

Delaware Symphony Orchestra
Meeting of Board of Directors
Monday, December 18, 2017
Community Service Building – Wilmington, DE

-MINUTES-

Directors Present: Charles Babcock, Cris Coconcea, Matthew DiGuglielmo, Lanny Edelson, James Ellison, Jennifer Golek, Brian Kelley, Shelley Kinsella (telephonically), David Kubacki (telephonically), Grace Kwon-Kubacki, Elena Norman, Bob Stoddard

Directors Excused: Theresa Pietrucci, Jeff Ruben

Others Present: David Amado, Music Director (telephonically), Alan Jordan, Executive Director; Kristin Peterson, Development Director, Martin Beech, Musician Representative

Welcome and Call to Order: President, Charles Babcock called the meeting to order at 5:31 p.m.

Consent Agenda: Upon a motion by Jennifer Golek, with a second by Brian Kelley, the minutes of the November 20, 2017, Board meeting were unanimously approved. Upon a motion by Lanny Edelson, with a second by James Ellison, the Executive Director's Report unanimously approved.

Development Report: Bob Stoddard highlighted his distributed report. There has been a very good response to the appeal letter mailed after Thanksgiving: \$28,918 from 63 gifts received so far. The Chamber Series concert in Dover that occurred last week was fully funded with a \$5,000 gift. The DSO has applied for a \$40,000 foundation challenge grant to fund two Lewes performances during 2018. Mary Paige Evans, whose art was projected over the orchestra during the Family Concerts, is encouraging the foundation support of this request. The challenge would require the local community to raise \$1 for every \$2 given by the foundation. Tess Pietrucci has secured the services of a Wilmington Trust estate advisor to present an estate planning seminar for DSO patrons. Jennifer Golek and David Plaza have agreed to strategize about approaching banks. The DSO Brass Quintet played at CSC's new headquarters. Over 100 people were there, including CSC President Rod Ward III. Employees, most in their 20s and 30s, were enthusiastic. A list of companies with stocks of local interest was distributed. Bob Stoddard has compiled a list of local corporations, and is looking for referrals of people who can open a door for us to executives in those corporations. A progress report for the One-Twelve Fund Drive was passed around. We are inching along. All thirteen askers have been assigned prospects, now totaling 104 to 140. 20 new/increased gifts have been secured totaling \$86,000. There are nine outstanding asks.

Responding to Jennifer Golek, who questioned the wisdom of applying for a grant that requires matching funds to support the two Lewes concerts, Alan Jordan responded that the foundation encouraged us to structure the request as a challenge grant. The total raised—\$40,000 plus \$20,000 in local match—would combine with conservative ticket sales projections to cover all costs of the two performances. The March 25, 2018 concert is not in the budget; staff will request board approval for this after confirming the grant and matching gifts.

Elena Norman described her efforts at securing a sponsorship from partners at Young, Conaway, Stargatt & Taylor. Kristin Peterson recalled her experience with a patron who informed her at the last Classics Series concert that they would increase their giving from \$5,000 to \$10,000. People give to people. This anonymous donor thinks so much of David Amado that they want to donate in honor of him. Bob Stoddard reported that he and Charles Babcock met a woman they knew from church and asked her to consider several possibilities in the \$10,000 to \$20,000 range. During a follow-up meeting with Bob, the patron chose to honor her recently deceased husband by underwriting the Mahler Symphony No. 7. Bob showed her video excerpts from symphony. She is considering a \$30,000 gift. It doesn't hurt to be creative! Rosemary Twilley, who underwrote the Dover Chamber Series concert, is a good, medium term prospect; her son, who lives in Wilmington, should also be cultivated. Bob and Charley are sending letters inviting people to the January 26 Classics Series concert, with dinner before at Chelsea Tavern and the 6:30 pm pre-concert talk with David Amado.

Education Report: Grace Kwon-Kubacki presented a written report about the March 7-8, 2018 Explorer Experience concerts. The Wilmington performances are at near capacity, while there are very few reservations for the early Dover concert; the second Dover performance is about 1/3 full. Discussion ensued regarding further downstate recruiting, opening up the Dover concerts to adults, seeking advice from the DDOA, Rosemary Twilley, and Osher Lifelong Learning centers in Sussex and Kent counties. Alan suggested we might be able to consolidate the two Dover concerts and save money—perhaps \$5,000. Members asked about cancelling both Dover performances. The latest this decision must be made is at least three weeks before the first Explorer rehearsal, per the CBA.

Finance Committee Report: Lanny Edelsohn presented the Finance Committee Report (Attached). The originally approved FY 2018 Budget was \$1,960,000; cuts and savings instituted last summer brought the expense total to approximately \$1,700,000. As of December 31, 2017, we had received and raised \$790,000 in revenues, leaving \$913,000 to be secured by June 30, 2018. Some of that is expected from major donors. The corporate and foundation goals are worrisome. Bob Stoddard was thanked for spearheading the One-Twelve Fund Drive that has thus far raised \$98,000 in new and increased gifts. The outstanding nine requests will hopefully help. Our cash projection began with \$230,000 in reserves; that is projected to be spent by early next year. Major gifts are forecast to be received in March and June. Investments are doing well, and we will be drawing approximately \$42,000 in January. Next year, we must be more careful in our budgeting. The FY18 budget for core (Wilmington Classics, Chamber and Explorer) and overhead was approximately \$1.5 million. We need to stay as close to that number as possible, even with increased musician rates. Alan Jordan noted that \$187,000 in tickets have been sold so far, including for future concerts. This leaves less than \$40,000 to achieve our budget target. Edelsohn and others noted the availability of Board Restricted Funds (including the Beekhuis Fund) from which we can draw, and will if needed. Jennifer Golek noted the four modules of our budgeting: core and overhead, outreach, and strategic initiatives. We need to both know the numbers and work to protect the organization's reputation. Charles Babcock reminded all of our obligations by the CBA. By May 31, 2018, we must make offers to our contracted musicians. Glenn Finnan and Alan Jordan are planning to meeting in January. Alan Jordan stated that one of the goals in repertoire planning next season is to utilize the contracted musicians as much as possible, but to avoid programs that require many extra players.

Charles Babcock commented about his thinking since our last couple meetings. All are aware that the DSO "went into the ditch" five years ago. No one wants this to happen again, and we cannot afford to lose \$250,000 like last year. Our greatest danger is not this season, but next. He doubts we will finish FY18 in the black. We need accurate cost information before approving any budgets for next season. Alan Jordan responded that the desire is to move toward an income-based budget; that is, determine how much earned and contributed revenue is realistic, and then determine the best way to spend the funds available. It will take time to move to this new kind of planning. We can start by asking the Development and Marketing Committees to consider the possible future revenues.

Other Business: Alan Jordan described a possible co-commissioning project with Jennifer Higdon in which the DSO would be the lead orchestra and present the world premiere. This would require the DSO taking on fiduciary responsibility; however, the financial risk is minimal. His proposal was outlined in the Executive Director Report. **It was moved by Matt Di Guglielmo, and seconded by James Ellison, that the DSO assume fiduciary responsibility for this project. The motion passed.**

Board Meeting: The next Board meeting will be Monday, January 22, 2018 at 5:30 p.m. at the Community Service Building – Wilmington, DE.

Adjournment: The meeting was adjourned at 6:58 p.m.

Respectfully submitted,

Elena Norman
Secretary Pro-Tem