Argus Leader



June 23, 2000

50 Cents

INSIDE

THE SCENE



Harmony on stage

Indigo Girls return to South Dakota on Saturday to play at the Washington Pavilion.

RACING, 4C

Gutsy driver

18-year-old Dusty Ballenger is proving himself on area tracks



Icelanders golf 18 holes all night long

By FAWN VRAZO Knight Ridder

AKUREYRI, Iceland - It is nearly midnight at the Akureyri Golf Club - the northernmost 18-hole course on the planet - but you'd never know it from the activity.

Small throngs of diehard golfers, from a group of six alcohol-fueled Reykjavik businessmen to Worcester, Mass., electrical contractor Jim Boudreau, are intently whacking little white orbs deep into the nighttime sky.

Local wildlife is acting a bit strangely, too. Birds, who ought to be sleeping, play in the dirt, and in nearby fields, shaggy-maned Icelandic horses gallop happily.

In the heavens, a golden sun is just beginning to dip coquettishly behind snowcapped mountains. But there it stops, stuck on the horizon like a fat egg yolk, bathing all Iceland in a golden midnight

These are the longest days of the year and, for Iceland, the time when people turn from dour recluses into the some of the world's giddiest sun worshippers.

Starting in May and lasting well into August, Iceland enjoys virtually 24-hour daylight and experiences a transformation of its national soul.

At 2 a.m. Thursday in Akureyri, a seafaring city less than 50 miles below the Arctic Circle, the sun was as bright as it is in most U.S. cities at 7 p.m. Things brightened up even more just before 3 a.m., when a sun that never fully set officially rose.

Summer here is the sweet reward for enduring an Icelandic winter. In December, daytime lasts from 10 a.m. to 2 p.m., and by 2, the sky is deep twilight. Icelanders begin going to bed early and getting up late.

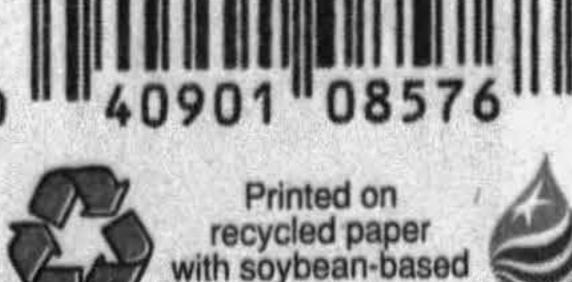


Full report, 2A.

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SIOUX FALLS, SOUTH DAKOTA

Fretful owners can buy Fido insurance

Few South Dakotans join trend of taking out pet health policies

By ROB SWENSON Argus Leader

Are you worried that rambunctious Rover the dog might get hit by a car and need expensive joint surgery? Or that Fluffy the cat could contract an illness that requires an organ transplant?

The insurance industry is out to ease the financial concerns of pet owners - for a price.

At least four companies that of Insurance. do business nationally, including a California-based pioneer in the industry, have started

offering pet insurance in ance agents in Sioux Falls South Dakota.

In recent years, pet insurance has gained popularity in South Dakota. The product has yet to catch on here.

"A lot of people can't afford health insurance for thempriority," said Darla Lyon, protection." director of the state Division

But others expect sales to grow gradually.

Veterinarians and insur-

confirm that local pet owners are not rushing out to buy protection for dogs, cats or birds.

Samuel Lukens, a veterinarian at Lukens Westwood Animal Clinic. "I think there's a selves. I don't know if pet certain segment of the popuinsurance is going to be their lation that will jump on the

> Like Lukens, veterinarian David Rola of East Acres Animal Hospital does not think any of his customers have pet insurance.

articles where it's becoming places more populous than "I think, primarily, they are popular in parts of the coununaware of its existence," said try, but I haven't seen it catch Jeff Scherschligt, president of Howalt-McDowell Insur-

"It's sort of come and gone

several times through the

years," Rola said. "I've read

ance Inc. in Sioux Falls, said he has not had any inquiries about health-related protection for pets. "It may be a growing deal,

but we haven't seen the demand. We haven't attempted Insurance / See 8A



Val Hoeppner / Argus Leader

Donna and Ken Smart of Sioux Falls give their 10-year-old dog Emily her medication for a thyroid condition and epilepsy.

Pavilion finishes first year in black

\$1 million in city funding boosted the bottom line

By JENNIFER SANDERSON Argus Leader

Buttressed by more than \$1 million in city funds, the Washington Pavilion of Arts and Science ended its first seven months of operation in the black, according to an independent audit released earlier this week.

The audit, prepared by Sioux Falls accounting firm EideBailly, showed the Pavilion took in \$3.24 million, including city money, and spent \$3.21 million, yielding a bottom line of \$27,792.

"We budgeted for a \$30,000 deficit, and we made nearly \$30,000," said Steve Hoffman, Pavilion executive director. "We ended up nearly \$60,000 ahead of where we thought we'd be."

nying financial statement individual management cover only 1999. They show:

In addition to the budget- not detail those items. ed \$950,553 subsidy, the city provided \$103,826 during the performing arts center the Pavilion could say specif- Circle workshop on quilting, ically what that money paid brought in \$1,415.

13 percent more revenue than during its first seven months projected in its August 1999 of operation. The \$125,000 it budget. But total expenses generated in sales and rentals also exceeded expectations - wasn't enough to balance the 8.1 percent more than pre- \$162,141 spent on restaurant dicted in that budget.

subsidy and \$1.12 million in former City Commission in shared costs among the Visu- 1993 limits the city subsidy to al Arts Center, the Husby Per- \$750,000 a year, plus inflaforming Arts Center and the tionary increases. Kirby Science Discovery Center, the Pavilion's 1999 siderably more than that in balance sheet shows the arts 1999, though the facility center with a \$16,329 profit, wasn't open for a full year of the performing arts center operation. City budget and with \$195,954 in the black operations manager Dan and the science center Alexander said the extra \$184,496 in the red.

"The original revenue pro- start-up costs. jections for the science center were probably a little aggres- be less dependent on the city sive in terms of our admission in coming years, recognizing income," said Jane Hath- that the \$950,553 subsidy is away, Pavilion finance direc-

Staff of 268

Here's a breakdown of staffing levels at the Washington Pavilion of Arts and Sci-

General/Administrative: 27 full-time; 120 part-time Visual Arts Center: Six full-

time; nine part-time Husby Performing Arts Center: Two full-time; 60 part-time

Kirby Science Discovery

Center: 11 full-time; 31 part-

Other: Two part-time administrative assistants.

■ Salaries and wages make up 40 percent of the Pavilion's operating expenses. A total of 46 full-time and 222 part-time workers are employed. Pavil-The audit and an accompa- ion officials won't release salaries, and the audit does

■ Ticket sales to events in 1999 for start-up costs and brought in \$585,757, while the equipment. The audit also science center generated reports that the city donated \$367,226 in CineDome tickets various materials and ser- and admissions to the exhibvices valued at \$40,000, it areas. Arts center prothough neither the city nor grams, such as a Collector's

Leonardo's Cafe, which ■ The Pavilion generated opened in June, lost \$37,141 set-up and food costs.

After dividing the city's A resolution passed by the

The Pavilion received conamount was to help cover

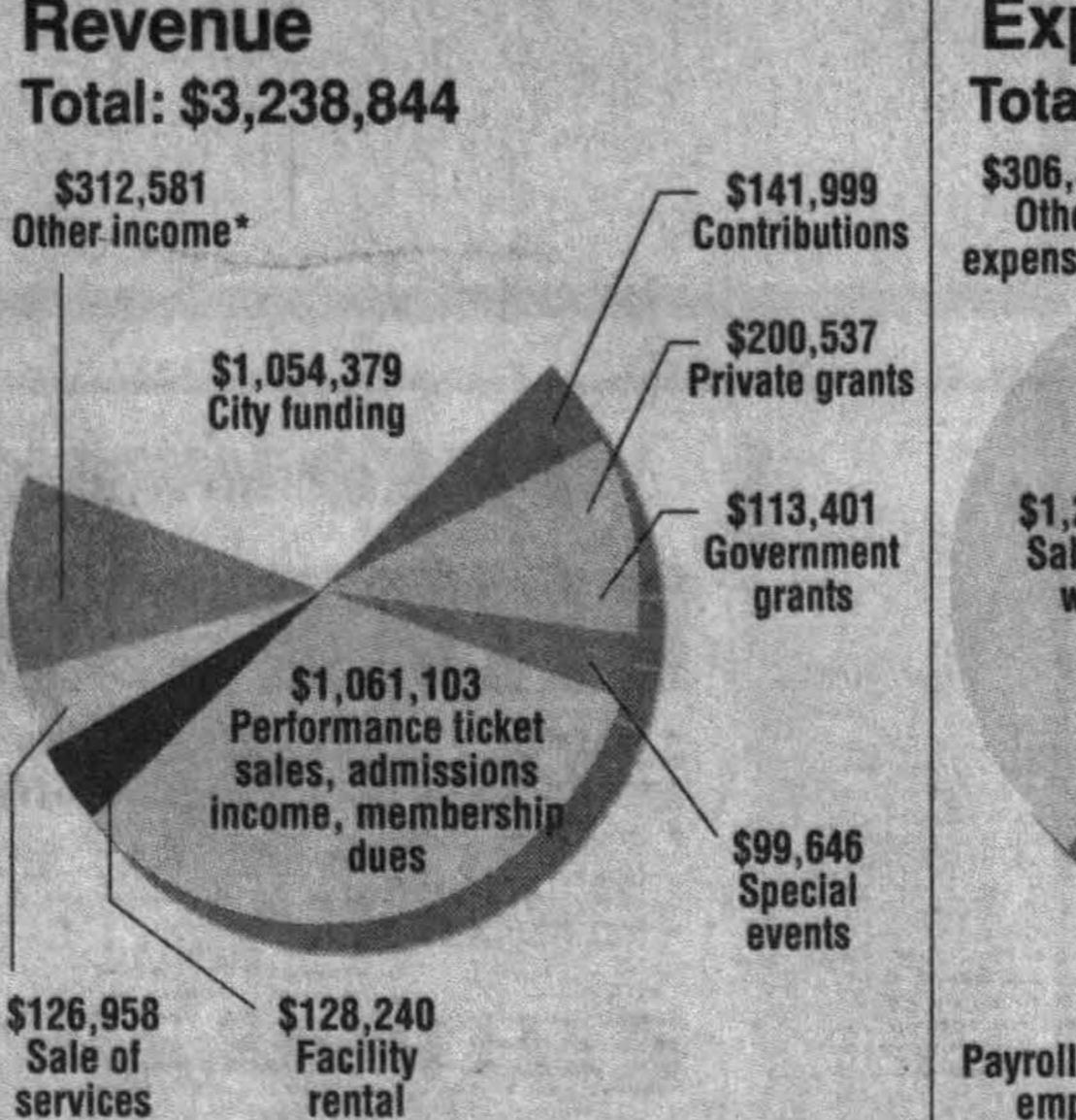
Pavilion managers hope to

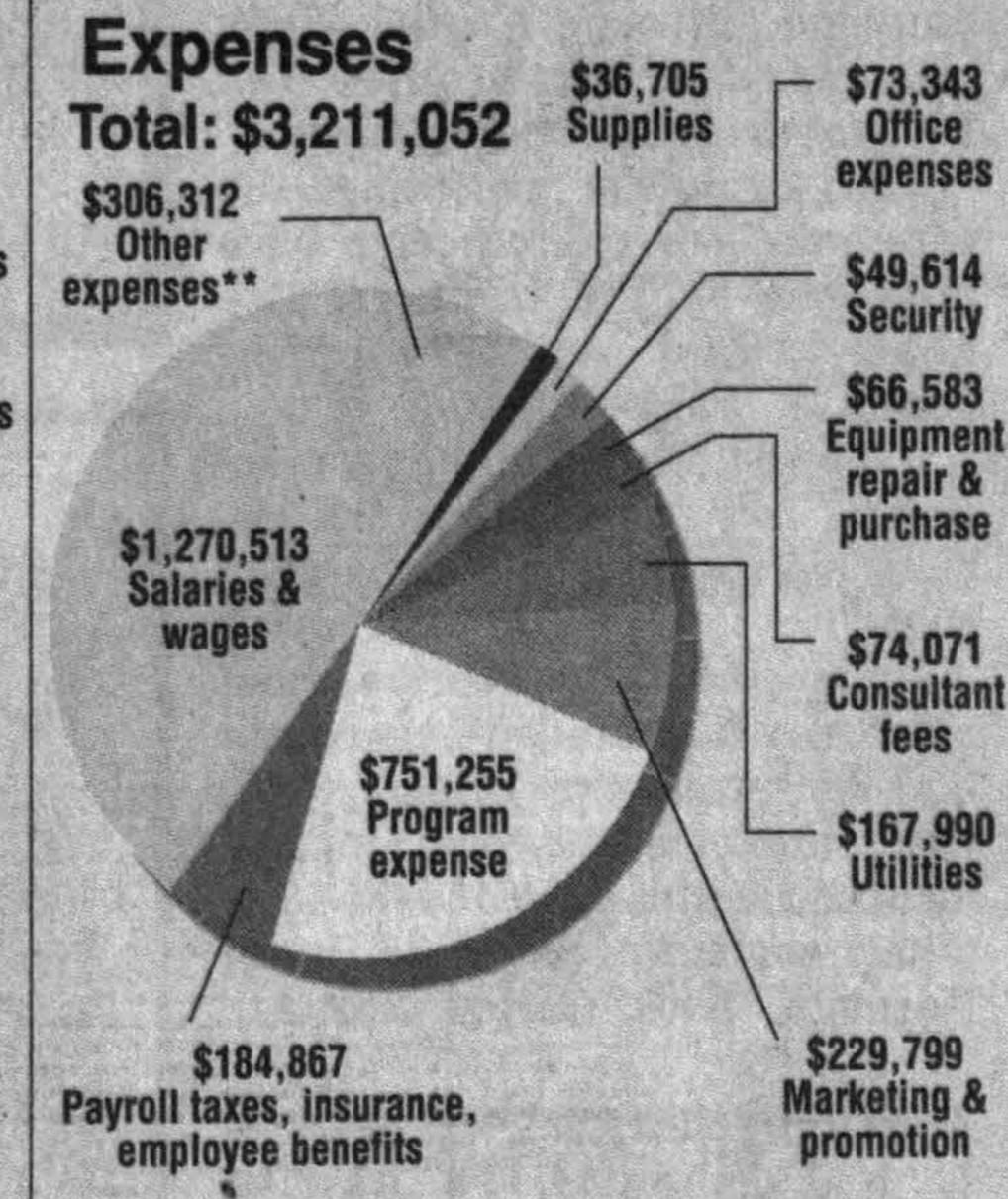
Pavilion / See 6A



The Washington Pavilion financial picture

The Washington Pavilion of Arts and Science opened June 1, 1999, in the old Washington High School building. The Pavilion recently released financial summaries from Jan. 1 to Dec. 31, 1999. Here is a summary of the financial picture:





The breakdown	General and Administrative	Visual Arts Center	Husby Performing Arts Center	Kirby Science Discovery Center	Total
Support and revenues	1,285,130	416,880	862,642	674,192	3,238,844
Expenses	1,456,468	326,943	622,388	805,253	3,211,052
Sub total of net revenue over/under expenses before shared cost	-171,388	89,937	240,254	-131,061	27,792
Allocations:					
City funding allocation	-950,553	275,611	344,894	330,048	0
Less shared costs (budgeted)	1,121,896	-349,219	-389,194	-383,483	0
Change in net assets	5	16,329	195,954	-184,496	27,792

Other expenses includes costs such as bank fees, travel and entertainment and postage.

Source: WPMI Statement of Activities

Marty Two Bulls / Argus Leader

Williams planned to repair tank valve

Residents return to Watertown homes

By JENNIFER GERRIETTS Argus Leader

Williams Pipe Line officials say they had intended to replace a leaky tank valve that dumped 41,000 gallons of ethanol into the Watertown landscape Wednesday.

Although the company had started the work, it hadn't gotten to the valve before the spill occurred and forced the evacuation of six businesses and hundreds of trailer-park residents.

Last week, a leaky valve on the same tank spilled ethanol that started a fire. Williams officials think that fire cracked the 3-inch cast-iron valve that spilled the fuel at a rate of 30 gallons a minute.

Williams is sending the valve to a metallurgist to determine exactly what happened to it, said company spokesman Bob Berens. Life returned to normal

Thursday morning for residents and businesses surrounding the tank farm in Watertown.

About 5 a.m., residents of the Watertown Mobile Estates trailer park were allowed to return home, nearly 24 hours after they were evacuated. Several businesses that had been closed for the day were allowed to reopen.

"It's just a matter of cleaning up the effected area now," said Berens, who gave no estimates for the cost of the cleanup. "There are no immediate safety concerns."

Williams employees worked all night Wednesday, with city firefighters standing by, to suck the spilled ethanol and the remaining fuel in the tank into tanker trucks. Watertown Fire Chief Lar-

ry Anderson evacuated a large area because he was concerned about fire. High winds that circulated the flammable ethanol vapors made several blocks surrounding the tank danger-

"This was big," Anderson said. "A leakage of this type would be big for any department in South Dakota."

A company environmental consultant was on site Thursday to test the soil. Berens said removing the soil probably won't be necessary.

Williams / See 8A

Mars photos show evidence of water

By LARRY WHEELER Gannett News Service

unmistakable signature of investigator for the Mars gushing water has been found on Mars, scientists reported Thursday.

The evidence - awkward alcoves, deep channels and today." fan-shaped aprons of debris If there truly is subter- Temperatures are so low enough to rupture. The explocut into the sides of Martian ranean water on Mars that and the atmosphere so thin on sive slurry of water, ice and cliffs - was photographed by periodically punches through Mars that exposed water rocks rushes downhill, carvthe orbiting Mars Global Sur- the permanently frozen sur- immediately evaporates. ing the gullies and channels veyor spacecraft.

evidence of a ground-water supply, similar to an aquifer," WASHINGTON - The said Michael Malin, principal Orbiter Camera built by his California company. "The feathat they might be forming the question: 'Are we alone?'

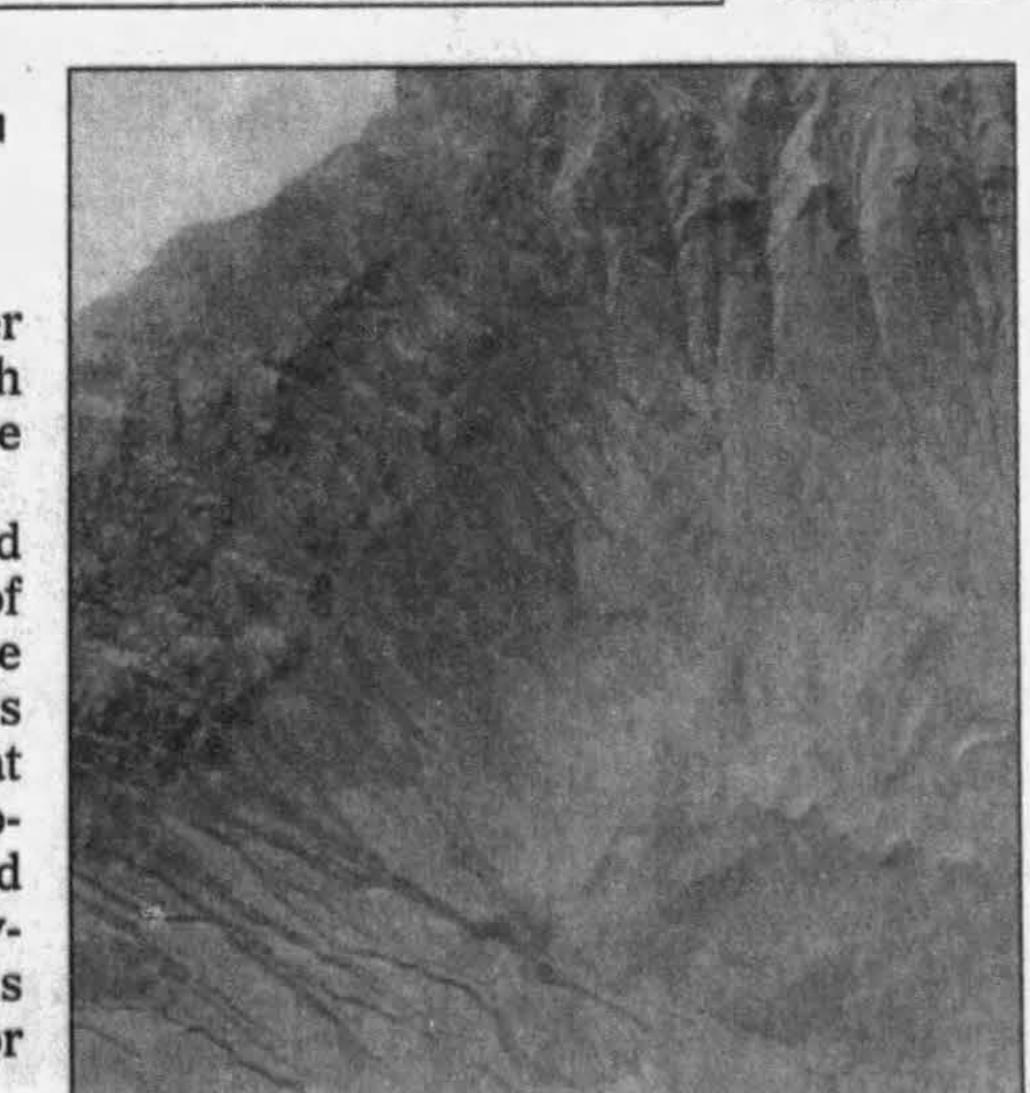
face, the finding bolsters Malin and staff scientist Ken seen in the Mars surveyor "We think we are seeing expectations that living Edgett formulated a hypothe- photographs.

organisms could exist or may once have thrived on the planet, said NASA's Ed Weiler.

"And if the very first place we look in the universe we find life - past or present - that tures appear to be so young has profound implications for Weiler said.

sis to explain how liquid water could survive under such harsh conditions and create the erosion features.

Their theory: Underground water seeping from the side of a cliff freezes and forms an ice dam. Water pressure builds behind the dam until it is great



This mosaic of two images shows numerous deep channels descending a Martian crater wall and the debris they left behind. The photographs were taken by a camera on **NASA's Mars** Global Surveyor.

Associated Press

Paying for the Pavilion

Start-up costs hurt Leonardo's Entertainment tax, donations,

Theo's got \$28,000 in consultant's fees

BY JENNIFER SANDERSON Argus Leader

Leonardo's Cafe started serving meals in the Washington Pavilion of Arts and Science last summer, but the restaurant didn't hold its grand opening until October.

Through the sale of lunches and pre-show dinners, the cafe generated \$125,000 in sales and rental income in 1999, according to an audit of the Pavilion released this week. But that wasn't enough to cover the cost of food and other expenses. Leonardo's ended 1999 with a \$37,141 deficit.

The cafe's \$100,475 in expenses included many start-up costs, such as restaurant equipment, according to Pavilion operations director Jon Loos. The cost of food accounted for an additional \$61,666 in expenses.

"We didn't expect the cafe to make money in its first few months," said Steve Hoffman, Pavilion executive director. "We did what anyone starting a business they're unfamiliar with would do. We hired a professional, from Theo's Great Food, to consult."

Theo's officials helped design the cafe and its operation, collecting \$28,000 in consultant's fees for the work in 1999.

The Pavilion also agreed to pay Theo's \$4,000 per month for the first beginning in June. After that time, the Pavilion started paying Theo's \$2,000 per month. In addition, the restaurant receives one-third of the net income generated from cafe sales. The Pavilion also employs a full-time cafe supervisor.

"We originally posed our request to every organization in the city we



Ken Klotzbach / Argus Leader

Leonardo's Cafe reported an operating deficit of \$37,141 in 1999. The cafe's expenses including many startup costs, including consulting fees to Theo's Great Food.

could think of," Loos said.

Loos said none of the businesses - including restaurants and hotel food service firms - were interested. nine months of cafe operation, So the Pavilion revised its plan, contracting with a consultant instead.

> "It's similar to what the city does with Ogden Entertainment at the Arena," Loos said. "We agreed to bring in a consultant and give them a small portion of the proceeds."

> Russ DeCurtins, Arena executive director, sees some differences between the two operations. "It is

Ogden pays the city about 40 percent sounds like splitting hairs." of our gross revenue, and then if there's a profit, Ogden keeps it."

DeCurtins said Ogden's arrangement with the city also is different from the Pavilion setup because Theo's doesn't manage Leonardo's, the Pavilion does.

"I don't know exactly how they run things, but the fact is, if they pay

similar, but it's by no means the a restaurant a fee and a commissame," he said. "We do get a flat man- sion, the restaurant (Theo's) seems agement fee, and we have a separate to be running Leonardo's, not the arrangement for food and beverage. Pavilion," DeCurtins said. "It

> Pavilion marketing director Christen Rennich said Leonardo's gives visitors to the cultural center a reason to stay longer.

> "It's only a few hours before someone's hungry or thirsty," she said. "If people have to leave to eat, there's less chance they'll come back to spend more time here."

grants covered construction

By JENNIFER SANDERSON

Argus Leader In October 1993, Sioux Falls voters agreed to spend \$33 million in bonds to construct a Convention Center and to convert the old Washington High School into the Washington Pavilion of Arts and Science.

Pavilion construction costs had grown to more than \$31 million by the time the work began. The city is paying a portion of the cost -\$15 million in bonds - using proceeds from a 1 percent entertainment tax.

More than \$6.3 million in private donations and private and public grants make up the remaining cost.

Private fund-raising organizers set an original campaign goal of \$6 million. In the beginning months, that campaign was conducted under the umbrella of the Sioux Empire Arts Council, an established nonprofit organization. The arts council lent its nonprofit status to the drive but did not actively raise funds for the Pavilion project.

When Washington Pavilion Management Board Inc. was organized in 1996, fund-raising efforts moved under the Pavilion's control.

The campaign exceeded its goal, gathering \$6.4 million in pledges for the reconstruction.

Pavilion officials also conducted a fund drive to build the \$1.5 million small theater, which should be finished this fall. The campaign got a boost from a \$400,000 Bush Foundation grant and a major contribution from the Belbas family of Sioux Falls.

The Pavilion collected more than \$1 million of the \$1.52 million

in pledges for the theater fund drive from 1997 to 1999, according to auditors.

The city hires the contractors. for the Pavilion projects. The Pavilion, in turn, remits the contributions it collects to the city. According to city records, nearly \$6.3 million in private contributions have been paid to the city for both campaigns.

The Pavilion also is seeking private contributions through annual fund drives. Last November, officials announced a \$100,000 fund drive to provide funds for 2000. They said the money would be used for operating costs but would not say how much the campaign has raised to date.

The Pavilion opened to the public in June 1999.

This year, in addition to a \$827,794 subsidy, the city also will pay \$251,900 to replace 122 windows along the Pavilion's east side. The money was budgeted from city sales tax revenue, according to city officials.

The city also is splitting an \$18,800 bill with Pavilion architect Koch Hazard Baltzer Ltd. to reinforce the Great Hall's mezza-

The city paid \$10,600 to install four steel columns. The money came from the Pavilion Construction Contingency Fund, left over from the original construction budget.

The city also has pledged \$25,000 to widen doorways and a back stairway in the Kirby Science Discovery Center. That money also will come from the capital improvements budget.

The bonds on both the Pavilion and the Convention Center are scheduled to be retired in 2014.

Percent

Pavilion: Administrators project city subsidy will shrink

Continued from 1A

the largest the facility likely will receive in the next few years. Finance officer Hathaway said projected higher ticket volumes from a full year of sales will help make up the difference in 2000.

"The subsidy is an allocation we receive month by month," Hathaway said. "It's part of the budget, and we know we have to make it

The money comes from the city's 1-cent entertainment tax, which also helps to pay off the \$15 million in bonds used to renovate the old Washington High School.

In 1999, the city subsidy was 30 percent of the Pavilion's revenue and alone accounted for about 30 percent of the nearly \$3 million generated by the entertainment tax that year.

Expected subsidy: \$827,794

In 2000, the Pavilion has estimated it will need \$827,794 in city subsidy; in 2001, \$828,000.

The city's proportion of Pavilion revenue dropped to 20 percent this film or walk through the exhibits big and its salaries, too high. year. And if the city approves the area. Pavilion's proposed 2001 budget this summer, the subsidy will be 18 percent of the revenue mix.

"We want to be less dependent, but we also want to continue to provide quality programs," Hathaway

By contrast, the Sioux Falls Convention Center received \$93,155 in city subsidies in 1999. This year, the city will give the Convention Center \$42,093.

"This entertainment tax was imposed to pay for the Pavilion and Convention Center, and their operation," said Trudy Peckham, treasurer of the Pavilion's board. "If the said. "The question was simply, employees are too many. city isn't going to give that money for the facilities, then we shouldn't pay the tax. That's what that tax is

The Pavilion took in the subsidy through its general and administrative department, then allocated the money to its three major program centers. The administrative department also allocated all but \$334,572 of its nearly \$1.46 million in expenses to the same three cen-

According to Pavilion financial records, the only center showing a deficit is the science center, which includes the Wells Fargo Cine-Dome.

At least one science center edu- must operate within their budget, cational program has been put on and they have." hold. And when the science center's exhibits manager left last year, the hasn't yet seen a copy of the audit, exhibits technician took on extra though Hanson said council mem- along a \$108,826 endowment. responsibilities. The Pavilion bers can look through the bound doesn't plan to fill that position in copy in his office. the near future.

The Pavilion's 4,800 members review," Jamison said. "But I paid \$106,575 in dues during 1999. haven't heard a thing about it." Yet, while supporting the center, members do not pay every time more critical of the Pavilion manthey see a Wells Fargo CineDome agement, saying the budget is too

Three attractions inside the center



painting in the Visual Arts Center. exhibit displayed robotic bugs.

Visual Arts Center

In 1999, the Civic Fine Arts Center merged with the Washington Pavilion of Arts and Science. It was renamed the Visual Arts Center. At ation reported assets of \$373, 371. the exhibit area.

bership goal was closer to 800."

Board members pleased

'How much in the black?' "

because

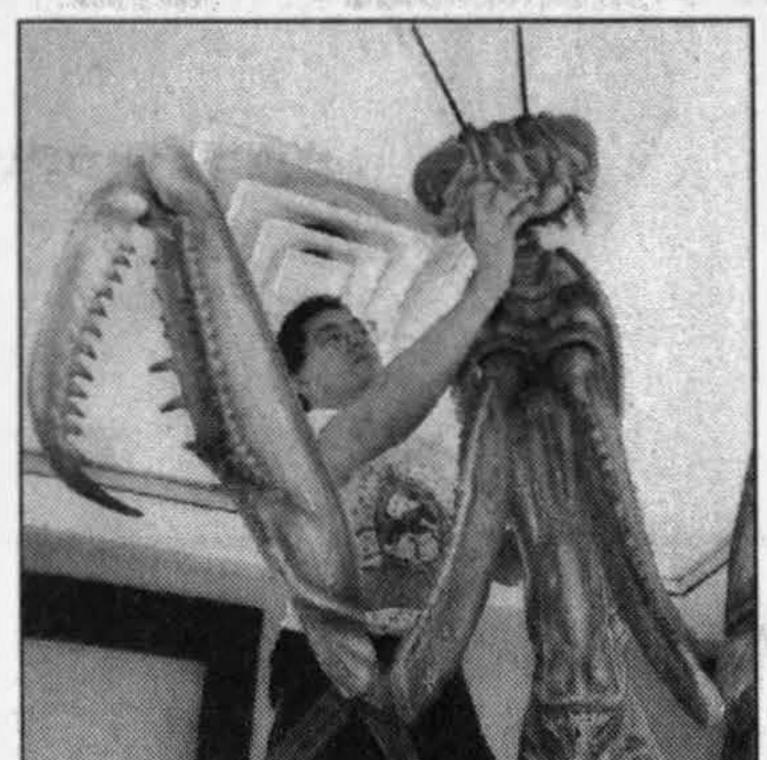
Council member Bob Jamison

"We usually get a copy for

Some Sioux Falls residents are

vold said.

Gary Hanson



A mother and daughter look at a The science center's first traveling

Science Discovery Center

The Kirby Science Discovery the time, the Civic Fine Arts Associ- for the Wells Fargo CineDome and

Center received \$122,208 in grants In 1999, the science center generated \$367,226 in admissions income

"They're playing the old shell "They're using their passes game," said Rod Schmidt, a Sioux (which comes with membership), Falls businessman who was cowhich is great," said Christen Renchair of Citizens for Sensible nich, Pavilion marketing director. Spending, the group that worked to "But when we budgeted, our memdefeat the project. He believed then, and he believes now, that the city can't afford the Pavilion.

"They're using 1993 dollars and adding inflation, but nothing has Few Pavilion board members gone up much since then. This is the Mary were surprised by the news that the organization as a whole made mon- only city in the world where you can ey, vice president Mary Sommertake public money and then not be held accountable," he said. "Every-"We were just delighted, but thing is so secretive."

we've known all along that we were Schmidt questions ticket prices. in the black for 1999," Sommervold And he believes 46 full-time

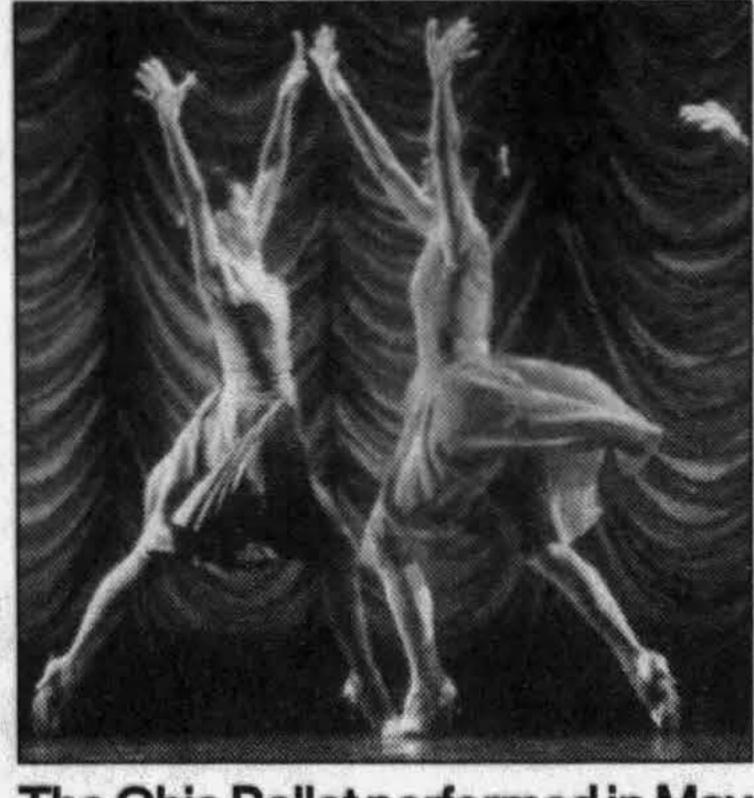
About \$27,792, according to the raise ticket prices or cut expenses," he said. "Management has to take a costs. To do that, we have to have an why," he said. ple have the per- look at their salaries, because that's endowment of \$20 million in unrethe costs."

During the next few months, endowment, we're relying on ing money, it's accountants EideBailly will file the earned revenue." operating in the Pavilion's 990 form with the IRS. Mayor That form, which details salaries of Gary Hanson the top five highest-paid employees said. "That's not over \$50,000, is a public record. The true. They're Argus Leader has filed a request for raising money the 990, which was due to the IRS because they're May 15. EideBailly requested - and anticipating to provide more ser- obtained - an extension until Aug. vices than they are right now. They 15.

\$800,000 endowments

The merger of the Civic Fine Arts Center with the Pavilion brought

That restricted endowment became Pavilion property and is part of the \$800,000 the Pavilion geting, said Paul Reiter, a Sioux line fit." holds in three separate endow- Falls certified public accountant ments with the Sioux Falls Area Community Foundation. The Foundation manages the endowments, freeing Pavilion officials to run day-



The Ohio Ballet performed in May in the Great Hall.

Performing Arts Center

In 1999, the Husby Performing Arts Center showcased acts ranging from the Statler Brothers to the New York Philharmonic. The center recorded \$585,757 in ticket sales, according to the audit.

Sommervold

to-day business. Sommervold said it would be foolish not to actively build the Pavilion's endowment.While most nonprofits ficient, it's a goal to manage an endowment

whose interes

can offset annual operating costs. Explains Christine Sagstetter, chief financial officer and vice president of the Ordway Center for Performing Arts in St. Paul: "General-that's not inherently bad. "If they want to make more mon-ly, the equation we strive for is to \$12 million. And while we build the

> Guthrie Theater in Minneapolis, said his organization couldn't meet its \$12.8 million budget without its endowment.

> "We don't necessarily say, 'X percent will be for compensation, and X percent will go here," Bader said. we're planning and the type of programming we do, then budget from there, not the other way around."

First budget can be tough

Pavilion has a tougher job in bud-

Pavilion 1999 budget

In August 1999, the Washington Pavilion Management Inc. gave the city of Sioux Falls a projected budget for the rest of the year. This chart shows the difference between management estimates and the Pavilion's 1999 budget.

difference projections \$113,401 13.7% \$13,651 Government grants -7.8% \$16,963 \$217,500 Private grants 123.1% Other contributions \$141,999 \$78,349 \$63,650 10.2% \$137,973 \$1,494,792 Generated revenue 19.6% \$233,736 \$38,338 Other revenue 13.0% Total unrestricted revenue \$1,933,117 \$2,184,465 \$251,348 Salaries & wages 7.8% Payroll taxes & insurance 11.2% \$101,100 \$112,392 -25.1% Employee benefits \$96,776 \$72,475 -\$24,301 73.2% Other employee expense \$18,500 \$32,044 \$13,544 408.9% \$58,932 \$73,343 \$14,411 112.3% Communications \$17,362 \$36,855 \$19,493 Postage & shipping 61.2% \$17,557 \$28,300 \$10,743 Equipment repair & purchases 565.8% \$56,583 \$10,000 \$66,583 -24.2% \$167,990 -\$53,710 \$221,700 Travel & entertainment -\$5,006 -17.9% \$28,020 \$23,014 -53.3% Development \$12,627 \$75,731 49.2% \$229,799 \$154,068 Promotion \$32,307 \$25,824 -\$6,483 -20.1% Insurance \$76,697 -\$46,861 Other expense Box office \$11,200 \$605,218 \$751,255 \$146,037 Direct program expense 24.1% \$373,351 \$265,700 -28.8% Other expense -\$107,651 \$3,211,052 Total expenses \$2,970,024 \$241,028 Net revenue compared with expenses before city funding -\$1,036,907 -\$1,026,587 -1.0% City funding \$950,553 \$1,054,379 \$103,826 10.9% Change in unrestricted net assets -\$86,354

Source: WPMI Statement of Activities and city of Sioux Falls records

never will be who also sits on a nonprofit board. nearly 40 percent of the budget is entirely self-suf- "Usually, you budget based on the spent on salaries. organization's past experiences, with a blend of what you're expect- Sagstetter said. "We have our own ing to see. When you don't have that security, our own management, experience, there can be significant our own cleaning staff. We're better problems in putting together that first budget."

Reiter said projected and actual outcomes can be quite different, but

The Pavilion's financial history is 1999.

ception that one area where they could cut stricted funds. Currently, we have complex, dating back to October 1993, when Sioux Falls voters approved converting the old Wash-Center.

They agreed to issue \$33 million entertainment tax.

estimated at \$21 million but ended dollar classified as one heading that "We look at what type of season up closer to \$32 million. Pavilion we might classify in another, but it's officials supplemented the extra not materially affecting either stateconstruction costs with private con-ment or the bottom line." tributions.

geting, said the Ordway's Sagstet-A new organization such as the ter. "It's like a puzzle, and you use different pieces to make the bottom

Of the Ordway's \$18 million budwho deals with nonprofit agencies. get, Sagstetter said more than one-"Budgeting, to me, is a process third of the overhead is invested in you go through to get an idea of staff salaries. That proportion holds where you're going," said Reiter, true at the Pavilion as well, where

\$27,792

"We don't outsource anything," served by our own people." Hiring a cleaning staff at the

Pavilion served the same purpose, operations manager Jon Loos said. After analyzing local cleaning com-"If you are projecting what you'll panies, he concluded that by ey this year, they can cut programs, have \$1 million thrown off from our do, and they never occur, then it employing its own staff and endowment each year for operating falls on management to explain increasing overall salaries, the Pavilion would save \$35,000 in

The city is completing its own audit, and accounting manager Tom Huber said officials will careington High School into the Pavil- fully review the Pavilion's finances. Steven Bader, controller for the ion and constructing a Convention Because the Pavilion uses city money, its audit affects the city audit.

"Obviously, we're interested in for bonds to build both and pay the audits from all the peripheral back the bonds with a 1 percent contacts we have," Huber said. "The difference is, we're auditing The Pavilion's cost originally was for materiality. They might have a

Sommervold said the Pavilion's "There's no real science" to bud- future is largely up to the Pavilion. "Now, we really have to build our

history," she said. "It's our goal to make our programming so good that we don't have to depend as much on the subsidy."

Reach reporter Jennifer Sanderson at 575-3629 or jsanders@argusleader.com