CITY OF STOUGHTON
FINANCE DEPARTMENT
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Date: October 8, 2020

To: Finance Committee

From: Jamin Friedl

Subject: Opera House

At the October 8th Committee of the Whole budget workshop meeting the City's Finance Director and Opera House Director provide a summary of the Opera House's financial history along with a projection of how the ongoing pandemic has impacted and will continue to impact the Opera House into 2021.

Based on further analysis by the Opera House Director taking into account multiple operating scenarios, he is requesting an additional $13,000 in funding in 2021 over what is currently budgeted. This results in the existing City transfer to the Opera House increasing from $182,000 to $195,000 in 2021.

The current budget continues to evolve as information becomes available, but as of the date of this memo, the City's General Fund budget net income is calculated to be $8,700 after including the $13,000 request. Assuming no major changes in the current operating budget, this increase appears to be manageable. With that said, there are a number of factors the Finance Committee must keep in mind prior to making its final recommendation.

1. The revenue from the SRO position has not been finalized
2. The final Expenditure Restraint amount has not yet been determined. Based on our projections we are meeting the requirement by approximately $2,300, but that could change as more information becomes available.
3. The Union Contract may not be finalized prior to the completion of the 2021 budget
4. In order to accommodate this request in the 2021 budget, the Finance Department made the following adjustments:
    a. Assumed a 2/1 start date for the new Public Works employee as opposed to an original start date of 1/1
    b. Reduced the Insurance Deductible amount by $5,000