



Sacramento Public Library Authority

August 25, 2011

Agenda Item 4.0: Tsakopoulos Library Galleria
Annual Report 2011

TO: Sacramento Public Library Authority Board Members
FROM: Don Tucker, Director of Facilities
RE: Tsakopoulos Library Galleria Annual Report 2011

RECOMMENDED ACTIONS: None – Information Only.

BACKGROUND

The Tsakopoulos Library Galleria Complex operates as an event venue within the Central Library. Room rental fees, catering fees and café lease payments generate revenue to help support Library operations, with net revenues after expenses being added to the Library's general operating budget.

In spite of the continued weakness in the hospitality and event market, the Galleria returned \$157,039 in net revenue to the Library, an increase of \$91,500 over last year. This is a result of careful control of operating costs, especially in payroll and benefits.

Improvements to the meeting spaces have continued, including the installation of new projectors in both meeting rooms. Both the East and West meeting rooms were painted and the kitchenettes reconfigured to provide much needed storage space.

Marketing efforts during the next fiscal year will include:

1. Participation in local corporate networking events to identify and generate new opportunities for business rentals during the work week.
2. Development of new brochures for both social and business clients that reflect the recent improvements made to the spaces.
3. Development of Internet advertising, including FaceBook and Twitter, to reach a larger audience.

The Galleria staff has adapted well to the new organizational changes and continues to offer one of the most beautiful and sought-after special event venues in the Sacramento region.

ATTACHMENT

Attachment A: Tsakopoulos Library Galleria Annual Report

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The Tsakopoulos Library Galleria at the Central Library continues to be a preferred location for private rental, government, community and civic events, as well as providing a dramatic setting for cultural and educational programs hosted by the Sacramento Public Library. The Galleria main hall, the two adjacent East and West meeting rooms and the Old Foyer entrance comprise one of the most unique and prestigious event spaces in Northern California. The components of the Galleria complex may be rented individually or in a combination that fits the needs of individual events and clients. The wide range of clients that rent the Galleria spaces provides a unique opportunity to generate public relations, visibility, and most importantly, additional income for the Central Library.

The primary mission of the Tsakopoulos Library Galleria is to generate the maximum revenue from its 12,000 square feet of rental space to help support the Sacramento Public Library. In addition, the Galleria provides an environment for cultural and educational programming to enhance the continuing revitalization of the downtown district and provides a dramatic and welcoming grand entrance to the Central Library. During the past fiscal year, the Galleria complex was host to eighty-four weddings, thirty two high school balls, as well as 227 events hosted by the Sacramento Public Library. Other clients included private corporations, government agencies and private educational organizations.

Revenue

Revenue from the Tsakopoulos Library Galleria complex is derived from three sources:

- 1) revenue from rentals for private events (70%)
- 2) revenue from authorized caterers and bar services (16%)
- 3) lease revenue from World of Good Tastes, Inc., the parent company for the on-site LaBou Café. (14%)

After salaries, benefits, supplies and services, and capital improvements are deducted, the net revenue for FY 2010-11 was \$157,039.

Tsakopoulos Library Galleria Rentals

Total rental revenue from the Galleria, Old Foyer, Balcony and Meeting Rooms, as well as equipment and security totaled \$268,523 for FY 2010-11. This is a decrease of \$16,007 from the previous fiscal year.

Catering Revenue

Total revenue for catering services totaled \$63,245 for FY 2010-11. This is a decrease of \$3,058 from the previous fiscal year. The primary reason for this decrease appears to be a result of the overall economy, with private parties seeking less expensive options for the catering portion of their events.

Café Lease

LaBou Café is the only authorized caterer with an on-premise kitchen in the Central Library building. The café has interior seating for 60, al fresco seating for an additional 70 and designated seating on the Galleria main floor when it is not reserved for rental events. Café lease revenues in FY 2010-11 totaled \$51,576 and are 14% of the Galleria's total revenue.

Bookings

Room bookings overall were up 26% from the previous fiscal year. The Galleria itself was typically "dark" one weekend per month and an average of 13 weekdays per month for the last six months. The East and West Meeting Rooms are rarely "dark" on weekends and typically are not booked an average of two weekdays per month. Many return clients have booked for FY 2011-12, primarily in the spring and summer months. Marketing efforts will focus on filling those days when bookings have not been secured.

CONCLUSION

Although the downturn in the general economy continues, overall bookings were up from the previous fiscal year. The Tsakopoulos Library Galleria complex showed a healthy increase in revenue during FY 2010-11, and was able to contribute \$157,039 toward the Library's budget.

Galleria Trends and Statistics FY 2010-11**Revenue by Quarter**

	FY 08/09	FY 09/10	FY 10-11
1 st Quarter	\$ 95,814	\$ 74,569	\$99,924
2 nd Quarter	\$ 127,228	\$ 104,203	\$73,936
3 rd Quarter	\$ 123,974	\$ 93,503	\$104,821
4 th Quarter	\$ 20,740	\$ 129,171	\$104,663
Total	\$ 367,756	\$ 405,668	\$383,346

Cost of Salaries, Benefits, Supplies/Services and Capital Improvements

	FY 08/09	FY 09/10	FY 10-11
Salaries and Benefits	\$ 262,547	\$ 241,154	\$ 156,556
Percent to Revenue	71%	59%	41%
Supplies, services and Capital Improvements	\$ 85,568	\$ 99,155	\$ 69,751
Percent to Revenue	23%	24%	18%

Net Revenue After Expenses FY 2010-11 **\$157,039**

Room Booking Statistics

Space	FY 08/09	FY 09/10	FY 10-11
Galleria	139	105	123
East Meeting Room	208	157	145
West Meeting Room	183	189	211
Others			90
Total Bookings	530	451	569

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