

ORPHEUM THEATRE INC.
Board of Directors Meeting Minutes

Date: October 20, 2010

Place: First Bank Conference Room

MEMBERS PRESENT: Mark Blackburn, Tom Knapp, Naomi Law, Bob Maus, Jan Occhi, Bob Shiplett

The meeting was called to order at 3:00 P.M. by Chairman Jan Occhi.

On motion of Tom, seconded by Naomi, the minutes of the September 15, 2010 meeting were approved.

On motion of Tom, seconded by Naomi, the amount of \$5823.08, received from Dick Blick through their employee fundraiser, was transferred from the 501(c)(3) account to the Restricted (capital funds) Account. On motion of Naomi, seconded by Tom, the amount of \$5823.00 was transferred from the 501(c)(3) account to the Orpheum Operating Account.

The next meeting was scheduled for November 17, 2010.

On motion of Tom, seconded by Bob, the meeting adjourned at 3:05 P.M.

KNOX COUNTY METROPOLITAN EXPOSITION AUDITORIUM AND
OFFICE BUILDING AUTHORITY
d/b/a The Orpheum Theatre

Board of Directors Meeting Minutes

Date: October 20, 2010

Place: First Bank Conference Room

MEMBERS PRESENT: Mark Blackburn, Tom Knapp, Naomi Law, Bob Maus,
Jan Occhi, Bob Shiplett

The meeting was called to order by Chairman Jan Occhi at 3:05 P.M.

On motion of Tom, seconded by Bob Shiplett, the minutes of the September 15, 2010 meeting were approved with the following correction: Under the President's Report, the "WIRE Energy Grant" should be the "WIRC Energy Grant."

Kate presented the Treasurer's Report and detailed the Profit & Loss for September, 2010, noting net income of \$204.25. Members reviewed the January through September P & L, the prior year comparisons and performance vs. budget year-to-date. On motion of Tom, seconded by Mark, the Treasurer's Report was approved.

Under the Chairman's Report, Jan related that a request had been received to film a science fiction series at the Orpheum. Following discussion, the Board advised Kate to send a letter in response indicating no interest in this project.

Kate presented the President's Report, which covered the following topics:

- Fundraising update
- Red Carpet Series Analysis - Total attendance inside and outside zip code 61401; total revenue
- Overall attendance year-to-date for 2010
- Upcoming events October - December

Kate distributed and explained the draft 2011 budget. Following discussion, the Board approved the budget on a motion from Tom, seconded by Naomi.

The Board reviewed recent correspondence, which included:

- Letter from the Illinois Arts Council indicating that they do not anticipate making any awards until 2011, citing state budget constraints
- Discussions with City administration regarding historic district designation

It was noted that Johnson Controls is finalizing their facility assessment report for Board/Staff review.

Members discussed possible events and activities that might further attract visitors to the Theatre and community.

The next meeting was scheduled for November 17, 2010.

On motion of Naomi, seconded by Bob Shiplett, the meeting adjourned at 3:50 P.M.

10:50 AM
11/17/10
Cash Basis

Orpheum Theatre
Balance Sheet
As of October 31, 2010

	<u>Oct 31, 10</u>
ASSETS	
Current Assets	
Checking/Savings	
1005 · CLEARING ACCOUNT	1,052.17
1006 · TENANT ACCOUNT	603.23
1009 · UNRESTRICTED SAVINGS	114,890.42
1010 · 501c3	252.84
1100 · OPERATING ACCOUNT	<u>16,071.19</u>
Total Checking/Savings	132,869.85
Accounts Receivable	
1201 · A/R Theatre Manager	<u>22,085.00</u>
Total Accounts Receivable	22,085.00
Other Current Assets	
1011 · Petty Cash	469.57
1148 · CONCESSION INVENTORY	<u>912.65</u>
Total Other Current Assets	<u>1,382.22</u>
Total Current Assets	156,337.07
Fixed Assets	
1012 · Equipment	61,853.24
1013 · Orpheum Theatre Facility	2,551,000.00
1014 · Building Improvements	68,684.00
1015 · Parking Lot	127,750.00
1017 · Accumulated Depreciation	<u>-619,903.29</u>
Total Fixed Assets	<u>2,189,383.95</u>
TOTAL ASSETS	<u>2,345,721.02</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2020 · State Unemployment	67.59
2025 · Gift Certificates - Sold	206.00
2310 · Deferred Ticket Sales - Tenant	<u>1,396.55</u>
Total Other Current Liabilities	<u>1,670.14</u>
Total Current Liabilities	<u>1,670.14</u>
Total Liabilities	1,670.14
Equity	
3001 · NET ASSET	2,194,503.72
3002 · DESIGNATED-CAPITAL MAINTENANCE	13,435.07
Net Income	<u>136,112.09</u>
Total Equity	<u>2,344,050.88</u>
TOTAL LIABILITIES & EQUITY	<u>2,345,721.02</u>

Orpheum Theatre
Profit & Loss
 October 2010

	<u>Oct 10</u>
Ordinary Income/Expense	
Income	
3010 · Box Office Admissions	956.00
3020 · Concession Sales	394.00
3030 · Corporate Donations	5,356.08
3031 · Gifts In Kind	18,565.52
3040 · Show Sponsorships	2,500.00
3050 · Individual Donations	515.00
3060 · Foundation Grants	0.00
3070 · Theatre Rental and Fees	6,161.40
3080 · Ticket Surcharge Fees	542.25
3085 · Preservation Fees	609.00
3100 · Hotel-Motel Tax Proceeds	10,592.56
3101 · Interest Income	47.75
3102 · Miscellaneous Income	2.50
Total Income	<u>46,242.06</u>
Expense	
4000 · Office and Administration	
4001 · Salaries	7,881.88
4010 · Payroll Taxes	742.49
4120 · Credit Card Fees	495.88
4125 · Office Supplies	74.28
4128 · Office Equipment & Maintenance	190.88
4130 · Bank Charges Interest Expense	-250.07
4220 · Rent	650.00
4221 · Office Utilities - Electric	200.70
4350 · Accounting & Audit Services	4,350.00
4420 · Telephone & Internet Srvc	285.78
4620 · Miscellaneous Expense	306.30
Total 4000 · Office and Administration	<u>14,928.12</u>
5000 · Theatre Expense	
5005 · Pest Control Service	25.00
5010 · Trash Service	62.11
5020 · Fire Alarm Maintenance	442.12
5025 · ADT Security Service	543.62
5030 · Concession Inventory	1,005.90
5040 · Liquor License	200.00
5045 · Theatre Supplies Equip Maintnce	98.86
5050 · Theatre Utilities	1,392.17
5060 · Janitorial Service	620.00
Total 5000 · Theatre Expense	<u>4,389.78</u>
6000 · Production Expenses	
6005 · Red Carpet Series Costs	
6010 · Artist Fees	4,250.00
6025 · Lodging	400.08
6030 · Transportation	100.00
6035 · Audio & Visual Services	449.52
Total 6005 · Red Carpet Series Costs	<u>5,199.60</u>
6045 · Advertising	2,283.32
6050 · Advertising In-Kind	18,565.52
Total 6000 · Production Expenses	<u>26,048.44</u>
7000 · Fundraising	
7025 · Staff & Volunteer Recognition	15.00
Total 7000 · Fundraising	<u>15.00</u>
Total Expense	<u>45,381.34</u>
Net Ordinary Income	860.72

10:50 AM
11/17/10
Cash Basis

Orpheum Theatre
Profit & Loss
October 2010

	<u>Oct 10</u>
Other Income/Expense	
Other Income	
3090 · Organizational Receipts	11,422.80
Total Other Income	<u>11,422.80</u>
Other Expense	
6500 · Organization Disbursement	11,735.20
Total Other Expense	<u>11,735.20</u>
Net Other Income	<u>-312.40</u>
Net Income	<u><u>548.32</u></u>

10:51 AM

11/17/10

Cash Basis

Orpheum Theatre
Profit & Loss Budget vs. Actual
 January through October 2010

	Jan - Oct 10	Budget	% of Budget
Ordinary Income/Expense			
Income			
3010 · Box Office Admissions	49,490.55	32,000.00	154.7%
3020 · Concession Sales	11,854.00	10,500.00	112.9%
3021 · Program Advertisement Sales	750.00	5,000.00	15.0%
3025 · Gift Certificates	0.00	0.00	0.0%
3030 · Corporate Donations	106,025.08	7,500.00	1,413.7%
3031 · Gifts In Kind	18,565.52	7,500.00	247.5%
3040 · Show Sponsorships	22,500.00	12,500.00	180.0%
3050 · Individual Donations	8,820.19	7,000.00	126.0%
3060 · Foundation Grants	32,525.00	10,000.00	325.3%
3070 · Theatre Rental and Fees	56,804.40	42,500.00	133.7%
3075 · Merchandise Sales	0.00	0.00	0.0%
3080 · Ticket Surcharge Fees	17,971.75	9,750.00	184.3%
3085 · Preservation Fees	19,083.50	11,250.00	169.6%
3100 · Hotel-Motel Tax Proceeds	91,646.36	102,000.00	89.8%
3101 · Interest Income	439.34	400.00	109.8%
3102 · Miscellaneous Income	1,300.50	400.00	325.1%
Total Income	437,776.19	258,300.00	169.5%
Expense			
4000 · Office and Administration			
4001 · Salaries	78,086.19	82,000.00	95.2%
4010 · Payroll Taxes	8,156.41	8,340.00	97.8%
4100 · Postage & Delivery	817.91	1,030.00	79.4%
4105 · Newsletter Printing	0.00	0.00	0.0%
4120 · Credit Card Fees	4,398.77	2,570.00	171.2%
4125 · Office Supplies	2,411.63	1,675.00	144.0%
4126 · Office Software & Maintenance	30.00	750.00	4.0%
4128 · Office Equipment & Maintenance	1,153.03	550.00	209.6%
4130 · Bank Charges Interest Expense	1,027.47	350.00	293.6%
4220 · Rent	6,500.00	6,500.00	100.0%
4221 · Office Utilities - Electric	2,028.94	2,100.00	96.6%
4225 · Conferences & Prof Development	0.00	0.00	0.0%
4226 · Travel - Professional Develop	420.95	0.00	100.0%
4350 · Accounting & Audit Services	6,445.00	4,800.00	134.3%
4420 · Telephone & Internet Srvc	3,625.43	2,750.00	131.8%
4425 · Dues, Subscriptions, Membership	605.50	460.00	131.6%
4600 · Gifts In Kind - Office	0.00	0.00	0.0%
4620 · Miscellaneous Expense	1,584.84	450.00	352.2%
4630 · Cash Over/Short	0.00	0.00	
Total 4000 · Office and Administration	117,292.07	114,325.00	102.6%
5000 · Theatre Expense			
4435 · Insurance	11,312.00	12,300.00	92.0%
5005 · Pest Control Service	250.00	250.00	100.0%
5010 · Trash Service	1,012.74	1,000.00	101.3%
5020 · Fire Alarm Maintenance	3,126.76	2,500.00	125.1%
5025 · ADT Security Service	2,867.54	2,625.00	109.2%
5030 · Concession Inventory	6,623.80	4,850.00	136.6%
5035 · Concession Equipment	3.00	500.00	0.6%
5040 · Liquor License	2,125.00	1,000.00	212.5%
5045 · Theatre Supplies Equip Maintnce	9,938.66	12,500.00	79.5%
5050 · Theatre Utilities	28,321.02	31,780.00	89.1%
5055 · Piano Tuning - Maintenance	580.00	630.00	92.1%
5060 · Janitorial Service	5,425.00	5,830.00	93.1%
5070 · Concession Sales Tax	938.09	175.00	536.1%
Total 5000 · Theatre Expense	72,523.61	75,940.00	95.5%
6000 · Production Expenses			
6005 · Red Carpet Series Costs			
6010 · Artist Fees	49,850.00	51,500.00	96.8%
6015 · Event Security	330.00	600.00	55.0%
6020 · Catering	3,860.53	2,200.00	175.5%
6025 · Lodging	2,922.40	2,800.00	104.4%
6030 · Transportation	332.00	250.00	132.8%
6035 · Audio & Visual Services	8,616.67	2,650.00	325.2%
6005 · Red Carpet Series Costs - Other	615.01		
Total 6005 · Red Carpet Series Costs	66,526.61	60,000.00	110.9%

10:51 AM
 11/17/10
 Cash Basis

Orpheum Theatre

Profit & Loss Budget vs. Actual

January through October 2010

	Jan - Oct 10	Budget	% of Budget
6040 · Lights Camera Learn Program	5,350.00	6,500.00	82.3%
6045 · Advertising	18,031.79	13,500.00	133.6%
6050 · Advertising In-Kind	18,585.52	7,500.00	247.5%
6055 · Program Printing	1,789.00	1,850.00	95.6%
6060 · Ticket Printing	315.00	1,500.00	21.0%
6065 · Movie Rental Fees	0.00	0.00	0.0%
Total 6000 · Production Expenses	110,557.92	90,850.00	121.7%
6999 · Uncategorized Expenses	0.00		
7000 · Fundraising			
7005 · Solicitation Printing	0.00	1,250.00	0.0%
7010 · Solicitation Postage	220.00	350.00	62.9%
7015 · Travel - Fundraising	0.00	0.00	0.0%
7020 · Donor & Patron Cultivation	211.53	500.00	42.3%
7025 · Staff & Volunteer Recognition	679.07	750.00	90.5%
7000 · Fundraising - Other	5.60		
Total 7000 · Fundraising	1,116.20	2,850.00	39.2%
Total Expense	301,489.80	283,965.00	106.2%
Net Ordinary Income	136,286.39	-25,665.00	-531.0%
Other Income/Expense			
Other Income			
3090 · Organizational Receipts	89,108.05		
Total Other Income	89,108.05		
Other Expense			
6500 · Organization Disbursement	89,282.35		
Total Other Expense	89,282.35		
Net Other Income	-174.30		
Net Income	136,112.09	-25,665.00	-530.3%

10:51 AM
 11/17/10
 Cash Basis

Orpheum Theatre

Profit & Loss Prev Year Comparison

January through October 2010

	Jan - Oct 10	Jan - Oct 09	% Change
Ordinary Income/Expense			
Income			
3010 · Box Office Admissions	49,490.55	27,878.09	77.5%
3020 · Concession Sales	11,854.00	10,132.45	17.0%
3021 · Program Advertisement Sales	750.00	1,096.35	-31.6%
3025 · Gift Certificates	0.00	0.00	0.0%
3030 · Corporate Donations	106,025.08	15,805.15	570.8%
3031 · Gifts In Kind	18,565.52	16,192.83	14.7%
3040 · Show Sponsorships	22,500.00	7,500.00	200.0%
3050 · Individual Donations	8,820.19	11,833.00	-25.5%
3060 · Foundation Grants	32,525.00	14,400.00	125.9%
3070 · Theatre Rental and Fees	56,804.40	57,588.94	-1.4%
3080 · Ticket Surcharge Fees	17,971.75	11,727.25	53.3%
3085 · Preservation Fees	19,083.50	13,560.35	40.7%
3100 · Hotel-Motel Tax Proceeds	91,646.36	95,070.77	-3.6%
3101 · Interest Income	439.34	214.67	104.7%
3102 · Miscellaneous Income	1,300.50	465.31	179.5%
Total Income	437,776.19	283,465.16	54.4%
Expense			
4000 · Office and Administration			
4001 · Salaries	78,086.19	84,583.78	-7.7%
4010 · Payroll Taxes	8,156.41	8,239.49	-1.0%
4100 · Postage & Delivery	817.91	1,477.56	-44.6%
4120 · Credit Card Fees	4,398.77	2,871.47	53.2%
4125 · Office Supplies	2,411.63	1,555.99	55.0%
4126 · Office Software & Maintenance	30.00	646.24	-95.4%
4128 · Office Equipment & Maintenance	1,153.03	805.03	43.2%
4130 · Bank Charges Interest Expense	1,027.47	711.12	44.5%
4220 · Rent	6,500.00	6,500.00	0.0%
4221 · Office Utilities - Electric	2,028.94	2,051.86	-1.1%
4226 · Travel - Professional Develop	420.95	171.25	145.8%
4350 · Accounting & Audit Services	6,445.00	6,265.85	2.9%
4420 · Telephone & Internet Srv	3,625.43	3,254.24	11.4%
4425 · Dues, Subscriptions, Membership	605.50	301.00	101.2%
4600 · Gifts in Kind - Office	0.00	10,800.00	-100.0%
4620 · Miscellaneous Expense	1,584.84	300.24	427.9%
4630 · Cash Over/Short	0.00	25.00	-100.0%
Total 4000 · Office and Administration	117,292.07	130,560.12	-10.2%
5000 · Theatre Expense			
4435 · Insurance	11,312.00	10,969.00	3.1%
5005 · Pest Control Service	250.00	225.00	11.1%
5010 · Trash Service	1,012.74	969.57	4.5%
5020 · Fire Alarm Maintenance	3,126.76	2,287.27	36.7%
5025 · ADT Security Service	2,867.54	3,177.91	-9.8%
5030 · Concession Inventory	6,623.80	5,690.83	16.4%
5035 · Concession Equipment	3.00	0.00	100.0%
5040 · Liquor License	2,125.00	1,000.00	112.5%
5045 · Theatre Supplies Equip Maintnce	9,938.66	13,486.80	-26.3%
5050 · Theatre Utilities	28,321.02	32,444.50	-12.7%
5055 · Piano Tuning - Maintenance	580.00	900.00	-35.6%
5060 · Janitorial Service	5,425.00	6,703.00	-19.1%
5070 · Concession Sales Tax	938.09	439.40	113.5%
Total 5000 · Theatre Expense	72,523.61	78,293.28	-7.4%
6000 · Production Expenses			
6005 · Red Carpet Series Costs			
6010 · Artist Fees	49,850.00	54,237.50	-8.1%
6015 · Event Security	330.00	1,020.00	-67.7%
6020 · Catering	3,860.53	3,121.82	23.7%
6025 · Lodging	2,922.40	0.00	100.0%
6030 · Transportation	332.00	106.44	211.9%
6035 · Audio & Visual Services	8,616.67	11,835.21	-27.2%
6005 · Red Carpet Series Costs - Other	615.01	0.00	100.0%
Total 6005 · Red Carpet Series Costs	66,526.61	70,320.97	-5.4%
6040 · Lights Camera Learn Program	5,350.00	4,000.00	33.8%
6045 · Advertising	18,031.79	16,890.95	6.8%
6050 · Advertising In-Kind	18,585.52	5,392.83	244.3%
6055 · Program Printing	1,789.00	1,850.00	-4.4%
6060 · Ticket Printing	315.00	714.00	-55.9%
Total 6000 · Production Expenses	110,557.92	99,168.75	11.5%
6999 · Uncategorized Expenses	0.00	0.00	0.0%

10:51 AM

11/17/10

Cash Basis

Orpheum Theatre
Profit & Loss Prev Year Comparison
 January through October 2010

	Jan - Oct 10	Jan - Oct 09	% Change
7000 · Fundraising			
7010 · Solicitation Postage	220.00	1,820.50	-87.9%
7015 · Travel - Fundraising	0.00	131.09	-100.0%
7020 · Donor & Patron Cultivation	211.53	273.12	-22.6%
7025 · Staff & Volunteer Recognition	679.07	207.68	227.0%
7000 · Fundraising - Other	5.60	4.95	13.1%
Total 7000 · Fundraising	1,116.20	2,437.34	-54.2%
Total Expense	301,489.80	310,459.49	-2.9%
Net Ordinary Income	136,286.39	-26,994.33	604.9%
Other Income/Expense			
Other Income			
3090 · Organizational Receipts	89,108.05	69,210.35	28.8%
3095 · Gain/Loss of Sale of F.A.	0.00	-9,751.00	100.0%
Total Other Income	89,108.05	59,459.35	49.9%
Other Expense			
6500 · Organization Disbursement	89,282.35	72,236.55	23.6%
Total Other Expense	89,282.35	72,236.55	23.6%
Net Other Income	-174.30	-12,777.20	98.6%
Net Income	136,112.09	-39,771.53	442.2%