

Greensboro Performing Arts Center Operating Pro Forma

Introduction

The operating model is developed to provide information that will be useful as the new facility is planned, developed and ultimately operated. The pro forma was custom-developed to reflect the proposed design, site and financing structure developed during the study, informed by current practices of the city, as well as performing arts facility trends and operational norms.

AMS studied a variety of operating models and developed multiple pro formas for review and discussion with the City and Task Force.

At the direction of the client this version contemplates management of the facility by the Greensboro Coliseum.

Assumptions

Aside from data-specific assumptions, certain structural assumptions have been made regarding the overall construction of the model:

- The forecast refers to building form, facility space descriptions and other physical dimensions as provided by H3 and the project team
- AMS evaluated the financial ramifications of a structure with one main space: a +/- 3,000 seat Auditorium based on the building program provided by Theatre Consultants Collaborative
- The pro-forma assumes operation of the facility sub- contracted to the Greensboro Coliseum
- The pro-forma assumes a third-party Broadway partner and a mix of rentals and co-promotions for concert and popular programming¹
- All financial estimates refer to the facility's "Base Year" as the first stable year of operations, or year three in the model
- All estimates for facility utilization are based upon research conducted by AMS in 2012, during the time of this study
- Projected activity was developed from the Phase I Market Assessment, with further adjustment directed by Coliseum staff

¹ Broadway and co-promotion terms are modeled after current practice at the Coliseum. AMS believes that in a new facility, management may be able to negotiate more favorable terms with promoters.

- All estimates are in 2012 dollars and include a provision for an annual expenses escalation factor of 3% and a biennial revenue escalation factor of 3%
- The model includes an operating expense contingency of +5%. This contingency is not applied to debt service or arts infrastructure support.
- The pro-forma is a model and should not be considered to be a budget which would be more appropriately developed closer to actual operation – outcomes will certainly be different as assumptions and market conditions change
- Concessions, Ticket Rebates and Broadway and Concert Revenues are shown net of all show-specific expenses.
- This model does not include any pre-opening or transition expenses (e.g. capital investments, grand opening events, investment in plant, property and equipment)
- A projection of activity for the Pavilion space is not included in this model (other than box office services)
- Occupancy costs are based on best practices in the performing arts sector, Building Owners and Managers Association International (BOMA) data for the Greensboro market and information from the Carolina Theater.
- Detailed financial information on War Memorial Auditorium operations was not available to the consultants due to the difficulty in separating Auditorium expenses from other Coliseum operations; therefore in some cases assumptions were drawn from national best practices in the performing arts center sector.
- A fee of \$3.00 per ticket sold is included, \$2.00 of which is dedicated to debt service and \$1.00 of which is allocated to an arts stabilization initiative.

It should be noted that the projections represent a forecast of the most likely results of operation and are based on current conditions and forecasts of use. This forecast is not a budget and it must be recognized that the utilization estimate is not an exact schedule of activity, given that the building is still in design and will not open for some time. Changes are to be expected and the forecast should be revisited periodically.

Summary

In a base year of operation (year 3) Greensboro Performing Arts Center (GPAC) has 149 public events and a total audience of 293,100 as follows:

Greensboro Performing Arts Center: Pro Forma Operating Model				
Activity Estimates				
	Year 3: Base Operating Year			
	# of Events	Tickets Sold	Average Ticket price	Total Attendance
Broadway	24	2,100	\$ 60	
Broadway Blockbuster	16	2,800	\$ 85	
Symphony Orchestra	13	1,200	\$ 30	
Symphony Pops	4	2,500	\$ 30	
Bryan Lecture Series	5	2,500	\$ 37	
Holiday Production	12	1,600	\$ 35	
Opera	2	1,400	\$ 45	
Student Play or Concert	12	1,500	\$ -	
Dance Recital/Talent Competition	11	1,000	\$ -	
Other Non Profit Uses	8	1,100	\$ -	
Other Commercial Uses - Family	8	1,800	\$ 25	
Other Comm'l Uses - Concert Co-Pro	14	2,500	\$ 45	
Other Comm'l Uses - Concert - Rental	12	2,750	\$ 50	
Other Commercial Uses	8	2,200	\$ 30	
TOTAL	149			293,100

Year three, the base year, shows an operating loss of \$86,000:

Greensboro Performing Arts Center
Pro Forma

Greensboro Performing Arts Center: Pro Forma Operating Model	
SUMMARY PRO FORMA	Base Year (in 000s)
EARNED REVENUES	
Rental Income	\$643
Broadway net	\$355
Concessions net	\$163
Preservation Fee	\$0
Ticketing Fee	\$789
Ticketing Rebate net	\$404
Other Operating Revenue	\$84
TOTAL EARNED REVENUES	\$2,438
OPERATING EXPENSES	
Management Contract	\$1,652
Debt Service (funded by Ticket Fee)	\$526
Arts Stabilization Fund (funded by Ticket)	\$263
Expense Contingency	\$83
TOTAL OPERATING EXPENSES	\$2,524
OPERATING RESULT	(\$86)

Details follow.

Greensboro Performing Arts Center: Pro Forma Operating Model

Model Assumptions

Owner (Public or Private)	Public
Operator (Public or Private)	Public
Operator as presenter	No
Broadway model (presenter, co-presenter, rental)	Co-Presenter
Does the PAC charge rent as an expense?	No
Total Tickets Sold in the Base Year	293,100
Facility Management (Public or Private)	Public
Ticketing Services (Public, Private or Outsourced)	Public
Expense Contingency	5%
Benefits & Taxes Rate	43%
Ticket Fee (average)	\$ 3.00
Preservation Fee	\$ -
Ticketing Rebate	\$ 4.00
% of ALL Concert Activity in Ticket Rebate Split	75%
GPAC % of Ticketing Rebate Split	50%
% Tickets calculated in Rebate	53%
Credit Card Commission (average)	3%
% Tickets Sold on Credit Card	90%
Co-pro calculation (vs. rent)	12%
Co-pro calculation (vs. rent) for Concerts	10%
Concert Rent capped at \$8000	Yes
Company Share Calculation % of net	65%
Company Blockbuster Co-Presentation calculation % of net	95%
GPAC Broadway Co-Presentation calculation % of net	50%
Management Fee	
Computer Expenses at \$2000/head/year	Yes
Expenses Escalation	3%
Revenues Escalation (every other year)	3%
Gross square footage	97,965

Greensboro Performing Arts Center: Pro Forma Operating Model	OPERATING PHASE				
SUMMARY PRO FORMA	Year 1	Year 2	Base Year	Year 4	Year 5
	(in 000s)	(in 000s)	(in 000s)	(in 000s)	(in 000s)
EARNED REVENUES					
Rental Income	\$570	\$559	\$643	\$634	\$720
Broadway net	\$308	\$317	\$355	\$446	\$446
Concessions net	\$146	\$154	\$163	\$166	\$186
Preservation Fee	\$0	\$0	\$0	\$0	\$0
Ticketing Fee	\$689	\$740	\$789	\$801	\$913
Ticketing Rebate net	\$360	\$384	\$404	\$411	\$457
Other Operating Revenue	\$79	\$82	\$84	\$87	\$90
TOTAL EARNED REVENUES	\$2,150	\$2,237	\$2,438	\$2,545	\$2,811
OPERATING EXPENSES					
Management Contract	\$1,557	\$1,604	\$1,652	\$1,702	\$1,753
Debt Service (funded by Ticket Fee)	\$459	\$493	\$526	\$534	\$609
Arts Stabilization Fund (funded by Ticket Fee)	\$230	\$247	\$263	\$267	\$304
Expense Contingency	\$78	\$80	\$83	\$85	\$88
TOTAL OPERATING EXPENSES	\$2,324	\$2,424	\$2,524	\$2,588	\$2,754
OPERATING RESULT	(\$174)	(\$188)	(\$86)	(\$43)	\$57
SUPPORT & FUNDING					
TOTAL FUNDING	\$0	\$0	\$0	\$0	\$0
Endowment Income	\$0	\$0	\$0	\$0	\$0
RESULTS AFTER FUNDING	(\$174)	(\$188)	(\$86)	(\$43)	\$57
Cumulative Surplus		(\$362)	(\$448)	(\$490)	(\$433)
% earned	100%	100%	100%	100%	100%

Greensboro Performing Arts Center: Pro Forma Operating Model					
REVENUE SUMMARY					
	Year 1	Year 2	Base Year	Year 4	Year 5
	(in 000s)	(in 000s)	(in 000s)	(in 000s)	(in 000s)
Facility Rental					
Theatre	\$570	\$559	\$643	\$634	\$720
Chargebacks net	\$35	\$37	\$38	\$40	\$43
Other Spaces	\$0	\$0	\$0	\$0	\$0
<i>Sub-Total, Facility Rental</i>	\$605	\$596	\$681	\$674	\$763
Other Operating Revenue					
Broadway net revenues after split	\$308	\$317	\$355	\$446	\$446
Concessions net	\$146	\$154	\$163	\$166	\$186
Preservation Fee	\$0	\$0	\$0	\$0	\$0
Ticket Rebate net	\$360	\$384	\$404	\$411	\$457
Ticket Fee	\$689	\$740	\$789	\$801	\$913
Catering Commission	\$7	\$7	\$7	\$7	\$7
Merchandise Commission	\$37	\$38	\$38	\$39	\$39
Other Operating Revenue	\$0	\$0	\$0	\$0	\$0
<i>Sub-Total, Other Operating Revenue</i>	\$1,546	\$1,640	\$1,757	\$1,871	\$2,048
TOTAL OPERATING REVENUES	\$2,150	\$2,237	\$2,438	\$2,545	\$2,811
Support & Funding					
Government Support	\$0	\$0	\$0	\$0	\$0
Individual Contributions / Memberships	\$0	\$0	\$0	\$0	\$0
Major Gifts	\$0	\$0	\$0	\$0	\$0
Foundation Support	\$0	\$0	\$0	\$0	\$0
Corporate Support (Philanthropy)	\$0	\$0	\$0	\$0	\$0
Sponsorships	\$0	\$0	\$0	\$0	\$0
Tax Revenue	\$0	\$0	\$0	\$0	\$0
In-Kind Gifts	\$0	\$0	\$0	\$0	\$0
Special Events (net)	\$0	\$0	\$0	\$0	\$0
Miscellaneous Income	\$0	\$0	\$0	\$0	\$0
<i>Sub-Total, Funding</i>	\$0	\$0	\$0	\$0	\$0
Endowment Income	\$0	\$0	\$0	\$0	\$0
TOTAL REVENUES	\$2,150	\$2,237	\$2,438	\$2,545	\$2,811

Greensboro Performing Arts Center: Pro Forma Operating Model					
EXPENSE SUMMARY					
	Year 1	Year 2	Base Year	Year 4	Year 5
	(in 000s)	(in 000s)	(in 000s)	(in 000s)	(in 000s)
Trust Administration					
Compensation	\$0	\$0	\$0	\$0	\$0
Insurances & Bonding	\$0	\$0	\$0	\$0	\$0
HR & Payroll	\$0	\$0	\$0	\$0	\$0
Telephone - (based on headcount)	\$0	\$0	\$0	\$0	\$0
Information Services Support & Website	\$0	\$0	\$0	\$0	\$0
Postal & Mailing - Gen'l	\$0	\$0	\$0	\$0	\$0
Printing & Copying, General	\$0	\$0	\$0	\$0	\$0
Travel, Meetings, Mileage	\$0	\$0	\$0	\$0	\$0
Memberships, Publications, Subscriptions & Dues	\$0	\$0	\$0	\$0	\$0
Office Supplies & Equipment	\$0	\$0	\$0	\$0	\$0
Professional Development/Recruitment	\$0	\$0	\$0	\$0	\$0
Other	\$0	\$0	\$0	\$0	\$0
Sub Total, Admin. & Fin.	\$0	\$0	\$0	\$0	\$0
Other Expenses					
Management Contract	\$1,557	\$1,604	\$1,652	\$1,702	\$1,753
Debt Service (funded by Ticket Fee)	\$459	\$493	\$526	\$534	\$609
Arts Stabilization Fund (funded by Preservation Fee)	\$230	\$247	\$263	\$267	\$304
Other	\$0	\$0	\$0	\$0	\$0
Sub-Total, Other Expenses	\$2,246	\$2,344	\$2,441	\$2,503	\$2,666
TOTAL OPERATING EXPENSES	\$2,246	\$2,344	\$2,441	\$2,503	\$2,666
Expense Contingency	\$78	\$80	\$83	\$85	\$88

Greensboro Performing Arts Center: Pro Forma Operating Model							
Rental Rates	Rent	BASE RATE	Year 1	Year 2	Base Year	Year 4	Year 5
Broadway Rates							
Performance	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Second Performance (in a day)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (with no performance)	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dark Day	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Commercial Rates							
Performance	\$3,500	\$3,500	\$3,500	\$3,605	\$3,605	\$3,713	\$3,713
Second Performance (in a day)	\$1,750	\$1,750	\$1,750	\$1,803	\$1,803	\$1,857	\$1,857
Rehearsal/Tech/Load-in/Load-Out (with no performance)	\$1,750	\$1,750	\$1,750	\$1,803	\$1,803	\$1,857	\$1,857
Dark Day	\$1,750	\$1,750	\$1,750	\$1,803	\$1,803	\$1,857	\$1,857
Non Profit Rates							
Performance	\$2,500	\$2,500	\$2,500	\$2,575	\$2,575	\$2,652	\$2,652
Second Performance (in a day)	\$1,250	\$1,250	\$1,250	\$1,288	\$1,288	\$1,326	\$1,326
Rehearsal/Tech/Load-in/Load-Out (with no performance)	\$1,250	\$1,250	\$1,250	\$1,288	\$1,288	\$1,326	\$1,326
Dark Day	\$1,250	\$1,250	\$1,250	\$1,288	\$1,288	\$1,326	\$1,326

Greensboro Performing Arts Center: Pro Forma Operating Model

UTILIZATION PROJECTIONS	Year 1			Year 2			Base Year			Year 4			Year 5		
	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge
Broadway															
Performance	12	\$0	\$0	12	\$0	\$0	18	\$0	\$0	30	\$0	\$0	24	\$0	\$0
Second Performance (in a day)	8	\$0	\$0	8	\$0	\$0	6	\$0	\$0	10	\$0	\$0	8	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	8	\$0	\$0	8	\$0	\$0	6	\$0	\$0	10	\$0	\$0	8	\$0	\$0
Dark Day	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
Performance, blockbuster	12	\$0	\$0	12	\$0	\$0	12	\$0	\$0	0	\$0	\$0	12	\$0	\$0
Second Performance (in a day)	4	\$0	\$0	4	\$0	\$0	4	\$0	\$0	0	\$0	\$0	4	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	2	\$0	\$0	2	\$0	\$0	2	\$0	\$0	0	\$0	\$0	2	\$0	\$0
Dark Day	1	\$0	\$0	1	\$0	\$0	1	\$0	\$0	0	\$0	\$0	1	\$0	\$0
TOTAL BROADWAY	15		\$0	15		\$0	21		\$0	30		\$0	27		\$0
Symphony Orchestra															
Performance	22	\$2,500	\$55,000	22	\$2,575	\$56,650	22	\$2,575	\$56,650	22	\$2,652	\$58,350	22	\$2,652	\$58,350
Second Performance (in a day)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	44	\$1,250	\$55,000	44	\$1,288	\$56,650	44	\$1,288	\$56,650	44	\$1,326	\$58,350	44	\$1,326	\$58,350
Dark Day	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
TOTAL SYMPHONY ORCHESTRA	66		\$110,000	66		\$113,300	66		\$113,300	66		\$116,699	66		\$116,699
Bryan Lecture Series															
Performance	5	\$2,500	\$12,500	5	\$2,575	\$12,875	5	\$2,575	\$12,875	5	\$2,652	\$13,261	5	\$2,652	\$13,261
Second Performance (in a day)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Dark Day	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
TOTAL BRYAN	5		\$12,500	5		\$12,875	5		\$12,875	5		\$13,261	5		\$13,261
Holiday Production															
Performance	8	\$6,720	\$53,760	0	\$6,922	\$0	8	\$6,922	\$55,373	0	\$7,129	\$0	8	\$7,129	\$57,034
Second Performance (in a day)	4	\$0	\$0	0	\$0	\$0	4	\$0	\$0	0	\$0	\$0	4	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	2	\$0	\$0	0	\$0	\$0	2	\$0	\$0	0	\$0	\$0	2	\$0	\$0
Dark Day	2	\$0	\$0	0	\$0	\$0	2	\$0	\$0	0	\$0	\$0	2	\$0	\$0
TOTAL HOLIDAY PRODUCTION	12		\$53,760	0		\$0	12		\$55,373	0		\$0	12		\$57,034
Opera															
Performance	2	\$2,500	\$5,000	2	\$2,575	\$5,150	2	\$2,575	\$5,150	2	\$2,652	\$5,305	2	\$2,652	\$5,305
Second Performance (in a day)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	10	\$1,250	\$12,500	10	\$1,288	\$12,875	10	\$1,288	\$12,875	10	\$1,326	\$13,261	10	\$1,326	\$13,261
Dark Day	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
TOTAL OPERA	12		\$17,500	12		\$18,025	12		\$18,025	12		\$18,566	12		\$18,566
Student or Youth															

Greensboro Performing Arts Center: Pro Forma Operating Model

UTILIZATION PROJECTIONS	Year 1			Year 2			Base Year			Year 4			Year 5		
	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge	Use Days	Rental Rate	Rental Charge
Performance	23	\$2,500	\$57,500	23	\$2,575	\$59,225	23	\$2,575	\$59,225	23	\$2,652	\$61,002	23	\$2,652	\$61,002
Second Performance (in a day)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	12	\$1,250	\$14,375	12	\$1,288	\$14,806	12	\$1,288	\$14,806	12	\$1,326	\$15,250	12	\$1,326	\$15,250
Dark Day	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
TOTAL NONPROFIT USES	34.5		\$71,875	34.5		\$74,031	34.5		\$74,031	34.5		\$76,252	34.5		\$76,252
Other Non Profit Uses															
Performance	8	\$2,500	\$20,000	8	\$2,575	\$20,600	8	\$2,575	\$20,600	8	\$2,652	\$21,218	8	\$2,652	\$21,218
Second Performance (in a day)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
Dark Day	0	\$1,250	\$0	0	\$1,288	\$0	0	\$1,288	\$0	0	\$1,326	\$0	0	\$1,326	\$0
TOTAL NONPROFIT USES - Non-ticketed	8		\$20,000	8		\$20,600	8		\$20,600	8		\$21,218	8		\$21,218
Commercial Uses - Family															
Performance	4	\$5,400	\$21,600	4	\$5,562	\$22,248	4	\$5,562	\$22,248	4	\$5,729	\$22,915	4	\$5,729	\$22,915
Second Performance (in a day)	4	\$0	\$0	4	\$0	\$0	4	\$0	\$0	4	\$0	\$0	4	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	2	\$0	\$0	2	\$0	\$0	2	\$0	\$0	2	\$0	\$0	2	\$0	\$0
Dark Day	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
TOTAL COMMERCIAL USES - FAMILY	6		\$21,600	6		\$22,248	6		\$22,248	6		\$22,915	6		\$22,915
Commercial Uses - Concert															
Performance - Co-Pro	12	\$11,250	\$135,000	13	\$11,588	\$150,638	14	\$11,588	\$162,225	15	\$11,935	\$179,027	16	\$11,935	\$190,962
Performance - Rental	10	\$8,000	\$80,000	11	\$8,240	\$90,640	12	\$8,240	\$98,880	13	\$8,487	\$110,334	14	\$8,487	\$118,821
Second Performance (in a day)	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
Dark Day	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
COMMERCIAL USES - CONCERT	12		\$215,000	13		\$241,278	14		\$261,105	15		\$289,360	16		\$309,783
Commercial Uses - Other															
Performance	6	\$7,920	\$47,520	7	\$8,158	\$57,103	8	\$8,158	\$65,261	9	\$8,402	\$75,621	10	\$8,402	\$84,023
Second Performance (in a day)	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
Rehearsal/Tech/Load-in/Load-Out (no perf)	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
Dark Day	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0	0	\$0	\$0
TOTAL COMMERCIAL USES - OTHER	6		\$47,520	7		\$57,103	8		\$65,261	9		\$75,621	10		\$84,023
HALL USE DAYS	197		\$569,755	187		\$559,460	205		\$642,818	196		\$633,893	217		\$719,752
TOTAL EVENTS W/AUDIENCES	134			124			142			132			154		

Greensboro Performing Arts Center: Pro Forma Operating Model																						
BOX OFFICE VOLUME & CHARGES REVENUES																						
	Tickets Sold	Average Ticket price	Year 1				Year 2				Base Year				Year 4				Year 5			
			# of Events	Box Office Revenues	Preservation Fee	Ticket Fee	# of Events	Box Office Revenues	Preservation Fee	Ticket Fee	# of Events	Box Office Revenues	Preservation Fee	Ticket Fee	# of Events	Box Office Revenues	Preservation Fee	Ticket Fee	# of Events	Box Office Revenues	Preservation Fee	Ticket Fee
Broadway	2,100	\$ 60	20	\$2,520,000	\$-	\$126,000	20	\$2,595,600	\$-	\$129,780	24	\$3,114,720	\$-	\$155,736	40	\$5,346,936	\$-	\$267,347	32	\$4,277,549	\$-	\$213,877
Broadway Blockbuster	2,800	\$ 85	16	\$3,808,000	\$-	\$134,400	16	\$3,922,240	\$-	\$138,432	16	\$3,922,240	\$-	\$138,432	0	\$-	\$-	\$-	16	\$4,039,907	\$-	\$142,585
Symphony Orchestra	1,200	\$ 30	13		\$-	\$46,800	13		\$-	\$48,204	13		\$-	\$48,204	13		\$-	\$49,650	13		\$-	\$49,650
Symphony Pops	2,500	\$ 30	4		\$-	\$30,000	4		\$-	\$30,900	4		\$-	\$30,900	4		\$-	\$31,827	4		\$-	\$31,827
Bryan Lecture Series	2,500	\$ 37	5		\$-	\$37,500	5		\$-	\$38,625	5		\$-	\$38,625	5		\$-	\$39,784	5		\$-	\$39,784
Holiday Production	1,600	\$ 35	12		\$-	\$57,600	12		\$-	\$59,328	12		\$-	\$59,328	12		\$-	\$61,108	12		\$-	\$61,108
Opera	1,400	\$ 45	2		\$-	\$8,400	2		\$-	\$8,652	2		\$-	\$8,652	2		\$-	\$8,912	2		\$-	\$8,912
Student Play or Concert	1,500		12				12				12				12				12			
Dance Recital/Talent Competition	1,000		11				11				11				11				11			
Other Non Profit Uses	1,100		8				8				8				8				8			
Other Commercial Uses - Family	1,800	\$ 25	8		\$-	\$43,200	8		\$-	\$44,496	8		\$-	\$44,496	8		\$-	\$45,831	8		\$-	\$45,831
Other Comm'l Uses - Concert Co-Pro	2,500	\$ 45	12		\$-	\$90,000	13		\$-	\$100,425	14		\$-	\$108,150	15		\$-	\$119,351	16		\$-	\$127,308
Other Comm'l Uses - Concert - Rental	2,750	\$ 50	10		\$-	\$75,000	11		\$-	\$93,473	12		\$-	\$101,970	13		\$-	\$113,782	14		\$-	\$122,534
Other Commercial Uses	2,200	\$ 30	6		\$-	\$39,600	7		\$-	\$47,586	8		\$-	\$54,384	9		\$-	\$63,017	10		\$-	\$70,019
Total # of Events			139		\$0	\$688,500	142		\$0	\$739,901	149		\$0	\$788,877	152		\$0	\$800,608	163		\$0	\$913,435
Total Attendance			269,800		\$0	\$688,500	277,250		\$0	\$739,901	293,100		\$0	\$788,877	289,350		\$0	\$800,608	324,800		\$0	\$913,435

Greensboro Performing Arts Center: Pro Forma Operating Model

Broadway Model: Revenues	Year 1	Year 2	Year 3 Base Year	Year 4	Year 5
Broadway Revenues					
# of Weeks	2.5	2.5	3	5	4
Gross Box Office Revenues (GBOR)	\$ 2,520,000	\$ 2,595,600	\$ 3,114,720	\$ 5,346,936	\$ 4,277,549
Credit Card Commission	\$ 40,824	\$ 42,049	\$ 50,458	\$ 86,620	\$ 69,296
Adjusted GBOR	\$ 2,479,176	\$ 2,553,551	\$ 3,064,262	\$ 5,260,316	\$ 4,208,253
Show Expenses, Broadway	\$ 1,247,918	\$ 1,285,355	\$ 1,579,506	\$ 2,711,486	\$ 2,221,639
Net Before Company/Partner Share	\$ 1,231,258	\$ 1,268,196	\$ 1,484,755	\$ 2,548,830	\$ 1,986,613
<i>Subtotal Company Share</i>	\$ 800,318	\$ 824,327	\$ 965,091	\$ 1,656,740	\$ 1,291,299
<i>Subtotal Partner Share</i>	\$ 215,470	\$ 221,934	\$ 259,832	\$ 446,045	\$ 347,657
Total Net Revenues, GPAC Share	\$ 215,470	\$ 221,934	\$ 259,832	\$ 446,045	\$ 347,657
Broadway Blockbuster Revenues					
# of Weeks	2	2	2	0	2
Gross Box Office Revenues	\$ 3,808,000	\$ 3,922,240	\$ 3,922,240	\$ -	\$ 4,039,907
Credit Card Commission	\$ 51,408	\$ 52,950	\$ 52,950	\$ -	\$ 54,539
Adjusted Gross Box Office Revenues	\$ 3,756,592	\$ 3,869,290	\$ 3,869,290	\$ -	\$ 3,985,368
Show Expenses, Blockbuster	\$ 60,000	\$ 61,800	\$ 63,654	\$ -	\$ 67,531
Net Before Company/Partner Share	\$ 3,696,592	\$ 3,807,490	\$ 3,805,636	\$ -	\$ 3,917,838
<i>Subtotal Company Share</i>	\$ 3,511,762	\$ 3,617,115	\$ 3,615,354	\$ -	\$ 3,721,946
<i>Subtotal Partner Share</i>	\$ 92,415	\$ 95,187	\$ 95,141	\$ -	\$ 97,946
Total Net Revenues, GPAC Share	\$ 92,415	\$ 95,187	\$ 95,141	\$ -	\$ 97,946
Grand Total Net Revenues, GPAC Share	\$307,885	\$317,122	\$354,973	\$446,045	\$445,603

Broadway Model: Expenses	Year 1	Year 2	Year 3 Base Year	Year 4	Year 5
Broadway Expenses					
# of Weeks	2.5	2.5	3	5	4
Company Fee	\$ 625,000	\$ 643,750	\$ 795,675	\$ 1,365,909	\$ 1,125,509
Royalty to Company on Adjusted GBOR	\$ 247,918	\$ 255,355	\$ 306,426	\$ 526,032	\$ 420,825
Rent					
Stagehands	\$ 125,000	\$ 128,750	\$ 159,135	\$ 273,182	\$ 225,102
Wardrobe	\$ 25,000	\$ 25,750	\$ 31,827	\$ 54,636	\$ 45,020
Marketing	\$ 150,000	\$ 154,500	\$ 190,962	\$ 327,818	\$ 270,122
Other running costs	\$ 75,000	\$ 77,250	\$ 95,481	\$ 163,909	\$ 135,061
Total Expenses, Broadway	\$ 1,247,918	\$1,285,355	\$1,579,506	\$2,711,486	\$2,221,639
Broadway Blockbuster Expenses					
# of Weeks	2	2	2	0	2
Company Fee					
Rent					
Stagehands					
Wardrobe					
Marketing	\$ 120,000	\$ 123,600	\$ 127,308	\$ -	\$ 135,061
Other running costs	\$ 60,000	\$ 61,800	\$ 63,654	\$ -	\$ 67,531
Total Expenses, Broadway Blockbuster	\$60,000	\$61,800	\$63,654	\$0	\$67,531
Grand Total Expenses, Broadway	\$1,307,918	\$1,347,155	\$1,643,160	\$2,711,486	\$2,289,170

Greensboro Performing Arts Center: Pro Forma Operating Model

OTHER REVENUES - Concessions

	Transaction Average	Capture Rate	Year 1		Year 2		Base Year - Year 3		Year 4		Year 5	
			Tickets	Sales	Tickets	Sales	Tickets	Sales	Tickets	Sales	Tickets	Sales
TICKET SALES												
Theatre			269,800		277,250		293,100		289,350		324,800	
TOTAL SALES			269,800		277,250		293,100		289,350		324,800	
Food & Beverage	\$ 3.00	60%		\$485,640		\$514,022		\$543,407		\$552,549		\$620,245
Gross Sales				\$485,640		\$514,022		\$543,407		\$552,549		\$620,245
Contribution Margin		30%		\$145,692		\$154,206		\$163,022		\$165,765		\$186,073

OTHER REVENUES - Ticket Rebate

	% on Rebate	% GPAC Split	Year 1	Year 2	Year 3	Year 4	Year 5
Broadway	40%	50%	\$ 33,600	\$ 34,608	\$ 41,530	\$ 71,292	\$ 57,034
Broadway Blockbuster	50%	50%	\$ 44,800	\$ 46,144	\$ 46,144	\$ -	\$ 47,528
Symphony Orchestra	25%	100%	\$ 15,600	\$ 16,068	\$ 16,068	\$ 16,550	\$ 16,550
Symphony Pops	25%	100%	\$ 10,000	\$ 10,300	\$ 10,300	\$ 10,609	\$ 10,609
Bryan Lecture Series	25%	100%	\$ 12,500	\$ 12,875	\$ 12,875	\$ 13,261	\$ 13,261
Holiday Production	100%	100%	\$ 76,800	\$ 79,104	\$ 79,104	\$ 81,477	\$ 81,477
Opera	25%	100%	\$ 2,800	\$ 2,884	\$ 2,884	\$ 2,971	\$ 2,971
Student Play or Concert	0%	100%	\$ -	\$ -	\$ -	\$ -	\$ -
Dance Recital/Talent Competition	25%	100%	\$ 11,000	\$ 11,330	\$ 11,330	\$ 11,670	\$ 11,670
Other Non Profit Uses	0%	100%	\$ -	\$ -	\$ -	\$ -	\$ -
Other Commercial Uses - Family	60%	100%	\$ 34,560	\$ 35,597	\$ 35,597	\$ 36,665	\$ 34,560
Other Commercial Uses - Concert (no split)	60%	90%	\$ 34,500	\$ 38,780	\$ 42,024	\$ 46,627	\$ 49,968
Other Commercial Uses - Concert (potential split)	60%	50%	\$ 51,750	\$ 58,169	\$ 63,036	\$ 69,940	\$ 74,953
Other Commercial Uses	60%	90%	\$ 31,680	\$ 38,069	\$ 43,507	\$ 50,414	\$ 56,016
Total Ticket Rebate			\$ 359,590	\$ 383,927	\$ 404,399	\$ 411,475	\$ 456,597

Greensboro Performing Arts Center: Pro Forma Operating Model

OTHER REVENUES - Preservation Fee						
	% GPAC Split	Year 1	Year 2	Year 3	Year 4	Year 5
Broadway		\$ -	\$ -	\$ -	\$ -	\$ -
Broadway Blockbuster		\$ -	\$ -	\$ -	\$ -	\$ -
Symphony Orchestra		\$ -	\$ -	\$ -	\$ -	\$ -
Symphony Pops		\$ -	\$ -	\$ -	\$ -	\$ -
Bryan Lecture Series		\$ -	\$ -	\$ -	\$ -	\$ -
Holiday Production		\$ -	\$ -	\$ -	\$ -	\$ -
Opera		\$ -	\$ -	\$ -	\$ -	\$ -
Student Play or Concert		\$ -	\$ -	\$ -	\$ -	\$ -
Dance Recital/Talent Competition		\$ -	\$ -	\$ -	\$ -	\$ -
Other Non Profit Uses		\$ -	\$ -	\$ -	\$ -	\$ -
Other Commercial Uses - Family		\$ -	\$ -	\$ -	\$ -	\$ -
Other Commercial Uses - Concert		\$ -	\$ -	\$ -	\$ -	\$ -
Other Commercial Uses		\$ -	\$ -	\$ -	\$ -	\$ -
Total Preservation Fee		\$ -	\$ -	\$ -	\$ -	\$ -

OTHER REVENUES - Ticket Fee						
	% GPAC Split	Year 1	Year 2	Year 3	Year 4	Year 5
Broadway		\$ 126,000	\$ 129,780	\$ 155,736	\$ 267,347	\$ 213,877
Broadway Blockbuster		\$ 134,400	\$ 138,432	\$ 138,432	\$ -	\$ 142,585
Symphony Orchestra		\$ 46,800	\$ 48,204	\$ 48,204	\$ 49,650	\$ 49,650
Symphony Pops		\$ 30,000	\$ 30,900	\$ 30,900	\$ 31,827	\$ 31,827
Bryan Lecture Series		\$ 37,500	\$ 38,625	\$ 38,625	\$ 39,784	\$ 39,784
Holiday Production		\$ 57,600	\$ 59,328	\$ 59,328	\$ 61,108	\$ 61,108
Opera		\$ 8,400	\$ 8,652	\$ 8,652	\$ 8,912	\$ 8,912
Student Play or Concert		\$ -	\$ -	\$ -	\$ -	\$ -
Dance Recital/Talent Competition		\$ -	\$ -	\$ -	\$ -	\$ -
Other Non Profit Uses		\$ -	\$ -	\$ -	\$ -	\$ -
Other Commercial Uses - Family		\$ 43,200	\$ 44,496	\$ 44,496	\$ 45,831	\$ 45,831
Other Commercial Uses - Concert		\$ 165,000	\$ 193,898	\$ 210,120	\$ 233,133	\$ 249,842
Other Commercial Uses		\$ 39,600	\$ 47,586	\$ 54,384	\$ 63,017	\$ 70,019
Total Ticket Fee		\$ 688,500	\$ 739,901	\$ 788,877	\$ 800,608	\$ 913,435

Greensboro Performing Arts Center: Pro Forma Operating Model

Management Contract	Year 1	Year 2	Year 3 Base Year	Year 4	Year 5
Admin Personnel					
Compensation - Full Time	\$599,150	\$617,125	\$635,638	\$654,707	\$674,349
Sub Total, Personnel	\$599,150	\$617,125	\$635,638	\$654,707	\$674,349
Overhead					
Insurances & Bonding	\$-	\$-	\$-	\$-	\$-
HR & Payroll	\$10,400	\$10,712	\$11,033	\$11,364	\$11,705
Telephone - (based on headcount)	\$16,500	\$16,995	\$17,505	\$18,030	\$18,571
Information Services Support & Website	\$45,000	\$46,350	\$47,741	\$49,173	\$50,648
Institutional Promotion	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
Postal & Mailing - Gen'l	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Printing & Copying, General	\$17,000	\$17,510	\$18,035	\$18,576	\$19,134
Travel, Meetings, Mileage	\$7,000	\$7,210	\$7,426	\$7,649	\$7,879
Memberships, Publications, Subscriptions & Dues	\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Office Supplies & Equipment	\$33,000	\$33,990	\$35,010	\$36,060	\$37,142
Professional Development/Recruitment	\$4,000	\$4,120	\$4,244	\$4,371	\$4,502
Other	\$6,000	\$6,180	\$6,365	\$6,556	\$6,753
Sub Total, Overhead	\$183,900	\$189,417	\$195,100	\$200,952	\$206,981
Sub-Total, Admin & Finance	\$783,050	\$806,542	\$830,738	\$855,660	\$881,330
Theater Operations					
Equipment Rentals	\$5,000	\$5,150	\$5,305	\$5,464	\$5,628
Repair & Maintenance - Tech. Equipment	\$20,000	\$20,600	\$21,218	\$21,855	\$22,510
Sub-Total, Theater Operations	\$25,000	\$25,750	\$26,523	\$27,318	\$28,138
Building Operations					
Utilities	\$235,116	\$242,169	\$249,435	\$256,918	\$264,625
Insurance	\$48,983	\$50,452	\$51,966	\$53,525	\$55,130
Security	\$73,474	\$75,678	\$77,948	\$80,287	\$82,695
Cleaning & Maintenance	\$244,913	\$252,260	\$259,828	\$267,623	\$275,651
Annual Maintenance & Repairs	\$146,948	\$151,356	\$155,897	\$160,574	\$165,391
Sub-Total, Plant Operations	\$749,432	\$771,915	\$795,073	\$818,925	\$843,493
Management Fee					
Management Fee	\$-	\$-	\$-	\$-	\$-
Sub-Total, Management Fee	\$-	\$-	\$-	\$-	\$-
Total, Management Contract	\$1,557,482	\$1,604,207	\$1,652,333	\$1,701,903	\$1,752,960

Greensboro Performing Arts Center: Pro Forma Operating Model

MANAGEMENT CONTRACT: STAFFING	BASE SALARY	Benefits	Year 1	Year 2	Base Year	Year 4	Year 5
ADMINISTRATION							
Accountant	\$50,000	\$21,500	\$71,500	\$73,645	\$75,854	\$78,130	\$80,474
Receptionist/Admin	\$28,000	\$12,040	\$40,040	\$41,241	\$42,478	\$43,753	\$45,065
SALES/MARKETING							
Advertising Manager	\$42,000	\$18,060	\$60,060	\$61,862	\$63,718	\$65,629	\$67,598
Sponsorship Sales	\$28,000	\$12,040	\$40,040	\$41,241	\$42,478	\$43,753	\$45,065
Assistant Box Office Mgr	\$35,000	\$15,050	\$50,050	\$51,552	\$53,098	\$54,691	\$56,332
Box Office Cashier (part time)	\$10,000		\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
Box Office Cashier (part time)	\$10,000		\$10,000	\$10,300	\$10,609	\$10,927	\$11,255
THEATER OPERATIONS							
Production Manager	\$48,000	\$20,640	\$68,640	\$70,699	\$72,820	\$75,005	\$77,255
Event Manager	\$42,000	\$18,060	\$60,060	\$61,862	\$63,718	\$65,629	\$67,598
Operations Supervisor	\$42,000	\$18,060	\$60,060	\$61,862	\$63,718	\$65,629	\$67,598
Operations Crew Leader	\$35,000	\$15,050	\$50,050	\$51,552	\$53,098	\$54,691	\$56,332
BUILDING OPERATIONS							
Facilities Operations Worker	\$27,500	\$11,825	\$39,325	\$40,505	\$41,720	\$42,971	\$44,261
Facilities Operations Worker	\$27,500	\$11,825	\$39,325	\$40,505	\$41,720	\$42,971	\$44,261
		\$174,150	\$599,150	\$617,125	\$635,638	\$654,707	\$674,349