

Rose Bowl Operating Company
(RBOC)
FY 2025 Operating Budget Draft

April 17, 2024
(RBOC Board)





Mission Statement

The mission of the Rose Bowl Operating Company (RBOC) is to improve the quality of life in Pasadena by providing top quality entertainment and by generating revenue through the operation of a world-class stadium and a professional quality golf course complex.



Fiscal 2024 Accomplishments

- The RBOC will pay its entire **Debt Service obligation in FY 2024** with no General Fund support and is expected to do so for at least the next 5 years.
- RBOC has **reinvested in the stadium capital infrastructure** and preventative maintenance; \$5.3 in FY 2023 and approx. \$7.0M anticipated for FY 2024 and started planning for \$8.4M in FY2025.
- The RBOC Board directed staff to present the City of Pasadena Council with a **long-term capital needs plan**, as outlined in the Operating agreement updating efforts.
- RBOC was able to improve the FY 2024 projected **net income** from Adopted budget by approximately \$3.2M.
- **Legacy Foundation** generated Grant funding of \$3.2M (life to date transfers/funding \$35.4M), formalized SB96 into State Law and led the Historic Stadium's Caucus of 23 historic stadiums vying for funding and preservation.
- **Family Golf planning** under way – with assumptions of starting in the middle of FY 2025.



Fiscal 2024 Accomplishments

- **Music Festival** Fiscal year 3, of 5-years completed with AEG to Net \$3M.
- **Enterprise events** Combined Stadium and Golf projected to net \$1.8M on a budget of \$1.5M, While the stadium hosted 19 displacement events,
- **Brookside golf complex** continued to be an industry leader with a projected net complex net income of \$3.7M on a budgeted net income of \$2.9M.
- **Tourism Business Improvement District (TBID)** Year-1 is in line to budget of \$1.3M; with revenues anticipated to double in future years based on contract.
- **Flea Market Events** resulted in ~\$1.6M in annual revenues in line with budget.
- **Community Program Highlights:** America's Stadium annually hosts dozens of events supporting local community groups that **generates more than \$8 million annually** for local causes – these organizations include Union Rescue Mission, The First Tee of Pasadena, Ronald McDonald House, Pasadena Unified School District, and many more. The Rose Bowl Stadium hosts annual community programming including the Bunny Brunch and the Egg Bowl, Cinco de Mayo at the Rose Bowl, Open Houses with Tours, Athletes in Schools Program, Women's Empowerment Symposium and Networking Luncheon, and the Annual Turkey Tussle. The continued growth trajectory of the Rose Bowl Institute's free programs, due to funded donor support, within the community have included sportsmanship dialogues and awards.



Rose Bowl Operating Company

FY2024 Adopted Budget and Forecast

FY2024 Forecast estimated Net Income improvement of \$3.2M over FY2024

Fiscal Year	FY2024 Adopted	FY2024 Forecast	FY2024 Adopted to FY2024 Forecast
Event Count			
Displacement Event Count	13	15	
Music Festival Event Count	7	4	
Total Displacement Events	20	19	-1
Enterprise Events	124	130	6
(Odd Fiscal years UCLA hosts USC at the Rose Bowl)			
Net Event Income	\$18,222	\$21,150	\$2,928
Golf Complex Income	\$2,982	\$3,701	\$719
Other Miscellaneous Revenues	\$1,979	\$1,961	(19)
General Operations Expenses	\$(11,486)	\$(11,334)	\$152
Rose Bowl Operating Income	\$11,697	\$15,478	\$3,780
[Before Financing, Contributions, Grants and Reserves]			
Less: Financing Net Debt Service	\$(12,713)	\$(11,457)	\$1,256
Income/ (Loss) [After Financing Debt Service]	(1,016)	\$4,020	\$5,036
Income / (Loss)	(1,016)	\$4,020	\$5,036
[After Non-Operating Contributions]			
Less: Grants and Reserves ⁽¹⁾	(2,273)	(4,082)	(1,809)
Rose Bowl Net Income/(Loss)	(3,288)	(62)	\$3,227
[After Grants and Reserves]			

(1) FY2024 Forecast: Prev. Maint Reserves \$2M, Golf Project/Transition \$1.2M, Reserve Policy \$700K, Festival \$100K

PASADENA



Fiscal 2025 Budget: Targets & Planning

Fiscal 2025 Budget focus is an Investment in the future of the Rose Bowl

- **Current Targets**

- Excitement about continuing to cultivate the operating turnaround process with current events' fiscal performance, new revenue streams, Legacy fund raising and Golf successes.
 - **In June 2022 FY 2025 Forecast was (\$6.1M) loss with General Fund demands.**
 - **Recommended FY 2025 Budget anticipates (\$1.2M) loss funded with the RBOC operating reserves.**
- Obtain approval for event counts and Family Golf as these are keys components to continuing the operating success.
- Close engagements with partners to obtain the necessary event count.
- Focus on assessing the market demands for major, flea market and other enterprise events. Assessments include managing events' caliber, neighborhood impacts and net event income.

- **Future Planning**

- Efforts to continue investments in the stadium/golf complex staffing, capital, and preventative maintenance.
 - **FY2025 Capital Budget is \$8.4M and Preventative Maintenance \$2M.**
- Negotiate upcoming contracts for increased investments in the campus.
- Launching of Family Golf and executing on the successes observed in that market.



Rose Bowl Operating Company

FY25 Forecast to Recommended Budget comparisons:

Recommended Net Income is within \$35K from the May 2023 Proforma for FY2025

Fiscal Year	(May 2023) FY2025 Forecast	FY2025 Recommended	FY2025 Recommended to FY2025 Forecast (May 2023)
Event Count			
Displacement Event Count	13	12	
Music Festival Event Count	10	8	
Total Displacement Events	23	20	-3
Enterprise Events	132	140	8
(Odd Fiscal years UCLA hosts USC at the Rose Bowl)			
Net Event Income	\$19,574	\$20,461	\$887
Golf Complex Income	\$3,745	\$3,424	(321)
Other Miscellaneous Revenues	\$3,381	\$3,888	\$507
General Operations Expenses	\$(12,093)	\$(13,007)	\$(914)
Preventative Maint. (Stad/Golf)	See Below Grants and Reserves	\$(1,914)	\$(1,914)
Rose Bowl Operating Income	\$14,608	\$12,853	\$(1,754)
[Before Financing, Contributions, Grants and Reserves]			
Less: Financing Net Debt Service	\$(13,116)	\$(13,116)	-
Income/ (Loss) [After Financing Debt Service]	\$1,492	(263)	(1,754)
Income / (Loss) [After Non-Operating Contributions]	\$1,492	(263)	(1,754)
Less: Grants and Reserves (1)	(2,679)	(959)	\$1,720
Rose Bowl Net Income/(Loss) [After Grants and Reserves]	(1,187)	(1,222)	(35)

(1) FY2025 Recommended: Golf Capital Reserves \$422K, General Reserve \$377K, Festival \$160K





Rose Bowl Operating Company

Budget Historical Events Statistics

Fiscal Year	FY2023 Actual	FY2024 Adopted	FY2024 Forecast	(May 2023)	FY2025 Recommended
				FY2025 Forecast	
Event Count					
Displacement Event Count	14	13	15	13	12
Music Festival Event Count	10	7	4	10	8
Total Displacement Events	24	20	19	23	20
Enterprise Events	142	124	130	132	140
() Odd Fiscal years UCLA hosts USC at the Rose Bowl					
UCLA Football ()	8	6	6	6	6
Rose Bowl Game	1	1	1	1	1
Music Fest	10	7	4	10	8
Concerts	2	3	4	3	3
Soccer	2	2	3	2	1
July 4th/Soccer	1	1	1	1	1
Flea Market	12	12	12	12	12
Enterprise Events	142	124	130	132	140



Rose Bowl Operating Company

Budget Historical Net Event Income

In thousands

Fiscal Year	FY2023 Actual	FY2024 Adopted	FY2024 Forecast	(May 2023)	FY2025 Recommended
				FY2025 Forecast	
Net Event Income by Event					
UCLA Football*	\$3,982	\$4,361	\$4,063	\$6,063	\$5,801
Rose Bowl Game	5,224	4,703	5,294	4,552	4,561
Music Fest	4,335	3,232	2,982	4,110	3,280
Concerts	855	1,764	4,048	1,179	2,783
Soccer	1,233	956	1,264	622	343
July 4th/Soccer	(468)	218	375	-	364
Flea Market	1,741	1,587	1,625	1,552	1,630
Enterprise Events	1,724	1,400	1,500	1,496	1,700
PY or Cost of Business	(137)	-	-	-	-
Net Event Income	\$18,488	\$18,222	\$21,150	\$19,574	\$20,461



Rose Bowl Operating Company

Budget Historical Operating Net Income/(Loss)

Fiscal Year	FY2023 Actual	FY2024 Adopted	FY2024 Forecast	(May 2023)	
				FY2025 Forecast	FY2025 Recommended
Event Count					
Displacement Event Count	14	13	15	13	12
Music Festival Event Count	10	7	4	10	8
Total Displacement Events	24	20	19	23	20
Enterprise Events	142	124	130	132	140
(Odd Fiscal years UCLA hosts USC at the Rose Bowl)					
Net Event Income	\$18,488	\$18,222	\$21,150	\$19,574	\$20,461
Golf Complex Income	\$2,752	\$2,982	\$3,701	\$3,745	\$3,424
Other Miscellaneous Revenues	\$2,263	\$1,979	\$1,961	\$3,381	\$3,888
General Operations Expenses	\$(9,215)	\$(11,486)	\$(11,334)	\$(12,093)	\$(13,007)
Preventative Maint. (Stad/Golf)	See Below Grants and Reserves				\$(1,914)
Rose Bowl Operating Income	\$14,289	\$11,697	\$15,478	\$14,608	\$12,853
[Before Financing, Contributions, Grants and Reserves]					
Less: Financing Net Debt Service	\$(13,332)	\$(12,713)	\$(11,457)	\$(13,116)	\$(13,116)
Income/ (Loss) [After Financing Debt Service]	\$957	(1,016)	\$4,020	\$1,492	(263)
Income / (Loss)	\$957	(1,016)	\$4,020	\$1,492	(263)
[After Non-Operating Contributions]					
Less: Grants and Reserves	(3,770)	(2,273)	(4,082)	(2,679)	(959)
Rose Bowl Net Income/(Loss)	(2,813)	(3,288)	(62)	(1,187)	(1,222)
[After Grants and Reserves]					



Rose Bowl Operating Company

Budget History Revenues

in thousands

Fiscal Year	FY2023	FY2024	FY2024	(May 2023) FY2025	FY2025
	Actual	Adopted	Forecast	Forecast	Recommended
Revenues:					
Stadium Operating	\$46,316	\$50,234	\$56,235	\$54,950	\$54,878
Bond Subsidies and Credits	\$2,004	\$3,071	\$4,327	\$3,071	\$3,071
Golf Complex Operating	\$10,368	\$11,080	\$12,090	\$13,163	\$13,881
Total Gross Revenues	\$58,688	\$64,385	\$72,652	\$71,184	\$71,830
Other Non-Operating Revenue*	-	\$500	\$3,200	\$1,000	\$13,250

* FY2025 Capital designated: \$8.750M Family Golf lending/investment, \$3.5M Grants, \$1M Troon Capital Contribution



Rose Bowl Operating Company

Budget History Expenditures

in thousands

Fiscal Year	FY2023	FY2024	FY2024	(May 2023)	FY2025
	Actual	Adopted	Forecast	FY2025 Forecast	Recommended
Summary of Expenditure by Category					
Stadium	(34,780)	(41,518)	(44,459)	(44,088)	(43,113)
Golf Complex	(7,615)	(8,098)	(8,389)	(8,768)	(9,961)
Preventative Maintenance (1)	See Below Reserves for PM/Capital				(1,914)
Operating Expenditures	(42,395)	(49,617)	(52,848)	(52,855)	(54,988)
(1) FY 2025 category has been moved from Reserves to Expenditure (Stadium \$1.492M and Golf \$422K)					
Stadium debt service	(15,336)	(15,784)	(15,784)	(16,188)	(16,188)
Golf Complex debt service & Investment Payback (2)	-	-	-	(650)	(917)
Total Expenditure	(57,731)	(65,401)	(68,632)	(69,692)	(72,093)
(2) FY 2025 City of Pasadena loan (\$5.25M) and Troon investment (\$3.5M) payback.					
Capital Budget	(5,356)	(10,703)	(7,336)	(3,516)	(8,422)
Total Appropriations	(63,087)	(76,104)	(75,968)	(73,208)	(80,515)
Reserves for PM (FY25 Recomm. In Op Exp) (3)	(1,944)	(2,034)	(2,040)	(2,336)	(In Opr. Exp)
Operations Funding to Capital	(225)	-	(106)	-	(582)
Legacy Funding/Grants/Lending to Capital Reserves	(643)	(500)	(3,200)	(1,000)	(13,250)
Total Contributions to Reserves	(2,812)	(2,534)	(5,346)	(3,336)	(13,832)
(3) FY 2025 Category changed to Capital Only					
RBOC Reserve Policy (FY25 Accumulated Reserves \$5.5M)	(958)	(239)	(686)	(343)	(377)
Full Time Employee Count:	38	38	38	39	42
(New FTEs include: Community Relations, Operations (Field, Pavilion), and Capital support staff)					



Rose Bowl Operating Company

Budget History By Division or Major Budget Area

in thousands

FY2025 Operating Budget (Draft)	FY2023 Actual	FY2024 Adopted	FY2024 Forecast	FY2025 Recommended
Beginning Operating Amount Available	14,422	10,084	11,609	11,548
Stadium				
Revenues	\$46,316	\$50,234	\$56,235	\$54,878
Bond Subsidies and Credits	2,004	3,071	4,327	3,071
Expenses:				
Operating Expenses	(34,780)	(41,518)	(44,459)	(45,027)
Debt Service	(15,336)	(15,784)	(15,784)	(16,188)
Stadium Income/(Loss) Sub-Total	(1,795)	(3,998)	319	(3,265)
Golf Complex				
Revenue	\$10,368	\$11,080	\$12,090	\$13,881
Expenses:				
Operating Expenses	(7,615)	(8,098)	(8,389)	(9,961)
Debt Service / Investment payback	-	-	-	(917)
Golf Complex Income/(Loss) Sub-Total	2,752	2,982	3,701	3,002
Combined Operating Income/(Loss) Before Reserves	957	(1,016)	4,020	(263)
Reserves for Capital				
Legacy and Other Capital Funding	(868)	(500)	(3,306)	(12,910)
Stadium Capital Reserves	(1,406)	(1,448)	(1,448)	(500)
Golf Capital Reserves	(538)	(585)	(1,841)	(422)
Income/(Loss) After PM Reserves Sub-Total	(1,855)	(3,549)	(2,575)	(14,095)
Other Funding (Legacy/Grants)	-	\$500	\$3,200	\$13,250
RBOC Reserve Policy	(958)	(239)	(686)	(377)
Combined (Stadium/Golf) Net Operating Income / (Loss)	(2,813)	(3,288)	(62)	(1,222)
Ending Operating Amount Available	11,609	6,796	11,548	10,326

* FY2024-2028 RBOC Reserve Policy = 8% of Budget Expenses

\$5,522





Rose Bowl Operating Company

Summary of Operating Cash Balances

in thousands

Fiscal Year	FY2023 Actual	2024 Adotped	FY2024 Forecast	FY2025 Recommended
Beginning Balance	\$14,422	\$10,084	\$11,609	\$11,548
Income / (Loss) [Before Grants/Reserves]	957	(1,016)	4,020	(263)
Inflows				
Other Funding (1)	-	500	3,200	13,250
Total Inflows	957	(516)	7,220	12,987
Outflows / Reserves				
Capital Funding (From Operations)	(868)	-	(1,356)	(160)
Other Funding (Grants,Lending, Invest. etc.)	-	(500)	(3,200)	(13,250)
Set-aside preventative Maintenance (Only Capital FY25 Forward)	(1,944)	(2,034)	(2,040)	(422)
Reserve per Policy (2)	(958)	(239)	(686)	(377)
Total Outflows	(3,770)	(2,773)	(7,282)	(14,209)
Net Cash Flow	(2,813)	(3,288)	(62)	(1,222)
Ending Cash Balance	\$11,609	\$6,796	\$11,548	\$10,326

(1) FY 2025 recommended: \$8.75M Family Golf Funding (Troon investment/City lending), \$3.5M State/Grant, \$1M Troon General Investment to Capital.

(2)RBOC Operating Reserve Policy in FY2024 Forecast and FY2025 Recommended

5,522
Operating Balance
/ Reserves



Rose Bowl Operating Company

FY 2025 Key Issues and Strategies

Key Issues

- Identify incremental revenue opportunities
- Focus on long term financial structure and health for the complex
- Music Festival success
- Stabilize and grow golf course property revenue

Strategies

- Focus on big picture thinking around appropriate revenue generating activities and uses on the entire campus
- Work closely with the City in forecasting revenue, expenses and funding necessary for bond debt service and capital improvements
- Recognize the importance of music festivals and provide support to help them succeed and achieve revenue share above guarantee
- Refine efforts related to increasing net golf course as well as food & beverage revenue. Identify more outdoor opportunities on golf course including the Family Golf initiative



Rose Bowl Operating Company

FY 2025 Key Issues and Strategies

Key Issues (continued)

- Continued focus on event operations, including security and outside the fence line management
- Prepare for 2028 Olympics
- Identify long-term capital funding sources
- Success of existing tenants

Strategies (continued)

- Work and communicate closely with public safety officials, event promoters and stakeholders
- Collaborate with Los Angeles leaders and put forth an effort based on Stadium's history and brand to provide Pasadena a global platform
- Legacy 2.0 continue to focus on collaboration with donors, City, State and Federal Governments
- Leverage existing agreements and create new public/private partnerships that increase revenue and capital funding for all parties



END OF PRESENTATION



Fiscal 2025 Budget Sensitivity Issues

- **Attendance Driven issues:**
 - UCLA - New to Big-Ten Conference
 - Rose Bowl Game - First Quarterfinal game
 - Flea Market - continued patron interest
- **Other Event Assumptions:**
 - 2 large concerts and continued demand
 - Speculative Events: 1 Soccer match, 1 Concert and 4 Music Festival holds
- **Continued strengths in the sport of golf**
- **Family Golf approval and execution with launch in January 2025**
- **Contract RFPs in progress that could impact expenses:**
 - Security
 - Sustainability
 - Information Technology