

Agendum  
Oakland University  
Board of Trustees  
Finance, Audit and Investment Committee  
October 30, 2008

**MEADOW BROOK THEATRE OPERATING BUDGET FOR  
FISCAL YEAR ENDING JUNE 30, 2009**

1. **Division and Department:** Finance and Administration
2. **Introduction:** The FY 2009 operating budget for Meadow Brook Theatre (MBT) is presented to the Board of Trustees (Board) for approval annually. Attached is the FY 2008 year-end budget performance and proposed budget for FY 2009.

In June 2003, Oakland University (University) entered into an Agreement with The Theatre Ensemble (Ensemble), a non-profit corporation, to lease MBT facilities to produce a full season of plays each of the next five years, beginning in FY 2004. Highlights of the Agreement included the following:

- Continued professional theatre productions and related events at MBT.
- Guaranteed rent payments per week of each production season, with a guaranteed number of weeks each year.
- Additional rent payments based on tickets sold.
- Increased opportunities for a strong relationship between the Ensemble and Oakland University's students, particularly those in the academic theatre programs.
- With the current term of the Agreement scheduled to end June 30, 2008.

In May 2007, the Ensemble notified the University of their desire to execute their option of extension of the Agreement. The Agreement provides that the parties may extend the Agreement upon mutually agreeable terms and conditions.

On March 14, 2008, in response to the Ensemble's request for extension of the Agreement, the Vice President for Finance and Administration, after consultation with the Board Representative and General Counsel executed a month-to-month extension of the original Agreement.

3. **Previous Board Action:** The MBT FY 2008 Budget was approved by the Board on May 2, 2007.
4. **Budget Implications:** The University budget for MBT for FY 2009 includes a contractual 10% increase in the weekly fixed rent, along with expenditures for repairs, maintenance, insurance and utilities to maintain the facility.

All contractual payments from the Ensemble have been paid in a timely manner.

**Meadow Brook Theatre Operating Budget for  
Fiscal Year Ending June 30, 2009  
Oakland University  
Board of Trustees  
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5. **Educational Implications:** MBT continues to share its resources with the University's department of Music, Theatre and Dance in professional and artistic avenues.

6. **Personnel Implications:** Students are employed by the Ensemble in a variety of professional and operational positions.

7. **University Reviews/Approvals:** The MBT budget was developed by Finance and Administration, and reviewed by the Vice President for Finance and Administration, the Financial Performance Review Committee and the President.

8. **Board Action to be Requested:** At the November 5, 2008 Board Formal Session the Board will be asked to approve the MBT Fiscal Year 2009 All Funds Budget.

9. **Attachments:**

A. Meadow Brook Theatre – Description of Program

B. Meadow Brook Theatre Proposed Budget – All Funds Fiscal Year 2009

**Submitted by Vice President for Finance and Administration  
and Treasurer John W. Beaghan:**

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(Please Initial)

**Reviewed by Secretary Victor A. Zambardi:**

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(Please Initial)

**Reviewed by President Gary D. Russi:**

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(Please Initial)

## ATTACHMENT A

### Meadow Brook Theatre

#### Description of Program

In June 2003, Oakland University (University) entered into an Agreement with The Theatre Ensemble (Ensemble), a non-profit corporation, to lease MBT facilities to produce a full season of plays each of the next five years, beginning in FY 2004. Highlights of the Agreement included the following:

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#### Key Performance Indicators

	<u>FY 2006</u>	<u>FY 2007</u>	<u>FY 2008</u>
Total Attendance	58,429	69,261	68,548

#### Budget Assumptions

The University budget for MBT for FY 2009 includes a contractual 10% increase in the weekly fixed rent, repairs, maintenance, insurance and utilities to maintain the auxiliary operation.

**Oakland University  
Meadow Brook Theatre  
Proposed Budget - All Funds  
FY 2009**

	FY 08 BUDGET	FY 08 ACTUAL	FY 09 BUDGET
<b>REVENUE:</b>			
Operating Revenue	\$ 80,000	\$ 84,852	\$ 86,000
Retail Sales	-	-	-
Student Tuition Allocation	-	-	-
Gifts and Grants	-	20	-
Investment Income	-	-	-
Total Revenue	<u>\$ 80,000</u>	<u>\$ 84,872</u>	<u>\$ 86,000</u>
<b>EXPENDITURES:</b>			
Compensation	\$ -	\$ -	\$ -
Supplies and Services	1,000	-	1,000
Repairs and Maintenance	2,500	1,611	2,500
Cost of Retail Sales	-	-	-
Equipment	-	-	-
Insurance	3,000	2,015	3,100
Utilities	51,000	51,000	51,000
University Overhead	-	-	-
Total Expenditures	<u>\$ 57,500</u>	<u>\$ 54,626</u>	<u>\$ 57,600</u>
<b>TRANSFERS OUT (IN):</b>			
General Fund Budget Support	\$ -	\$ -	\$ -
Debt Service	-	-	-
Other Transfers	-	-	-
Total Transfers	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Net Revenue Before Major Capital Expenditures	<u>\$ 22,500</u>	<u>\$ 30,246</u>	<u>\$ 28,400</u>
Major Capital Expenditures	\$ -	\$ -	\$ -
Net Revenue	<u>\$ 22,500</u>	<u>\$ 30,246</u>	<u>\$ 28,400</u>
FUND BALANCES JULY 1	<u>\$ 109,967</u>	<u>\$ 109,967</u>	<u>\$ 140,213</u>
FUND BALANCES JUNE 30	<u>\$ 132,467</u>	<u>\$ 140,213</u>	<u>\$ 168,613</u>