

ORPHEUM THEATRE INC.
Board of Directors Meeting Minutes

Date: September 15, 2010

Place: First Bank Conference Room

MEMBERS PRESENT: Jay Bullis, Dave Guenther, Bill Kendall, Tom Knapp, Naomi Law, Bob Maus, Jan Occhi

STAFF: Kate Francis, President

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

On motion of Bill, seconded by Tom, the minutes of the July 21, 2010 meeting and the August 18, 2010 meeting were approved.

On motion of Bill, seconded by Naomi, the amount of \$1410 was transferred from the 501(c)(3) account to the Orpheum Operating Account.

The next meeting was scheduled for October 20, 2010.

On motion of Naomi, seconded by Bill, the meeting adjourned at 3:10 P.M.

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

Board of Directors Meeting Minutes

Date: September 15, 2010

Place: First Bank Conference Room

MEMBERS PRESENT: Jay Bullis, Dave Guenther, Bill Kendall, Tom Knapp,
Naomi Law, Bob Maus, Jan Occhi

STAFF: Kate Francis, President

The meeting was called to order by Chairman Jan Occhi at 3:10 P.M.

On motion of Bill, seconded by Naomi, the minutes of the July 21, 2010 meeting were approved.

On motion of Jan, seconded by Dave, the minutes of the August 18, 2010 meeting were approved.

Under the Treasurer's Report, Jay reviewed the Balance Sheet as of August 31st, the August P & L Statement and the budget vs. actual year-to-date figures. Members compared the profit and loss to the previous year, noting an increase in income. On motion of Bill, seconded by Tom, the Treasurer's Report was approved.

Jay presented the annual audit, performed by Blucker, Kneer and Associates. Following review, and on motion of Bill, seconded by Tom, the audit was approved.

Kate presented the President's Report and commented on the following topics:

- Fundraising: Individual contributions and WIR^g Energy Grant
- Capital Campaign update: Commitments to date: \$409,494
- Red Carpet Series
- Lights! Camera! Learn! - reservations
- Upcoming Events
- Tentative 2011 Red Carpet Series recommendations
- Draft Proposal: 2011 budget

The next meeting was scheduled for October 20, 2010

On motion of Bill, seconded by Jay, the meeting adjourned at 3:45 P.M.

Orpheum Theatre
Balance Sheet
 As of September 30, 2010

Sep 30, 10

ASSETS	
Current Assets	
Checking/Savings	
1005 · CLEARING ACCOUNT	1,051.24
1006 · TENANT ACCOUNT	8,225.98
1009 · UNRESTRICTED SAVINGS	109,493.84
1010 · 501c3	3,559.63
1100 · OPERATING ACCOUNT	17,983.01
Total Checking/Savings	<u>140,313.70</u>
Accounts Receivable	
1201 · A/R Theatre Manager	21,322.50
Total Accounts Receivable	<u>21,322.50</u>
Other Current Assets	
1011 · Petty Cash	479.57
1148 · CONCESSION INVENTORY	912.65
Total Other Current Assets	<u>1,392.22</u>
Total Current Assets	163,028.42
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	-619,903.29
Total Fixed Assets	<u>2,189,383.95</u>
TOTAL ASSETS	<u>2,352,412.37</u>
LIABILITIES & EQUITY	
Liabilities	
Current Liabilities	
Other Current Liabilities	
2012 · Federal Unemployment	168.01
2020 · State Unemployment	150.33
2025 · Gift Certificates - Sold	106.00
2105 · Line of Credit	250.07
2310 · Deferred Ticket Sales - Tenant	8,235.40
Total Other Current Liabilities	<u>8,909.81</u>
Total Current Liabilities	<u>8,909.81</u>
Total Liabilities	8,909.81
Equity	
3001 · NET ASSET	2,194,503.72
3002 · DESIGNATED-CAPITAL MAINTENANCE	13,435.07
Net Income	135,563.77
Total Equity	<u>2,343,502.56</u>
TOTAL LIABILITIES & EQUITY	<u>2,352,412.37</u>

Orpheum Theatre
Profit & Loss
 September 2010

	Sep 10
Ordinary Income/Expense	
Income	
3010 · Box Office Admissions	4,043.84
3020 · Concession Sales	26.00
3050 · Individual Donations	1,968.00
3060 · Foundation Grants	2,500.00
3070 · Theatre Rental and Fees	2,508.00
3080 · Ticket Surcharge Fees	969.50
3085 · Preservation Fees	1,006.25
3100 · Hotel-Motel Tax Proceeds	13,158.51
3101 · Interest Income	50.35
3102 · Miscellaneous Income	1,241.50
Total Income	27,471.95
Expense	
4000 · Office and Administration	
4001 · Salaries	6,999.73
4010 · Payroll Taxes	588.73
4100 · Postage & Delivery	273.00
4120 · Credit Card Fees	579.93
4125 · Office Supplies	96.00
4128 · Office Equipment & Maintenance	529.00
4220 · Rent	650.00
4221 · Office Utilities - Electric	283.12
4226 · Travel - Professional Develop	34.27
4350 · Accounting & Audit Services	150.00
4420 · Telephone & Internet Srvc	297.79
4425 · Dues, Subscriptions, Membership	37.50
4620 · Miscellaneous Expense	1,231.00
Total 4000 · Office and Administration	11,750.07
5000 · Theatre Expense	
5005 · Pest Control Service	25.00
5010 · Trash Service	106.51
5025 · ADT Security Service	774.64
5030 · Concession Inventory	754.95
5045 · Theatre Supplies Equip Maintnce	1,275.10
5050 · Theatre Utilities	2,625.43
5055 · Piano Tuning - Maintenance	145.00
5060 · Janitorial Service	620.00
Total 5000 · Theatre Expense	6,326.63
6000 · Production Expenses	
6005 · Red Carpet Series Costs	
6020 · Catering	864.75
6035 · Audio & Visual Services	2,399.50
Total 6005 · Red Carpet Series Costs	3,264.25
6040 · Lights Camera Learn Program	1,800.00
6045 · Advertising	3,803.54
Total 6000 · Production Expenses	8,867.79
7000 · Fundraising	
7020 · Donor & Patron Cultivation	55.21
7025 · Staff & Volunteer Recognition	30.00
Total 7000 · Fundraising	85.21
Total Expense	27,029.70
Net Ordinary Income	442.25
Other Income/Expense	
Other Income	
3090 · Organizational Receipts	1,222.50
Total Other Income	1,222.50

11:34 AM
10/18/10
Cash Basis

Orpheum Theatre
Profit & Loss
September 2010

	<u>Sep 10</u>
Other Expense	
6500 · Organization Disbursement	1,460.50
Total Other Expense	<u>1,460.50</u>
Net Other Income	<u>-238.00</u>
Net Income	<u><u>204.25</u></u>

Orpheum Theatre
Profit & Loss
 January through September 2010

Jan - Sep 10

Ordinary Income/Expense

Income

3010 · Box Office Admissions	48,534.55
3020 · Concession Sales	11,460.00
3021 · Program Advertisement Sales	750.00
3030 · Corporate Donations	100,669.00
3040 · Show Sponsorships	20,000.00
3050 · Individual Donations	8,305.19
3060 · Foundation Grants	32,525.00
3070 · Theatre Rental and Fees	50,643.00
3080 · Ticket Surcharge Fees	17,429.50
3085 · Preservation Fees	18,474.50
3100 · Hotel-Motel Tax Proceeds	81,053.80
3101 · Interest Income	391.59
3102 · Miscellaneous Income	1,298.00

Total Income 391,534.13

Expense

4000 · Office and Administration

4001 · Salaries	70,204.31
4010 · Payroll Taxes	7,413.92
4100 · Postage & Delivery	817.91
4120 · Credit Card Fees	3,902.89
4125 · Office Supplies	2,337.35
4126 · Office Software & Maintenance	30.00
4128 · Office Equipment & Maintenance	962.15
4130 · Bank Charges Interest Expense	1,277.54
4220 · Rent	5,850.00
4221 · Office Utilities - Electric	1,828.24
4226 · Travel - Professional Develop	420.95
4350 · Accounting & Audit Services	2,095.00
4420 · Telephone & Internet Srvc	3,339.65
4425 · Dues, Subscriptions, Membership	605.50
4620 · Miscellaneous Expense	1,278.54
4630 · Cash Over/Short	0.00

Total 4000 · Office and Administration 102,363.95

5000 · Theatre Expense

4435 · Insurance	11,312.00
5005 · Pest Control Service	225.00
5010 · Trash Service	950.63
5020 · Fire Alarm Maintenance	2,684.64
5025 · ADT Security Service	2,323.92
5030 · Concession Inventory	5,617.90
5035 · Concession Equipment	3.00
5040 · Liquor License	1,925.00
5045 · Theatre Supplies Equip Maintnce	9,839.80
5050 · Theatre Utilities	26,928.85
5055 · Piano Tuning - Maintenance	580.00
5060 · Janitorial Service	4,805.00
5070 · Concession Sales Tax	938.09

Total 5000 · Theatre Expense 68,133.83

6000 · Production Expenses

6005 · Red Carpet Series Costs

6010 · Artist Fees	45,600.00
6015 · Event Security	330.00
6020 · Catering	3,860.53
6025 · Lodging	2,522.32
6030 · Transportation	232.00
6035 · Audio & Visual Services	8,167.15
6005 · Red Carpet Series Costs - Other	615.01

Total 6005 · Red Carpet Series Costs 61,327.01

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Cash Basis

Orpheum Theatre
Profit & Loss
January through September 2010

	<u>Jan - Sep 10</u>
6040 · Lights Camera Learn Program	5,350.00
6045 · Advertising	15,748.47
6055 · Program Printing	1,769.00
6060 · Ticket Printing	315.00
Total 6000 · Production Expenses	84,509.48
6999 · Uncategorized Expenses	0.00
7000 · Fundraising	
7010 · Solicitation Postage	220.00
7020 · Donor & Patron Cultivation	211.53
7025 · Staff & Volunteer Recognition	664.07
7000 · Fundraising - Other	5.60
Total 7000 · Fundraising	1,101.20
Total Expense	256,108.46
Net Ordinary Income	135,425.67
Other Income/Expense	
Other Income	
3090 · Organizational Receipts	77,685.25
Total Other Income	77,685.25
Other Expense	
6500 · Organization Disbursement	77,547.15
Total Other Expense	77,547.15
Net Other Income	138.10
Net Income	135,563.77

11:35 AM

10/18/10

Cash Basis

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

	Jan - Sep 10	Jan - Sep 09	% Change
Ordinary Income/Expense			
Income			
3010 · Box Office Admissions	48,534.55	27,878.09	74.1%
3020 · Concession Sales	11,460.00	9,203.45	24.5%
3021 · Program Advertisement Sales	750.00	1,096.35	-31.6%
3025 · Gift Certificates	0.00	0.00	0.0%
3030 · Corporate Donations	100,669.00	15,805.15	536.9%
3031 · Gifts In Kind	0.00	16,192.83	-100.0%
3040 · Show Sponsorships	20,000.00	7,500.00	166.7%
3050 · Individual Donations	8,305.19	11,733.00	-29.2%
3060 · Foundation Grants	32,525.00	14,400.00	125.9%
3070 · Theatre Rental and Fees	50,643.00	52,173.94	-2.9%
3080 · Ticket Surcharge Fees	17,429.50	10,504.00	65.9%
3085 · Preservation Fees	18,474.50	12,112.60	52.5%
3100 · Hotel-Motel Tax Proceeds	81,053.80	84,541.12	-4.1%
3101 · Interest Income	391.59	203.43	92.5%
3102 · Miscellaneous Income	1,298.00	454.81	185.4%
Total Income	391,534.13	263,798.77	48.4%
Expense			
4000 · Office and Administration			
4001 · Salaries	70,204.31	78,047.27	-10.1%
4010 · Payroll Taxes	7,413.92	7,711.90	-3.9%
4100 · Postage & Delivery	817.91	1,389.56	-41.1%
4120 · Credit Card Fees	3,902.89	2,717.06	43.6%
4125 · Office Supplies	2,337.35	1,514.90	54.3%
4126 · Office Software & Maintenance	30.00	646.24	-95.4%
4128 · Office Equipment & Maintenance	962.15	695.69	38.3%
4130 · Bank Charges Interest Expense	1,277.54	656.71	94.5%
4220 · Rent	5,850.00	5,850.00	0.0%
4221 · Office Utilities - Electric	1,828.24	1,862.42	-1.8%
4226 · Travel - Professional Develop	420.95	152.98	175.2%
4350 · Accounting & Audit Services	2,095.00	6,140.85	-65.9%
4420 · Telephone & Internet Srvc	3,339.65	2,962.27	12.7%
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	1,278.54	165.20	673.9%
4630 · Cash Over/Short	0.00	25.00	-100.0%
Total 4000 · Office and Administration	102,363.95	121,639.05	-15.9%
5000 · Theatre Expense			
4435 · Insurance	11,312.00	9,610.00	17.7%
5005 · Pest Control Service	225.00	200.00	12.5%
5010 · Trash Service	950.63	874.12	8.8%
5020 · Fire Alarm Maintenance	2,684.64	2,287.27	17.4%
5025 · ADT Security Service	2,323.92	2,662.63	-12.7%
5030 · Concession Inventory	5,617.90	4,816.93	16.6%
5035 · Concession Equipment	3.00	0.00	100.0%
5040 · Liquor License	1,925.00	500.00	285.0%
5045 · Theatre Supplies Equip Maintnce	9,839.80	11,709.84	-16.0%
5050 · Theatre Utilities	26,928.85	31,029.45	-13.2%
5055 · Piano Tuning - Maintenance	580.00	825.00	-29.7%
5060 · Janitorial Service	4,805.00	6,393.00	-24.8%
5070 · Concession Sales Tax	938.09	439.40	113.5%
Total 5000 · Theatre Expense	68,133.83	71,347.64	-4.5%

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 10/18/10
 Cash Basis

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

	Jan - Sep 10	Jan - Sep 09	% Change
6000 · Production Expenses			
6005 · Red Carpet Series Costs			
6010 · Artist Fees	45,600.00	54,237.50	-15.9%
6015 · Event Security	330.00	1,020.00	-67.7%
6020 · Catering	3,860.53	2,971.82	29.9%
6025 · Lodging	2,522.32	0.00	100.0%
6030 · Transportation	232.00	106.44	118.0%
6035 · Audio & Visual Services	8,167.15	11,835.21	-31.0%
6005 · Red Carpet Series Costs - Other	615.01	0.00	100.0%
Total 6005 · Red Carpet Series Costs	61,327.01	70,170.97	-12.6%
6040 · Lights Camera Learn Program	5,350.00	4,000.00	33.8%
6045 · Advertising	15,748.47	16,859.07	-6.6%
6050 · Advertising In-Kind	0.00	5,392.83	-100.0%
6055 · Program Printing	1,769.00	1,850.00	-4.4%
6060 · Ticket Printing	315.00	714.00	-55.9%
Total 6000 · Production Expenses	84,509.48	98,986.87	-14.6%
6999 · Uncategorized Expenses	0.00	0.00	0.0%
7000 · Fundraising			
7010 · Solicitation Postage	220.00	0.00	100.0%
7015 · Travel - Fundraising	0.00	131.09	-100.0%
7020 · Donor & Patron Cultivation	211.53	217.47	-2.7%
7025 · Staff & Volunteer Recognition	664.07	207.68	219.8%
7000 · Fundraising - Other	5.60	4.95	13.1%
Total 7000 · Fundraising	1,101.20	561.19	96.2%
Total Expense	256,108.46	292,534.75	-12.5%
Net Ordinary Income	135,425.67	-28,735.98	571.3%
Other Income/Expense			
Other Income			
3090 · Organizational Receipts	77,685.25	68,163.05	14.0%
3095 · Gain/Loss of Sale of F.A.	0.00	-9,751.00	100.0%
Total Other Income	77,685.25	58,412.05	33.0%
Other Expense			
6500 · Organization Disbursement	77,547.15	69,786.45	11.1%
Total Other Expense	77,547.15	69,786.45	11.1%
Net Other Income	138.10	-11,374.40	101.2%
Net Income	135,563.77	-40,110.38	438.0%

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10/18/10

Cash Basis

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

	Jan - Sep 10	Budget	% of Budget
Ordinary Income/Expense			
Income			
3010 · Box Office Admissions	48,534.55	26,000.00	186.7%
3020 · Concession Sales	11,460.00	9,500.00	120.6%
3021 · Program Advertisement Sales	750.00	5,000.00	15.0%
3025 · Gift Certificates	0.00	0.00	0.0%
3030 · Corporate Donations	100,669.00	7,500.00	1,342.3%
3031 · Gifts In Kind	0.00	7,500.00	0.0%
3040 · Show Sponsorships	20,000.00	12,500.00	160.0%
3050 · Individual Donations	8,305.19	6,000.00	138.4%
3060 · Foundation Grants	32,525.00	10,000.00	325.3%
3070 · Theatre Rental and Fees	50,643.00	35,750.00	141.7%
3075 · Merchandise Sales	0.00	0.00	0.0%
3080 · Ticket Surcharge Fees	17,429.50	8,750.00	199.2%
3085 · Preservation Fees	18,474.50	10,000.00	184.7%
3100 · Hotel-Motel Tax Proceeds	81,053.80	87,500.00	92.6%
3101 · Interest Income	391.59	350.00	111.9%
3102 · Miscellaneous Income	1,298.00	350.00	370.9%
Total Income	391,534.13	226,700.00	172.7%
Expense			
4000 · Office and Administration			
4001 · Salaries	70,204.31	73,000.00	96.2%
4010 · Payroll Taxes	7,413.92	7,440.00	99.6%
4100 · Postage & Delivery	817.91	930.00	87.9%
4105 · Newsletter Printing	0.00	0.00	0.0%
4120 · Credit Card Fees	3,902.89	2,270.00	171.9%
4125 · Office Supplies	2,337.35	1,525.00	153.3%
4126 · Office Software & Maintenance	30.00	650.00	4.6%
4128 · Office Equipment & Maintenance	962.15	450.00	213.8%
4130 · Bank Charges Interest Expense	1,277.54	350.00	365.0%
4220 · Rent	5,850.00	5,850.00	100.0%
4221 · Office Utilities - Electric	1,828.24	1,900.00	96.2%
4225 · Conferences & Prof Development	0.00	0.00	0.0%
4226 · Travel - Professional Develop	420.95	0.00	100.0%
4350 · Accounting & Audit Services	2,095.00	4,650.00	45.1%
4420 · Telephone & Internet Srvc	3,339.65	2,475.00	134.9%
4425 · Dues, Subscriptions, Membership	605.50	460.00	131.6%
4600 · Gifts In Kind - Office	0.00	0.00	0.0%
4620 · Miscellaneous Expense	1,278.54	400.00	319.6%
4630 · Cash Over/Short	0.00		
Total 4000 · Office and Administration	102,363.95	102,350.00	100.0%
5000 · Theatre Expense			
4435 · Insurance	11,312.00	12,300.00	92.0%
5005 · Pest Control Service	225.00	225.00	100.0%
5010 · Trash Service	950.63	900.00	105.6%
5020 · Fire Alarm Maintenance	2,684.64	2,500.00	107.4%
5025 · ADT Security Service	2,323.92	2,625.00	88.5%
5030 · Concession Inventory	5,617.90	4,350.00	129.1%
5035 · Concession Equipment	3.00	500.00	0.6%
5040 · Liquor License	1,925.00	1,000.00	192.5%
5045 · Theatre Supplies Equip Maintnce	9,839.80	11,250.00	87.5%
5050 · Theatre Utilities	26,928.85	29,030.00	92.8%
5055 · Piano Tuning - Maintenance	580.00	570.00	101.8%
5060 · Janitorial Service	4,805.00	5,245.00	91.6%
5070 · Concession Sales Tax	938.09	125.00	750.5%
Total 5000 · Theatre Expense	68,133.83	70,620.00	96.5%

11:35 AM
 10/18/10
 Cash Basis

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

	Jan - Sep 10	Budget	% of Budget
6000 · Production Expenses			
6005 · Red Carpet Series Costs			
6010 · Artist Fees	45,600.00	47,250.00	96.5%
6015 · Event Security	330.00	525.00	62.9%
6020 · Catering	3,860.53	1,700.00	227.1%
6025 · Lodging	2,522.32	1,800.00	140.1%
6030 · Transportation	232.00	250.00	92.8%
6035 · Audio & Visual Services	8,167.15	2,000.00	408.4%
6005 · Red Carpet Series Costs - Other	615.01		
Total 6005 · Red Carpet Series Costs	61,327.01	53,525.00	114.6%
6040 · Lights Camera Learn Program	5,350.00	5,000.00	107.0%
6045 · Advertising	15,748.47	12,000.00	131.2%
6050 · Advertising In-Kind	0.00	7,500.00	0.0%
6055 · Program Printing	1,769.00	1,850.00	95.6%
6060 · Ticket Printing	315.00	1,150.00	27.4%
6065 · Movie Rental Fees	0.00	0.00	0.0%
Total 6000 · Production Expenses	84,509.48	81,025.00	104.3%
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	400.00	52.9%
7025 · Staff & Volunteer Recognition	664.07	750.00	88.5%
7000 · Fundraising - Other	5.60		
Total 7000 · Fundraising	1,101.20	2,750.00	40.0%
Total Expense	256,108.46	256,745.00	99.8%
Net Ordinary Income	135,425.67	-30,045.00	-450.7%
Other Income/Expense			
Other Income			
3090 · Organizational Receipts	77,685.25		
Total Other Income	77,685.25		
Other Expense			
6500 · Organization Disbursement	77,547.15		
Total Other Expense	77,547.15		
Net Other Income	138.10		
Net Income	135,563.77	-30,045.00	-451.2%