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Delaware Symphony Orchestra

Meeting of Board of Directors
Monday, October 19, 2015
Community Service Building – Wilmington, DE

-MINUTES-

Directors Present: Charles Babcock, Lynsey Eppeneder, Matt Di Guglielmo, Shelley Kinsella, Grace Kwon-Kubacki, David Kubacki, Dion LeMon, Elena Norman, Tess Pietrucci, Jeff Ruben, Lee Tashjian.

Others: Dan Colburn, Administrative Coordinator; Maestro David Amado; Barbara Cairns, Development Director; Alan Jordan, Executive Director; Marty Beech, Musician Representative

Welcome and Call to Order: President Charles Babcock called the meeting to order at 5:30 PM and introduced the concept of a Consent Agenda, which was provided to the Board with all supporting materials.

Approval of the Minutes: Upon motion by Shelley Kinsella, with a 2nd by Jeff Ruben, the minutes of the September 14, 2015 meeting were unanimously approved (Attached).

Executive Director's Report, Development Report and Education Committee Report: The reports of the Executive Director, Development and the Education Committee were presented in advance of the meeting. There being no questions or discussion at the meeting, after a motion by David Kubacki, with a 2nd by Matt Di Guglielmo, the Board unanimously approved the reports as presented (All attached).

A 2015-2016 Roster of DSO Board Committees was distributed to the Board.

Finance Committee: Lynsey Eppeneder, Chair of the Finance Committee presented the following report which included a presentation and analysis of the FY 2016 Budget vs. FY 2016 Operations Forecast as of September 30, 2015 and the Cash Projection Report (all attached).

We are currently projecting a deficit of \$56,000, but this is typical of timing at this point in the year, in that, if all projections come in as expected, this is the result anticipated. Elena Norman asked where we were at this same time last year. Lynsey will check and report back. This also assumes that we collect the entire \$938,000 of contributions anticipated. We currently have collected \$276,000 so far. Ticket sales already represent a discounted forecast at \$230,000. If ticket sales continue to lag we will not meet budget. The Finance Committee is requesting the Marketing Committee to meet and see what ideas or options we have to increase ticket sales. Jeff Ruben responded to an inquiry by Elena Norman that we are down about \$30,000 and that we need \$90,000 in single ticket sales to make it up. The theory is that we projected growth in ticket sales in the budget and that didn't happen. We are over budget in the category of Administrative Compensation by \$22,000, which was approved by the Board and is a related expense to the hiring of a new Executive Director. Lynsey also noted that the recording project is not reflected in the budget. With respect to Cash Flow, pledges already committed (not new) reflects in the negative by November, however, another contribution just came in which is not reflected in this report so it may go away. If Board members can pledge their board support earlier in the year, if possible, that will be helpful. The good news is we still have our Reserve of \$250,000. We will be developing a formal policy of when it can be used and how it will be replenished. We have a sample policy for non-profit organizations, which we will review and the Finance Committee will present it to the Board for discussion and approval when it is ready. We need to develop guidelines and governance around it. We also have a Line of Credit (LOC), which we may or may not want to keep. It is collateralized by the certificate of deposit in the Foundation's name.

The Board Restricted Investment of approximately \$600,000, had a new Investment Policy Statement (IPS) developed over the summer. To align the account with the new IPS, the assets were moved by the Finance Committee from a Merrill Lynch Equity Income Fund to a balanced portfolio of Merrill Lynch ETFs.

Our external auditors are wrapping up our Audit which will be presented at the next Board meeting.

We will begin working on the Budget for Fiscal Year 17 in January and February. The Finance Committee is requesting that the Artistic and Education Committees meet within the next month for its requirements so the office can cost out the programs. David Kubacki offered that Alan Jordan's observation that Strategic Planning may drive some expansion requests was pertinent to the discussion.

At this time the meeting was adjourned so the Board could participate in a Strategic Planning Strengths, Weaknesses, Opportunities, Threats (SWOT) Exercise led by David Kubacki. Motion to Adjourn was presented by David Kubacki, with a second by Tess Pietrucci. Meeting adjourned.

Meeting Schedule for 2015-16: Next meeting will be November 9th, 2015.

Respectfully submitted,

Tess Pietrucci

Secretary