

# Freakfest Contract Discussion

## Finance Committee Discussion Item

June 25, 2018

### Background

- Since 2007, the City and Frank Productions have worked collaboratively to promote and produce the live entertainment and ticketing components of the annual Freakfest event.
- The current contract has remained in force for the last 11 years, and representatives from the City and Frank Productions have discussed refreshing and refining the contract to make it clearer and easier to administer.
- Both parties agree that the broad purpose of the event is important and valuable and would like to continue the partnership to provide a legitimate, effective, safe and successful annual event that minimizes public costs.
- Both parties recognize the historic, logistic, and fiscal restrictions on the event, including the limitations on revenue streams coupled with continuous increases in costs.
- Frank Productions has moved forward in good faith to book talent and begin the production processes related to the 2018 event.

### Current Contract

- Revenue split between City of Madison & Frank Productions based on ticket sales & out of pocket costs.
- The City's share of revenues has varied between \$90k-120k annually.
- The City's out-of-pocket costs average \$40k annually. These costs include fencing, private security, PA system, facility rentals, lighting, communications, portable toilet rentals, law enforcement work supplies, printing, and misc. supplies.
- Frank Production's net share of revenues has varied between \$30-60k, with 2017 being an anomaly in which Frank Productions booked a loss of \$30k.

### Proposed Change

- Enter into annual flat fee contract with Frank Productions under which the City pays an annual fee of \$50k to Frank Productions to handle all responsibilities detailed in the current contract (booking, coordinating, marketing, ticketing and producing the event).
- City reimburses Frank Productions for all show costs, talent fees, and the agreed producer fee within 30 days of invoice.
- City receives 100% of all ticket sale and sponsorship revenue.