It is the mission of the State Theatre for the Arts to develop the historic State Theatre as a vibrant community center for innovative cultural arts programming and popular events that foster the cultural enrichment and economic sustainability of historic downtown Red Bluff.

Dear friend of the State Theatre,

It is my pleasure to share with you that because of the amazing support of the entire community, the State Theatre for the Arts has during calendar year 2016 continued to make significant progress in fulfilling its mission as stated above. This report is prepared primarily in order to update those in the community who have placed their trust in STFTA by contributing financial and other support toward the purchase, restoration and operation of the historic State Theatre as a resource for the entire community today and for future generations. It is our belief that after reviewing this document, those of you who have provided financial support in the past will choose to continue your support of the historic State Theatre.

While this annual report contains requisite statistical information, its intended purpose is to provide the reader with a basic overview of successes achieved through our capital campaign to purchase and restore this grand old community treasure and to give you a view of our efforts to broaden and increase utilization of this wonderful performing arts venue by all segments of the community.

Additional information is available through the State Theatre website at www.statetheatreredbluff.com, or by calling the State Theatre at (530) 529-2787.

SEE YOU AT THE STATE!

Bill Cornelius, President
State Theatre for the Arts
The State Theatre for the Arts has occupied the State Theatre for sixteen years, the first ten years as a tenant of the theatre under private ownership. In early 2010, a decision was made to cease the landlord/tenant relationship and devote that year to making an informed decision regarding the potential for purchasing the theatre. After several months of study, a strategic planning session was held with community stakeholders. It was decided that, among other things, it was necessary to 1) thoroughly investigate the condition and market value of the State Theatre site’s building, equipment, and mechanical systems, 2) investigate cultural arts and economic revitalization programming options, 3) determine needed facility and equipment improvements to accommodate new programming efforts, 4) develop a sustainable business plan, and 5) investigate the feasibility of a comprehensive capital campaign to attract the funding necessary to underwrite the cost of organization developments and community initiatives.

Upon completion of the above-referenced due diligence and strategic planning activities, a decision was made in December 2010 by the STFTA Board of Directors to undertake a multi-year comprehensive capital campaign. The purpose was of the campaign was to provide for the purchase and eventual restoration or upgrading of the State Theatre facility for new and expanded programming, and for the eventual establishment of an endowment fund appropriate to the long-term needs of the State Theatre for the Arts and the community it hopes to enrich and serve.

In early March, 2011, an agreement was reached wherein the State Theatre for the Arts would purchase the State Theatre for $440,000. Financing was secured on a two-year interest-only basis through the Rural Community Assistance Corporation, and escrow was closed on the purchase of the State Theatre on October 16, 2011. With the amazing support from the North State community, we were able to pay off our note and burn our mortgage at a State Theatre celebration held in May of 2013.

**Governance**

In order to satisfy the many facets of purchasing and operating a 70-year-old historic theatre, it is important to have ambitious, capable people with a whole lot of time to participate. This community is indeed fortunate to have such people! At the present time the State Theatre for the Arts operates the State Theatre largely as a volunteer organization. Following is a list of your friends and neighbors who served on the 2016 Board of Directors, and who along with many other volunteers completed over 4,000 hours serving the State Theatre in various capacities during calendar year 2016.

- **Bob Douglas**, President, Governance Chair
- **Joe Vine**, Immediate Past President
- **Amanda Davidson**, Vice President, Operations and Programs
- **Jackie Douglas**, Secretary
- **Joan Allen**, Treasurer
- **Bill Cornelius**, Vice President, Public Relations and Resources
- **Wes Combes**, Vice President, Audit and Finance
- **Christy Forward**, Marketing Chair
- **Kevin Borror**, Restoration Chair
- **Austin Harter**, Facilities Committee
- **Kelsey King**, Programming Committee
- **Brandon Minch**, Facilities Chair
- **Jean Moran**, Grant Committee Chair
- **Andre Schuetz**, Program Committee member
- **Carmel Growney**, Resource Development
- **Velma Trujillo**, Volunteer Coordinator
- **Nancy Weber**, Membership Chair
- **Amanda Wigno Harter**, Social Media Chair
State Theatre Donor Recognition Program

Upon initiating our capital campaign to purchase and restore the historic State Theatre, we established a naming rights program whereby major donors were awarded naming rights for outstanding theatre features. Because all naming rights features were acquired almost immediately, a donor wall was installed at the theatre to recognize individuals, families, businesses and organizations that have contributed a minimum gift of $1,000.00. Following is a list of over 140 persons, businesses and/or other entities qualifying for Donor wall recognition: We thank you all.

Encore ($1,000 to $4,999)

Jessie Woods
Jerry Germann
Berenice Forward
Tehama County Realtors Association
David Biggs
Michael and Hillary Vasey
Charles and Eleanor Richardson
Jill Etzler
AmericanWest Bancorp
Tehama County Arts Council
Robert and Judith Isola
Kevin and Linda Borror
George and Sharon Russell
Ev McDonough
Foothill Redi-Mix
Ben and Bobie Hughes
Jane Flynn
Linda Bullock
Joan Allen
Don and Millicent Waits
Christy Forward
Red Bluff Sears Store
Travis and Kelley Dolling
Sharon Kesey
Ken and Lucinda Brown
Jennifer Skinner
Una Jordan
Lassen Medical Group
Eugene Serr
Mark and Rosalie Columbo
Penny Costa
Kelly Forward
Bob and Karen Roy Crockett
Robert Stoufer
Tod and Laura Dolling
Cheryl Forbes
Tehama Family Fitness

Rolland and Judi Papendick
The Honorable Dennis and Maggie Murray
Ron and Susan Clark
Linda Durrer
US Bancorp
Bill Galbraith
Pam Pitts
Bill and Sis Davidson
Vern McHaney
The Honorable Richard and Lana Scheuler
The Honorable Todd and Jamie Bottke
Garry and Christine Fish
Sandra Clarkson
Tom And Rosemary Amundson
Gregg Avilla
Joann Davis
Ron and Jeri Etzler
Jim Edwards
Forrest and Sherri Flynn
Randy and Lisa Hansen
Phyllis Merchant
Brad and Amy Mattingly
Ron and Dorothy Michaelis
Ken Miller
Sam and Barbara Mudd
Russ and Venita Philbrick
RBHS Class of 1963
Ryan and Cindy Sale
Bobbi and Daryl Smith
Tom and Becky Tranbarger
Dennis and Denise Daugherty
Bengard Ranch
Holly Burns
Rainbow Painting
Medical Home Care Professionals
Mardith Schuetz-Miller
Kathy Schmitz Sarmiento
We can not thank this community enough for the amazing response to our capital and restoration campaigns. It is the goal of the State Theatre for the Arts to fully restore this grand old theatre, and the support received in support of our efforts thus far has been simply amazing. Calendar year 2016 marked the third year in which we concentrated on restoring the theatre to its original state of grandeur. It is our sincere hope that those who have already contributed to our campaign will continue to see this project as a priority, one worthy of financial support. It is also our hope that others within the community who are capable of supporting this important project will provide additional funding during calendar year 2017. Additional information regarding the State Theatre restoration campaign can be obtained from any STFTA Board member, by accessing our website at www.statetheatreredbluff.com, or by calling the theatre office at (530) 529-2787.
Calendar Years 2013-16  Restoration improvements at the State Theatre

Because we now own this grand old building, we believe businesses, individuals, and foundations will look much more favorably at funding requests for building improvements and restoration. Because of the amazing support of this community, we have been very well positioned to address and complete several safety, program and restoration projects in calendar years 2014, 2015 and 2016. These projects are as follows:

In calendar year 2013 we applied for a grant from the McConnell Fund of the Shasta Regional Community Foundation to fully restore the State Theatre blade (the exterior vertical sign) and marquee. Though the stated maximum amount available through the grant was $50,000, the Foundation was so impressed with the level of support demonstrated by the community that we were awarded the entire project cost of $65,000. The new blade and marquee were completed in the spring of 2014, and they now shine brightly over downtown Red Bluff on a nightly basis. We thank the McConnell Fund of the Shasta Regional Community Foundation for their support of the State Theatre.

The State Theatre has a seating capacity of 730, slanting from bottom to top on a gradual incline. In order to ensure the safe passage of all who enter the theatre, we have installed safety railings to assist patrons as they navigate our stairs in the theatre balcony.

With the support of the Tehama County AB109 cabinet-making program, we were able to tear out our old makeshift concession area and replace it with a beautiful state-of-the-art concession area that will serve patrons for decades to come. We thank the Tehama County Board of Supervisors, the Tehama County Probation Department, and especially program director Mike Shaffer, for creating this magnificent addition to the State Theatre.

In support of our new concession stand, we were able to install new floor covering in our lobby area. We thank Dale’s Carpet & Design for their role in providing this beautiful theatre addition!

In the spring of 2014, a decision was made to demolish and replace the pavement in the alley adjacent to the theatre and our green room (dressing room), and to construct a 1,000 square foot concrete patio area for use in outdoor celebrations. This beautiful and safety-minded addition is valued at $40,000. All work and materials were donated by the following contractors and businesses: Dudley Underground Constuction, Ben’s Trucking, Foothill Redi-Mix, Robert Douglas Construction, Tullis Construction, Red Bluff Fence, and Sierra Pacific Industries. We now have a beautiful, safe environment in our alley/patio area at no cost to STFTA.

We have been able to tear out and replace our undersized and outdated State Theatre stage. This project, as with most at the State Theatre, was supported in large measure by financial and in-kind contributions from such businesses as the Sierra Pacific Foundation, Madera Framing, and Bear Creek Contractors. We thank these great businesses for their support.
2014 also marked the completion of a beautiful restoration of our interior marquee, allowing us to post notices of and advertise for upcoming events.

In early 2015 we applied for and received a grant from the McConnell Fund of the Shasta Regional community Foundation for $50,000 to replace our 60 year old boiler heating system. We are pleased to report our new system is much more efficient to operate, and provides for a warm and cozy theatre throughout the winter months.

With the 2015 completion of the new Haleakala Stage in our auditorium, we have installed a beautiful new stage curtain system that not only looks terrific, but enhances the overall effectiveness of our sound system in the State Theatre.

With financial support from one of our valued supporters, we were able to upgrade and install new fixtures in the original 1946 vintage men’s and women’s restrooms.

With the support of our valued supporters, we were able to replace the tile flooring in the lobby of the State Theatre.

With the support of a major financial donor who requested to remain anonymous, we were able in 2016 to enhance our State Theatre sound system and our lighting system. With this addition we are able to utilize a secondary sound board system adjacent to the theatre stage, and are now in a position to host any and all concerts without having to augment our systems with expensive rental equipment. We were also able to update our outdated electrical system within the stage area, providing more cost effective and safe service. 2016 was a very productive year as relating to restoration and safety enhancements in the historic State Theatre.

**Seat Replacement Program**

In October of 2016 at our annual Gala, the STFTA rolled out its seat replacement campaign. The 740 seats in the State Theatre are now 70 years old, and are in very poor condition. Replacing all 740 seats is our most ambitious restoration project to date, as in conjunction with the actual replacement of seats, it will be necessary to replace badly worn carpets and refinish our 70 year old hardwood floors in the theatre’s balcony.

The projected cost of the entire project is approximately $325,000. It is hoped that the largest portion of the total cost will be covered by our seat sponsorship program. For $500, individuals and other entities may sponsor a new seat. Each seat contains a name plate on which the seat sponsor may honor someone or something with an inscription.

Our seat sponsorship program is off to an impressive beginning, as in October, November and December of 2016 we received in excess of $110,000.00 from individuals and other entities in support of the seat replacement program.

It is the goal of the STFTA to complete the entire seat replacement program during the summer of 2017. If we were to divide the project into two segments, it would require that we close the theatre for extended time periods over two successive summers. Doing it in two phases would also cost an additional $15,000.00 With that in mind, we will be “going dark” from late June through the end of August in order to complete this important project in one block of time.
Prior to the installation of the new seats, we will continue to market our seat sponsorship program in hopes of funding a substantial portion of the project through this process. We will also seek contributions from loyal major donors in support of this exciting restoration project.

**2016 Calendar of Events at the State Theatre**

Below is a list of events, sponsors and attendance numbers for those events held at the State Theatre during calendar year 2016.

<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Promoter</th>
<th>Attendance</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 9</td>
<td>Songwriters Showcase</td>
<td>Mill Creek Ranch/STFTA</td>
<td>301</td>
</tr>
<tr>
<td>January 14</td>
<td>Pan Tillis</td>
<td>STFTA</td>
<td>441</td>
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<tr>
<td>January 15</td>
<td>Acoustic Guitar Masters</td>
<td>TCS</td>
<td>250</td>
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<tr>
<td>January 22</td>
<td>TCS student concert</td>
<td>TCS</td>
<td>700</td>
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<tr>
<td>February 11</td>
<td>Collin Raye</td>
<td>STFTA</td>
<td>595</td>
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<tr>
<td>February 20</td>
<td>Vagina Monologues</td>
<td>Girls Inc</td>
<td>175</td>
</tr>
<tr>
<td>February 27</td>
<td>Search For Talent</td>
<td>Exchange Club</td>
<td>174</td>
</tr>
<tr>
<td>March 4</td>
<td>Community coffee</td>
<td>Nielson/Gallagher</td>
<td>30</td>
</tr>
<tr>
<td>March 17</td>
<td>Barefoot Movement</td>
<td>TCS</td>
<td>300</td>
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<tr>
<td>March 19</td>
<td>High Street Band</td>
<td>Red Bluff Rotary</td>
<td>93</td>
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<tr>
<td>March 25</td>
<td>US Army Jazz Band</td>
<td>TCS</td>
<td>448</td>
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<tr>
<td>April 1</td>
<td>Wild Oak Comedy Show</td>
<td>STFTA</td>
<td>174</td>
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<tr>
<td>April 4-9</td>
<td>Missoula Children’s Theatre</td>
<td>TCAC</td>
<td>415</td>
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<tr>
<td>April 14</td>
<td>True North Jazz Reach Concert</td>
<td>TCAC</td>
<td>468</td>
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<tr>
<td>April 22</td>
<td>Motown Experience</td>
<td>STFTA</td>
<td>301</td>
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<tr>
<td>May 10</td>
<td>Mother’s Day Film- Mamma Mia!</td>
<td>STFTA</td>
<td>189</td>
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<td>May 14</td>
<td>Tommy Castro &amp; Painkillers</td>
<td>STFTA</td>
<td>230</td>
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<tr>
<td>May 17-19</td>
<td>Tehama County Writing Celebration</td>
<td>Tehama County Dept. of Education</td>
<td>1,300</td>
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<tr>
<td>May 21</td>
<td>Axiom Brass</td>
<td>TCS</td>
<td>325</td>
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<tr>
<td>May 24</td>
<td>Suicide Seminar</td>
<td>Suicide Prevention Ass.</td>
<td>25</td>
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<tr>
<td>May 26</td>
<td>Mercy High Graduation</td>
<td>Mercy High School</td>
<td>400</td>
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<tr>
<td>May 31</td>
<td>TELA graduation</td>
<td>TCDE</td>
<td>600</td>
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<td>June 10-11</td>
<td>Selah Dance Academy Recital</td>
<td>Selah Dance Academy</td>
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<tr>
<td>June 29</td>
<td>TELA Adult Graduation</td>
<td>TCDE</td>
<td>300</td>
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<tr>
<td>June 25</td>
<td>Janis Joplin Tribute</td>
<td>STFTA</td>
<td>154</td>
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<tr>
<td>July 15</td>
<td>Will Durst</td>
<td>STFTA</td>
<td>90</td>
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<tr>
<td>July 29</td>
<td>Ana Popovic</td>
<td>STFTA</td>
<td>149</td>
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<tr>
<td>August 5</td>
<td>Reunion</td>
<td>Class of 1971</td>
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<tr>
<td>August 24</td>
<td>Glenn Miller Orchestra</td>
<td>STFTA</td>
<td>204</td>
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<tr>
<td>September 16</td>
<td>Alpin Hong</td>
<td>TCS</td>
<td>400</td>
</tr>
<tr>
<td>September 17</td>
<td>Beef ’n Brew</td>
<td>Tehama County Cattelwomen</td>
<td>1,000</td>
</tr>
<tr>
<td>September 30</td>
<td>Harvest for Health</td>
<td>Family Counseling Agency</td>
<td>75</td>
</tr>
<tr>
<td>October 5</td>
<td>USAF Jazz Band</td>
<td>STFTA</td>
<td>400</td>
</tr>
<tr>
<td>October 8</td>
<td>Gala</td>
<td>STFTA</td>
<td>125</td>
</tr>
<tr>
<td>October 14</td>
<td>John Sebastian</td>
<td>STFTA</td>
<td>220</td>
</tr>
<tr>
<td>October 18</td>
<td>Downtown Business Assoc. mtg</td>
<td>STFTA</td>
<td>30</td>
</tr>
<tr>
<td>October 19</td>
<td>Tehama County Promo Video</td>
<td>STFTA</td>
<td>50</td>
</tr>
<tr>
<td>October 23</td>
<td>Kingston Trio</td>
<td>STFTA</td>
<td>261</td>
</tr>
</tbody>
</table>
The State Theatre served as the preferred venue for fifty different events during calendar year 2016. These events were attended by a total of 14,773 patrons, for an average of 295 patrons per event. It should also be noted that twelve events staged at the theatre in 2016 were targeted toward community children, in keeping with our pledge to sponsor children’s programming whenever possible.

Only by supporting theatre programming through attendance will the State Theatre be able to increase the quantity and quality of programming offered on the Haleakala Stage. Calendar year 2016 was a record year in terms of total events booked and overall attendance at State Theatre events. We believe that with increased visibility and marketing efforts, 2017 will see bookings and attendance continue to grow at a reasonable rate.

Community Sponsors

The State Theatre for the Arts would like to thank the following for providing reduced or no-cost goods and services during calendar years 2014-16: Ben Sale Trucking, Tehama County AB 109 Cabinet Making program, Bear Creek Construction, Brandon Grissom, Paul Stubbs, Earl Dufore, Rob Schmid, Stan Morgan, Fred Richlieu, Sierra Pacific Industries, Transfer Flow, Brandon Minch Construction, Bruce Sale Plumbing, House of Design, Mike Metherd Signs, The Copy Center, The Human Bean, Comfort Inn, Dale’s Carpet, Triple D’s Metal Work, Rolling Hills Casino, Job Training Center, North Valley Services, Tehama Country Visitor Center, Growney Motors, Karen Roy Crockett Photography.

Program Sponsors

Calendar year 2016 marked the second year of our State Theatre Performance Series Sponsorship Program. Funds generated from this program are used to underwrite and guarantee quality programming at the State Theatre, as well as to support various State Theatre restoration and maintenance projects. We are happy to report that our Performance Series sponsorship program continues to grow.

**State Theatre Membership Program**

While our capital campaign was designated for acquisition and restoration purposes, membership funds are necessary if we are to operate this majestic old theatre on a daily basis. We are proud to announce that our 2016 membership numbers approximately 200 members, with over $26,000 being contributed to our membership program in support of theatre operations.

**It is our goal in 2017 to build our membership to 250, with a total contribution of $30,000. We are continually looking for ways to reward our members. Additional information can be obtained by logging on to the State Theatre website at www.statetheatreredbluff.com.**

**Personnel**

While the State Theatre continues to function as a mostly volunteer organization, operating a theatre is nearly a full-time job. The State Theatre for the Arts is extremely fortunate to have Linda Bullock filling the critical role of House Manager at the State Theatre. Linda is a life-long member of this community and a long-time downtown business person with a wealth of knowledge about the community as well as about theatre operations. Linda is available most anytime to discuss State Theatre business. She can best be reached by calling the theatre office at 529-2787.

We are also very greatful for the services of State Theatre Concessions manager, Tom Sale; Technical Director Casey Hickock; Lighting Director Pete Bilton and official State Theatre Photographer, Karen Roy Crockett.

**State Theatre Operations Budget for Calendar Year 2016**

Following is a very general financial accounting of profits and losses associated with operating and restoring the State Theatre during calendar year 2016. Like any business, the State Theatre for the Arts can remain in business only if our income exceeds our expenses. I am happy to report that calendar year 2016 was by far the best year in the history of the State Theatre for the Arts as relates to funding programming, restoration and operations issues. Following is a very general summary of our Income and Expense Reports for 2016.

**Income:**

Our calendar year 2016 income projection for the entire operation was $446,300. We are very pleased to announce that we greatly exceeded said projection. Our total income for calendar year 2016 was $714,820, exceeding our projected income by $268,520.

This impressive income total is largely due to two unforeseen income sources. We had two significant contributions to a newly created endowment fund in the total amount of approximately $160,000. That, along with the newly created seat sponsorship program proceeds of approximately $110,000, accounts for most all of the income excess.

Programming and the day to day operations of the State Theatre are largely dependent on income received from such sources as box office receipts, membership program, concessions, and rental income. Our 2016 income projections for these remaining categories totalled $185,000, and our income associated with these categories came in at approximately $215,000.

**Expenses:**
The 2016 expense attached to operating the theatre, absent restoration costs, totalled approximately $273,000, exceeding projected operating expenses of $265,000 by $8,000. It should also be noted that in 2016 the State Theatre for the Arts paid off the green room mortgage, and now owns the building free and clear. Approximately $125,000 was expended on restoration issues in calendar year 2016.

Financial Health of the State Theatre

To put it in to the simplist terms possible, the State Theatre is in a very good position from a fiscal standpoint. When the decision was made to purchase the theatre in 2011, STFTA had less than $40,000 in our financial reserve account. In five short years STFTA has not only purchased and totally paid off the theatre building, but has also purchased and paid off the adjacent green room building as well.

STFTA has also made significant structural and restorative improvements to the State Theatre. The current fixed asset valuation of STFTA owned property/equipment is $797,228.

The State Theatre reserve at the end of 2015 was $246,277. The reserve at the end of 2016 was $430,993, for an increase in liquid reserve assets of $184,716 in one calendar year. Total State Theatre assets are $1,228,221,58.

Calendar Year 2016 was another amazing year in the history of the State Theatre! With the continuing support of this amazing community we were able this year to pay off the Green Room adjacent to the theatre as well as make significant improvements to our sound, lighting and electrical systems within the theatre.

Our membership continues to grow. Our State Theatre Performance Series Sponsors are wonderful, allowing us to grow and improve the quantity and quality of State Theatre programming with each passing year.

Calendar year 2017 promises to be another busy year at the State Theatre. Our primary restoration project centers around the replacement of 740 seventy year-old State Theatre seats. We hope you will participate in this exciting project at the historic State Theatre.

On behalf of the State Theatre for the Arts,

Thank you!

Bill Cornelius, President
State Theatre for the Arts