

--DRAFT--

Delaware Symphony Orchestra

Meeting of Board of Directors
Monday, September 14, 2015
Community Service Building – Wilmington, DE

-MINUTES-

Directors Present: Charles Babcock, Lanny Edelsohn, Jennifer Golek, Matt Di Guglielmo, Grace Kwon-Kubacki, David Kubacki, Dion LeMon, Tess Pietrucci, David Plaza, Jeff Ruben, Lee Tashjian.

Others: Dan Colburn, Administrative Coordinator; Maestro David Amado; Barbara Cairns, Development Director; Alan Jordan, Executive Director; Stephanie Wilson, Personnel Manager/Librarian; Marty Beech, Musician Representative

Welcome and Call to Order: President Charles Babcock called the meeting to order at 5:30 PM and acknowledged the DSO office move to the Community Service Building and availability of meeting rooms.

Approval of the Minutes: The minutes of the May 18, 2015 meeting and the Special Meeting of July 21, 2015, were approved (Attached).

Finance Committee: Financial documents were distributed to the Board: 1) FY 2016 Budget vs. FY 2016 Operations Forecast as of August 31, 2015; 2) Cash Projection Report as of September 8, 2015; (all attached).

Jeff Ruben, substituting for Lynsey Eppeneder, reported on the financial documents, referring to Line 1 of the **FY 2016 Budget vs. FY Operations Forecast**, noting that season ticket sales are down by \$35,000, which may require an adjustment to the budget pending final notification from The Grand regarding ticket sales. Line 6, Major gifts increased from \$260,000 to \$285,000, which represents the \$25,000 Executive Search fee sponsored by Mr. and Mrs. Gerret Copeland. Line 17 expenses were \$12,000 higher than budgeted due to the performance of the Mozart Requiem, which required soloist expense. As a reminder the CD Recording project, with the Brazilian Guitar Duo is not currently in the budget. Referring to the **Cash Projection Report as of September 8, 2015**, Jeff noted that we need to monitor contributions, if there were to be none at all, December will be red. Lee Tashjian asked if we would be contacting season ticket holders who have not purchased yet and offer any specials. Alan Jordan responded that we obtained a good list from The Grand ticket office and sent an e-mail to past season ticket holders. There is also a call plan for a pro-rated season ticket offering as well as the same pro-rated season ticket offering to single ticket buyers. Lines 3-5, highlighted in yellow, represent actual grants and contributions received/projected from government/corporate/foundation sources as well as major gifts and individual contributions. Jeff noted that at the recent Finance Committee meeting that there is a \$250,000 Operating Reserve for emergency cash-flow, with David Plaza adding that there is also a \$200,000 Line of Credit (LOC) secured by a \$200,000 Certificate of Deposit.

David Plaza also indicated that the Beekhuis account was originally placed in an Equity Income strategy until an Investment Policy Statement (IPS) could be developed. Since the IPS has now been established, the objective has changed to a Balanced Portfolio strategy, which is well diversified and in line with the IPS. Finance Director Libby Burglazli can provide Board members with the IPS.

As a final note, Jeff Ruben advised that the Auditors have been in for our audit and the results are expected next week. The Finance Committee will begin work on the 2017 plan at their meeting in November.

Development Report: David Plaza provided a **Development: FY16 Contributions Overview Report** (attached) and discussed that our goal of \$946,665 is \$50,000 higher than last year's goal and we are slightly behind last year at 30% of Goal. There were gifts from the City of Wilmington and \$100,000 from Mrs. Copeland that contributed to last year's numbers, which have not occurred this year. The pipeline is good. There are some large potential funders and there are also individual appointments established with potential large funders. We will have a fall appeal and host some mid-year events to generate additional revenue. David reported that last year Board members exceeded their contribution goal of \$35,000 by \$10,000. Charley and Sharon Babcock will renew their \$10,000 gift and Board members are once again challenged and asked to pledge at least the same as last year or consider increasing their pledge by 25%. David will reach out to the Board members. Lanny Edelsohn posed a question about the pipeline, asking if there is any idea what will help us exceed last year's pipeline and whether there are any new leads. David responded that there are multiple sources, both corporations and individuals. Barbara Cairns offered that there are some individuals capable of a larger gift, there is also the opportunity for middle market expansion and increased opportunity for charitable outreach due to our enhanced Education program. Lanny further asked about large gifts similar to the gift given to Opera Delaware by the Longwood Foundation. Barbara responded that they are possibilities but that we really need an established strategic plan which outlines our vision and ideas for building for the future to submit to Longwood and there is also the Jesse Ball du Pont Foundation. David Kubacki offered that he and Alan Jordan have begun working to develop the strategic plan and are making aggressive efforts to have it completed by year-end, subject to Board review. Grace Kwon-Kubacki shared that she and Charley Babcock met with Betty Snyder as a first step in introducing her to the DSO. She has major gift giving capacity and was an accomplished flute player, practicing 7 to 8 hours daily at one time in her life.

Education Committee Update: Chair Grace Kwon-Kubacki provided a report of the Education Committee, (attached), providing an overview of the **Explorer Experience FY16**, which will travel downstate with 2 schools identified – Milford Senior High School and Schwartz Center for the Arts (already sold out!). Postcards and a patron e-mail blast were sent out. Peter and the Wolf and smaller chamber groupings will be offered with Mozart, Ravel, Poulenc selections. The **Build the Orchestra** program with A.G. Waters Middle School (Middletown) is scheduled for Nov. where students will work on a simplified version of Mussorgsky's *Pictures at an Exhibition*, with DSO musicians providing coaching and side-by-side collaborations. Jeff Ruben asked who pays and how much. It's \$6.00 per student and Title 1 schools have a reduced ticket price. Last year there was also corporate funding from Capital One and a DDOA Education Grant. We may receive a small profit. Maestro Amado will also rehearse the Delaware Youth Symphony Orchestra with DSO musicians playing side-by-side. **Master Classes** in partnership with The Music School of Delaware, who is helping to cover costs, are scheduled for Nov. 14, 2015 Stewart Goodyear (piano) and May 5, 2016 Bella Hristova (Violin). Students attending will receive a free ticket to a DSO concert and parents' tickets \$10 each. **Open Dress Rehearsals** are open for students to attend, every Thursday prior to a Classics concert and they can sign-up on-line on our website. We had 3 school groups last concert – about 20 students and 18-20 volunteers. Lastly, **Student Tickets** are \$10 for Classics; \$15 for Chamber. Approximately 70 students attended the last performance. We will continue to aggressively seek student attendance.

President's Report: President Charles Babcock declared the Season of the Bells open! Some 200+ concert attendees rang the 5,000 lb. bell strategically located in front of The Grand Opera House, reporting that the bell could be heard from 4 blocks away. We received a good review from Thomas Leitch, Special Reporter for The News Journal (attached). Elena Norman did a great job welcoming the audience on behalf of the Board of Directors, introducing new Executive Director Alan Jordan, who warmly greeted the audience. Lynsey Eppeneder and Dion LeMon will welcome the audience at the October and November performances, respectively. At the November concert, Solbong Kim's piece, "Snooze Phantasm", represents that period between being ½ awake and ½ dreaming, after you've hit the snooze button. Some of the Bells of Remembrance will be heard in Mussorgsky's *Pictures at an Exhibition*.

Interim Executive Director's Report: Dan Colburn thanked everyone for their support and the opportunity to serve as Interim Executive Director of the DSO. He and Alan Jordan are working on the path forward.

Executive Director's Report: Alan Jordan provided the Executive Director's Report (attached) and expressed his appreciation and thanks to the many DSO Board and staff members who have assisted in the transition to his new role. He gifted us with Vermont Maple Syrup and a Kazoo representing his interpretation of interviewer Betsy Price's published view of "Champagne taste on a beer budget" as our "Vienna Philharmonic taste on a Kazoo budget". Alan has conducted many meetings in staff meeting groups as well as one-on-one, and he's met many patrons both corporate and individual. He discussed TD Bank being a major donor in Vermont and the President offered to put him in touch with the Regional Executive. Both Lanny Edelson and David Plaza referred him to Michael Rhodes who is a major executive with TD Bank. In addition, Alan is meeting with the staff and Leadership of the Opera House and looking forward to a productive partnership. There was a staff visit to Sanford School. They are building a new venue and we have the Brazilian Guitar Duo recording and 2 concerts scheduled there. Alan had a meeting with Paul and Katie, Division of the Arts, and discussed DSO performances in other parts of the state. There was a Players' Committee meeting, with Glenn Finnan, to begin negotiations for 2016/2017, and an introductory meeting with Mrs. Copeland is to be scheduled. Alan thanked the Board and DSO staff, David Amado, Dan Colburn, Barbara Cairns for the introductions, scheduled meetings and dinners.

The bells season opening, "never a dull moment". There are some issues with the Grand Opera House and Box Office, which will be discussed in a meeting with them tomorrow. At the last minute, the soprano soloist cancelled due to illness. Stephanie worked with her management to secure a replacement. Brenda Harris was able to deliver on very short notice with a brief rehearsal at 7:00 p.m., right before the performance.

Alan's initial focuses are meeting people and seeing places. He needs to make connections in southern DE so any assistance will be appreciated. Long range planning was restarted. Additional discussions will take place in our October/November meetings with a new strategic plan in place by December. Alan referenced the book, "Good to Great", which has some good "stuff" we can use. Alan indicated that we really need to work on our branding and messaging. Long range planning should inform us on that.

Alan requested that the Board review and complete the required Conflict of Interest form and return to him. He also requested that Board members return the form with their Committee participations identified.

Executive Director's Special Report – CD Recording Project: The Development Committee Memo sent out in the August timeframe introduced the Brazil Guitar Duo recording project. The recording is scheduled for late February, in a building not completed yet, but it is a very unique opportunity that will put us on the national level. There will definitely be a national spotlight for this type of story. It is ambitious but doable and Board support of the project was sought. Alan Jordan provided a report of the **CD Recording Project** (attached) with Repertoire, modified Expense Budget, which increased by \$4,000 to \$85,000, the Development Plan, which includes a quiet phase – a small number of significant donors and a public phase, e.g. Kickstarter. A Giving Pyramid is needed to break even and includes an additional 4th rehearsal which is absolutely necessary on this level. The duo is releasing a CD next month in NYC and there is outreach to the Brazilian and Cuban communities. Their management group is interested in helping us. There is a draft video which will be presented to all prospects, which needs some clean-up, changes to numbers, etc. before it is ready to be shared with prospects. This project needs Board endorsement before approaching donors. It represents a great opportunity for success and visibility for the DSO. Alan indicated that we welcome the opportunity. Jeff Ruben asked, if we approve and don't get funding what happens. Alan responded that we can cancel the recording but at reputational risk. Alan expressed that strategically, Board endorsement will help us. The asks will be above and beyond. It's an investment in our reputation, awareness of the DSO, and potential partnering opportunities, e.g., hotels for weekend getaway

and attend concert. Kickstarter has been used frequently by the Duo's management as a public funding forum. They have lots of experience with it and wanted us to use it. It can involve friendly competition – which guitarist could raise more money? Dion LeMon offered that the values can be changed and you are not limited, for example, you can exceed your goal but if you don't make your goal you can still get the money earned. Barbara Cairns indicated that there are other public funding mechanisms, Go Fund Me, Kickstarter, etc. It's about building community and buy-in. We have the staff resources to manage small pool of approaches. The Board was asked to vote on whether or not to endorse the recording. David Plaza asked if anyone had offered anything up yet for the recording and Alan responded that the donors need to be cultivated. The Board unanimously voted to endorse the recording project. A preview of the video was shared with the Board.

Item for Discussion: Lee Tashjian raised the issue that 8 patrons have raised the question and concern that Maestro David Amado is leaving Delaware Symphony. A News-Journal article did not fully explain an opportunity the Maestro presently has and thus he fears that many donors may have this question. We need to do a blast e-mail or letter to explain that David Amado is one of four candidates being considered for the Atlantic Classical Orchestra in Florida. They have a short season, 4 concerts (Jan-April) and David is conducting the January concert. This is in addition to his DSO responsibilities and it represents no conflict with the DSO. Something needs to be done to clear up the perception. Alan and Charley agreed that a communication is necessary and suggested that Lee assist with its preparation. Lee agreed.

Other Matters: David Amado announced that blind auditions for the Assistant Concertmaster position were conducted and concluded, with a present DSO member, Erica Miller, winning the position.

Motion to Adjourn was presented by David Plaza, with a second by Lanny Edelson. Meeting adjourned.

Meeting Schedule for 2015-16: Next meeting will be October 19th, 2015.

Resolutions: Following the meeting, revised Board resolutions in favor of Elena Norman and her law partner, John Pashetto, for their generous contributions to the new DSO bylaws, and a resolution in favor of Daniel Colburn for his service as Interim Executive Director, were proposed to the Board electronically. The Board voted in favor and thus these resolutions were adopted.

Respectfully submitted,

Tess Pietrucci

Secretary