



**Finance Committee Meeting – Wednesday, January 30, 2019 – 4:00 p.m.
DSO Office, 100 West 10th Street, Suite 1003, Wilmington, DE 19801
Meeting Minutes/DRAFT**

Committee Members Present:

Lanny Edelsohn, Chair
Charles Babcock, President
Jeff Ruben, Treasurer
Jimi Honochick
Brian Kelley (via telephone)
Patricia Zaharko (via telephone)

Committee Members Not Present:

Matt Di Guglielmo
Brian Kelley
David McBride

Ex-officio Members Present:

Libby Burgazli, Finance Manager
Alan Jordan, Executive Director
Ruth Kreider, DSO Musician

Guests Present:

James Ellison, Artistic Policy Committee Chair

The meeting was called to order at 4:05 p.m.

Edelsohn distributed and presented seven pages of materials. He estimates a FY19 loss of \$250,000-\$300,000, explaining his basis for this forecast. He asked the committee where we should consider cuts to the current season's programs. Following much discussion, the committee agreed that effective drastic cuts during FY19 would not outweigh the potential harm to fund raising efforts. While painful, we will need to absorb whatever deficit results this year, and make every effort to reduce the deficit through fund raising.

Edelsohn moved to the FY20 Core budget. Using the revised, conservative forecasts for FY20 contributions, we are currently looking at a \$216,133 deficit, which could be exacerbated by the loss of one or more major gifts. Between the FY19 and FY20 deficits, we could exhaust almost all of the Board Restricted Fund (which includes the Beekhuis bequest). Discussion turned to currently proposed repertoire and musician counts for the Classics and Chamber Series. Jordan

provided figures for repertoire-driven costs for the Classics Series: the current plan reflects total costs of \$406,207 for the five programs. \$216,133 in cuts would represent more than a 50% reduction. Kreider expressed concern about placing the entire burden on the backs of the musicians. Following further discussion, the committee asked staff and the Artistic Policy Committee to review plans and make adjustments that could reduce costs for both the Classics and Chamber series.

The solution to the FY20 budget challenge will have to include new and increased development efforts. The Development Assessment Report, to be presented to the Board in February, provides recommendations toward increased numbers of donors and total contributions. If implemented immediately, results will begin to be reaped in FY19, but the full effects will take multiple years.

Meeting Adjournment

The next meeting will take place Wednesday, February 20, 2019, beginning at 4:30 pm, at the DSO office. There being no other business, the meeting adjourned at 5:15 p.m.

Respectfully submitted,

Alan Jordan, Executive Director