

**Written Testimony Regarding Funding for the Arts in the State of Connecticut
And specifically The Bushnell Center for the Performing Arts
Presented to The Appropriations Committee of the Legislature
Presented by David Fay, President & CEO, The Bushnell Center for the Performing Arts**

This written testimony is submitted in support of a specific request on behalf of The Bushnell Center for the Performing Arts for legislative consideration of increasing the level of funding of general operating support for this landmark cultural institution.

The Bushnell Center for the Performing Arts is the largest arts organization in the State of Connecticut by all major measurements of annual economic activity and impact on the community: annual budget, annual gross revenues, and annual attendance. It is nearly double the size of the next largest arts organization in the state. Its annual budget ranges from \$15 - \$25 Million, depending on the programming presented during any given year. It raises substantial private contributions every year (over \$4 Million in 2012). All revenues go to support of the maintenance and operations of its physical buildings and its wide ranging programming - as well as its many community initiatives. Here are a few FY 2012 Bushnell statistics:

- Annual Operating Budget exceeded \$20 Million.
- Over 300,000 patrons attended Bushnell events.
- Employed 45 Full-Time + 320 Part-Time Staff with total compensation in excess of \$5.5 Million – not including subcontracted labor
- Managed 650 Volunteers who performed over 9,000 Volunteer Services
- Created \$6.9 Million in event-related spending in area hotels, restaurants, and other retailers by our audience members
- Supported 836 full-time equivalent jobs
- Generated \$23.4 Million in salaries, wages and entrepreneurial income paid to local residents
- Delivered \$2.5 Million in local and state government revenue from taxes.

Nationally, The Bushnell is a member of the Performing Arts Center Consortium, a professional association of the 30 largest performing arts centers in North America. As a member of this prestigious group, we measure ourselves against all of our peers on a regular basis. The Bushnell ranks extremely well in all of these comparisons – except in one: government funding. The AVERAGE annual funding from government sources for the PACC members in 2011 was in excess of \$4 Million. Even when eliminating the largest centers, the median annual funding from government sources was in excess of \$2 Million per member organization.

Unfortunately, The Bushnell suffers from the fact that there is no meaningful county government in the State of Connecticut – and from the fact that the City of Hartford is one of the most economically challenged in our state. So, we have no choice but to look to the State – and to the legislature – for our government assistance.

The Bushnell is very appreciative of the legislature's inclusion of funding at the \$250,000 level last year! While it is nowhere near what our counterparts around the country receive – and is significantly less than our own counterparts here in the State of Connecticut – it is much

appreciated! And we recognize how difficult it was to include this in last year's appropriation and to see it at least maintained thus far in this year's process. We thank you!

While constantly seeking contributed income to support Bushnell operations, we have also been diligent as well a creative in our ongoing search to find new earned revenue streams. Among these initiatives was a significant step we took three years ago to successfully bid to take over the operation of Rentschler Field from a national management company. Since then we have enjoyed an exceptional working relationship with the State and UCONN, while earning approximately \$300,000 a year for our services. We are very proud of the past three years as we brought Bushnell Management to Rentschler and have received very high marks for our operations. In fact, in the recent bidding process to combine the managements of Rentschler Field and the XL Center, we were rated the best of the bidders in the management of Rentschler. While we aggressively bid to manage both of these venues, in the end, the CRDA chose a national company and decided to combine both venues under the single management contract. Therefore, we are now facing a \$300,000 hit that more than offsets the \$250,000 line item so generously appropriated a year ago by the State to support The Bushnell. We are not only back to zero – we are negative!

While we are confident that Bushnell Management could have successfully managed both the XL Center and Rentschler Field, we respect the process and the decision of the CRDA and the state. It is just unfortunate that the \$700,000 - \$900,000 in fees and incentives that will be generated through the management of both of these venues will now be going to a national company not based in the State of Connecticut, while The Bushnell continues to face economic hardship. But, as I say, we do understand the decision and cannot and will not argue with it! There are a set of very good reasons for the decision. It is what it is – and we move on!

Contrary to what some may believe about The Bushnell's finances – we are struggling! With \$12 Million in long-term debt and a list of \$7 Million in critical capital improvements which have been deferred for far too long – on top of the \$500,000 we already spend on what we refer to as “the regular” list of capital improvements, we have faced a negative annual cash flow for all but two of the past 12 years – since the first market crash following 9/11. And in spite of generous support of our 3,500 donors that brought us back from the brink between 2001 and 2007, the “Great Recession” that has affected us all – including the State of Connecticut – has pushed The Bushnell even farther into very challenging economic waters. As a result, The Bushnell is currently faced with an annual structural deficit of \$1 Million!!!

The Bushnell has put together a plan for stability and growth, but it has become very clear that we cannot achieve our goals without an appropriate level of help from the only governmental source to which we have access: the State of Connecticut. It is for this reason that we respectfully request a significant increase in the appropriation of general operating support for The Bushnell during this current legislative session.

Respectfully Submitted: Wednesday, February 20, 2013