SMSA, 40% or \$245,600 was disbursed in the Fall, and 50% was to be disbursed in January 2018 and the remaining 10% in June 2018. SSSA has indicated they would like to continue the season and has requested the remaining \$368,400 in funding.

ISSUE:

SSSA has requested that the City provide them the \$368,400 in remaining funds that are budgeted. Staff has reviewed their budget and the schedule for the rest of the season. The budget for the proposed season is \$3.6 million. The majority of their revenue is from advanced ticket sales, projected ticket sales and pledges.

The City of San Antonio is supportive of the San Antonio Symphony and wants the 2018 season to continue. Based on the draft schedule that SSSA provided, they will produce 13 concerts and continue the 3 Young People's Concert. All but 3 of these concerts are held at the Tobin Center. SSSA has budgeted \$322,000 for expenses associated with the production of the 10 concerts at the Tobin Center. This includes expenses associated with rental fees, janitorial services, security, and stage hands. Additionally, SSSA and Tobin Center have a shared services agreement in which the Tobin Center provides services to SSSA to support their back office needs such as accounting, technology, marketing, and ticket sales. SSSA has budgeted \$155,000 for the remainder of the year to support this agreement.

In order to continue the support of the San Antonio Symphony and ensure that the City's funding is used to support the production of the remaining concerts, staff is recommending that the City execute a funding agreement with the Tobin Center in the amount of \$368,400. The City's funding would only be used to support the expenses the Tobin Center incurs for the support and production of the remainder of the Symphony season. This arrangement would provide SSSA access to \$368,400 they otherwise would have paid to the Tobin Center.

The funding will be issued to the Tobin Center in three separate disbursements and the Tobin Center will be required to submit financial reports detailing SSSA's expenses. SSSA will be responsible for any expenses after the City's \$368,400 is exhausted. In the event the remainder of the season is suspended, the Tobin will reimburse the City any funding that was not used to support its production. The funding is not to support the general operations of the Tobin Center and is solely restricted to facility expenses that SSSA incurs in the execution of performances.

ALTERNATIVES:

If City Council does not approve the funding agreement, the remainder of the 2018 San Antonio Symphony will be impacted and could be suspended.

FISCAL IMPACT:

This is a one-time expenditure in the amount of \$368,400 to provide funding for expenses associated with the support and production services that the Tobin provides to the San Antonio Symphony.

The City's Department of Art and Culture administers a competitive bi-annual process for eligible arts organizations to apply for funding to support their operations. Through this competitive process, \$614,000 was awarded to Symphonic Music for San Antonio. Of this amount \$245,600 has been disbursed. Through this action, the remaining FY 2018 Arts & Cultural Agency funding in the amount of \$368,400 is proposed to be reprogrammed to Bexar County Performing Arts Center Foundation. There is no additional funding being provided for the symphony other than what was previously adopted in the Fiscal Year 2018 Budget. Future funding for the 2019 Symphony will be contingent upon receipt of a long term funding strategy for the San Antonio Symphony.

RECOMMENDATION:

Staff recommends approval of this item.