



CREATING A 21ST CENTURY ORCHESTRA

A BUSINESS PLAN

DECEMBER 19, 2011

the colorado **symphony**



I N T R O D U C T I O N

The Colorado Symphony Association, like other orchestras and many performing arts organizations, has struggled in the past three years with financial challenges. While to a degree this reflects the current economic conditions in Colorado and the country, the primary cause is that while the orchestra is recognized by many as one of the leading artistically accomplished orchestras in the country, it is not perceived as a critical community asset, relevant to its residents. This has resulted in constraining the ability to secure the level of contributed income necessary to augment earned income. The current leadership of board and staff in full collaboration with our musicians is beginning a new chapter by repositioning the orchestra for engagement, performance, education and connections throughout the entire region.

The purpose of this redirection is to provide a broader range of performance content and styles and to deliver our music and educational programs more widely throughout the entire metro region and eventually throughout Colorado. This will also enhance our ability to generate additional earned income and, by demonstrating value, increase the number of contributors and the contributions they provide. Incorporated into this revised operating model are changes to the work rules, agreed to by our musicians, to allow more flexible, effective and complete use of the artistic resource that is the full orchestra. We believe these changes will create an acknowledgement of the value the orchestra provides and thus lead to sustainable financial strength. Achieving this stronger condition requires better utilization of the full capacity of the orchestra to demonstrate the orchestra's ability across the full range of musical expression. Today we are all committed to that goal.

A New Paradigm

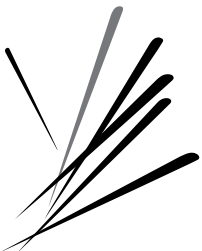
Historically, symphony orchestras have operated within a paradigm whose focus was on sustaining the institution. A schedule of performances was put in place and the invitation to come and experience the product was issued. This practice gave little thought as to whether it truly was of interest and relevancy to a large part of the community, convenient in time and location and of real service to the community in which it operated. Even activities such as touring and educational endeavors were based on a means to sustain the institution. The notion of relevance was defined by the institution, not by the community it served. A sense of entitlement pervaded.

The Colorado Symphony Association believes that the time has come to embrace a New Paradigm. In this paradigm, the focus will be on *engaging with and connecting to the community*. Relevance will be defined by the constituency whom the orchestra serves, including the citizens of Colorado, governmental institutions, educational institutions and the entire philanthropic community. Not only will there be an opportunity to experience the product at its traditional home concert hall, there will also be opportunities for audiences to experience the orchestra and its exceptional musicians in facilities, churches and schools within their communities. As a result of community involvement and relevance being the driving force behind the Colorado Symphony Association, the institution will be fully supported and enjoy a healthy and sustainable growth as a result of an increasing level of earned and contributed income.

A New Operating Model

In addition to establishing a new commitment to a focus on performance and education which provides community service, the Colorado Symphony Association has recognized that its internal operating rules and processes must change to meet today's environment. The current challenge of significant shifts in public funding patterns coupled with the current economic stress has created significant near term financial constraints. Concurrent with these financial challenges have been changes in the environment being seen by orchestras. These changes include:

- A desire for more active and engaging participation in artistic events vs. passive attendance.
- Explosion of electronic means of creating and presenting music of all varieties.
- Decline in arts education which is changing the historic patterns of concert attendance.



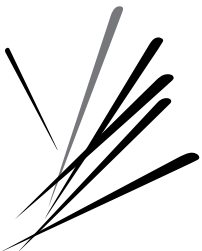
These environmental changes have required orchestras and other performing arts organizations to assess their current artistic and operating models. The same is true for the Colorado Symphony Association. While retaining the core values of the organization, it is important to position the orchestra to operate in the environment of the future and not remain rooted in the past.

The leadership of the organization has committed itself to both re-instate their commitment to financial stability and to repositioning the symphony for the new and changed role of an orchestra in the 21st century. The actions required for this new operating model, created by musician, board and staff participation are delineated in this Business Plan including the projected financial outcomes produced by these actions. The key changes include:

- Balancing the number of performances and program formatting to better match community interests.
- Expanding the reach, content and format of performances throughout the entire metro area.
- Use of small ensemble performances as well as full orchestra performances.
- Increased youth and adult education programming and interaction.
- Financial management within the revenue resources available.

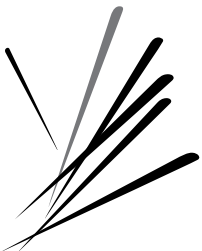
The development of this strategic direction has been the result of collaboration among the musicians, trustees, staff, the musician's union and members of the community. The modifications of the musicians' contract with the Colorado Symphony Association necessary to accomplish these goals are embodied in a Memorandum of Understanding and will be contained in a formal agreement to be executed by the parties.

Our intention is to continue our artistic responsibility to be a curator of the great music, traditional and contemporary, as a service to our community.



COLORADO SYMPHONY ASSOCIATION BUSINESS PLAN

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SECTION I

Mission, Vision, Core Values, and Strategic Goals

Mission

The Colorado Symphony Orchestra, the state's full time professional orchestra, enhances the quality of life and creative spirit of the citizens of Metro Denver and Colorado by sharing the joy of music – music of all types, especially classical symphonic music – through excellence in performance, education and community engagement.

Vision

The Colorado Symphony Orchestra is recognized as the premier model of the 21st century symphony orchestra demonstrating the best artistic, community engagement and operational practices for orchestras.

Core Values

Uncompromising artistic quality presenting music that is timeless and fostering new music
Fairly compensated musicians fully utilized in the work of the orchestra
Collaborative and mutually respectful decision-making across all segments of the organization
Relentless attention and adherence to financial sustainability and transparency
Integrity, transparency and accountability to all stakeholders

Strategic Goals

- Refresh and expand partnerships and collaborations with community, corporate and foundation leaders and entities
- Establish operating processes which produce the desired artistic, educational and community engagement actions within annually balanced budgets
- Begin to rebuild the capability to escrow subscription funds while establishing a working cash reserve

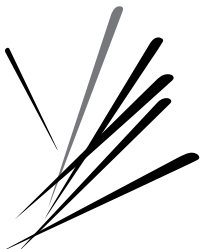
SECTION II

Artistic Direction

The Colorado Symphony continues to demonstrate that it ranks at the top of the 2nd tier of American orchestras. The ability to perform the full range of grand masterworks, new contemporary music and popular music reflects the strength of the ensemble and the skills of its individual members. The orchestra consistently receives praise and recognition from guest artists and conductors. Assuring that this level of quality and recognition continues is the guiding purpose of the board and the rationale for the insistence on sustaining a full time professional orchestra which has the credibility to attract and retain high quality musicians, conductors and guest artists.

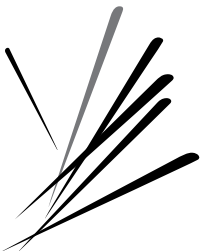
The program content and existing format of the orchestra is no longer appropriate to adapt to a viable 21st century model. Beyond the diverse concert fare presented in its Boettcher Concert Hall home, the orchestra will expand its performances through full orchestra, chamber orchestra and small ensembles to venues around the entire metro area. In addition, the orchestra has traditionally been engaged in a wide range of educational programs for school children and families. Through youth programs in BCH, small ensemble performances in schools and mentoring programs, the symphony reaches and impacts over 32,000 children each year. By expanding to a more regional footprint, the orchestra will be able to reach more children in both school performances and in other venues. And in the long term, this is the path which will produce new audiences and contributors adding to the sustainability of the orchestra.

The future direction of the orchestra includes completing the search and selection of a new Music Director. It is expected that this individual will continue the artistic growth begun under the leadership of Marin Alsop and Jeffrey Kahane. The Music Director Search Committee is nearing the completion of their work with a **target decision date of May 15, 2012**



As noted, merely continuing the current artistic activities is not sufficient either for satisfactory community engagement or revenue growth. To implement the expanded structure and range of performances, we have established a joint musician and staff leadership team to develop the wide range of enhanced programming options which will be initiated in coming seasons. The framework for the new and enhanced programming and performance structure has been agreed to by the musicians and management. The expanded portfolio of services will include:

1. While Boettcher Concert Hall will remain the primary home for the CSO, it is important that the orchestra be seen as the community's major performing arts organization by performing in venues around the entire metro area. To achieve this, the varied skills and capabilities of the orchestra will be utilized to create small ensembles for performances in community venues, schools and churches throughout the region through a regular schedule of performances. As plans for the 2012-13 season are being developed, potential performance venues and available schedules are being addressed. **By March 15, 2012** the initial "Community Connections" schedule is expected to be in place
2. While many long time concert attendees are comfortable with the traditional structure and framework of the typical concert, for some the experience is less than rewarding. Many attend because they appreciate the music but have limited background in the particular selections. Others, particularly new attendances, feel the structure long and unrewarding. The need to provide a wider range of concert styles and structure is a planning priority for the 2012-13 season. Possible program adjustments include:
 - a. By using the *Inside the Score* format for some Friday concerts and establishing a new Thursday evening series, it is hoped that new audiences will better appreciate the beauty of our music.
 - b. Shorten some of the Sunday matinees and include increased information about the composer, concert theme, the period and purpose for the composition, etc. Again, using the proven *Inside the Score* format.
 - c. Use of video and other visual effects to enhance the concert experience. There are currently six visually enhanced programs planned for the 2012-13 season.
3. Establish the Colorado Symphony Chamber Orchestra for concert performances in BCH, in community venues in metro Denver and in communities throughout Colorado. As noted above, at least **four chamber concerts are planned in 2012-13, a full chamber season planned in 2013-14 and beyond.**
4. Create and promote a range of performing ensemble groups for community venues, business venues and community centers. Roster of small groups in place by **March 1, 2012.**
5. Expand the range and scope of education performances to reach more children with its BCH youth concerts, expand the scope of small ensemble performance schedule in schools and community venues and increase the amount and quality of mentoring programs. Consider BCH style youth concerts in outlying schools such as Douglas and Jefferson Counties to minimize the cost and time of student travel. **Target completion April 1, 2012.**
6. Re-establish the in-school residency program which puts the symphony in a school for the week's rehearsals and a community performance before returning to BCH for the weekend of performances. Schedule two residencies **for September 2012** and two more in **April/May 2013.**
7. Assess the viability of a range of programs aimed at medical projects ranging from performances to programs to augment and enhance medical therapies. Potential options include nursing homes, specialized hospital facilities, children's hospitals, etc. While these efforts would initially likely be no cost community engagement actions, it is hoped that by demonstrating their value, direct funding or grant funding be secured for them. Establish Review Committee **by January 10, 2012** and implement initial actions by **March 2012.**



SECTION III

Education and Community Engagement

The Colorado Symphony understands that its mission is much broader than merely performing orchestra music. It has the responsibility to be a "curator" of the vast range of music, traditional and contemporary, and to assist the community to understand and appreciate this body of art. A key aspect is educating members of the community, and in particular, the children of the community as to the beauty of the music, the context of its creation and the impact that the music has had on generations of people.

Besides enhancing the quality of life and the range of enjoyment for our audiences, the orchestra impacts new generations of people and creates an appreciation for the range of music performed and produces future ticket buyers and contributors. In light of this responsibility, the orchestra has developed a wide range of educational programs. For the student audience, these provide excellent standards-based music education programs for approximately 32,000 students, teachers and parents in metropolitan Denver and along the Front Range. Teachers are encouraged to use a multi curricular approach that integrates music content with math, social studies, and geography, life science and language arts curricula.

The plan for the future, beginning in the 2012-13 season, includes actions to increase the number of youth concerts as well as other small group and individual mentoring efforts to reach a wider range of the youth population. One factor in this will be to increase the number of youth concerts allowing the orchestra to perform in counties where distance influences participation at Boettcher Concert Hall (e.g. Jefferson, Douglas and Weld counties); and providing youth concerts free or at a greatly reduced fee for students in economically depressed and underserved communities. Key components of the educational programs across the range of constituents include:

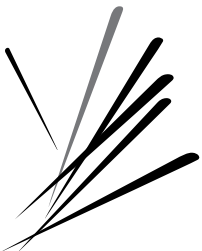
Youth Concerts

Youth Concerts serve students, teachers and parents from schools in metropolitan Denver and along the Front Range. Youth Concert program content aligns with the State Department of Education's music, social studies/ history and language arts standards. The concert program is enhanced through the preparation of teaching materials that teachers receive with a CD of the youth concert repertoire. These standards based preparation materials have received favorable responses from teachers. Two areas will continue to receive special attention.

- Actions to include students, teachers and parents from underserved communities where high percentages of students participate in the Title I program. Government and private funding have increased the department's ability to provide per student and transportation assistance.
- An additional and on-going goal is to insure that programming is diverse and culturally representative. Following the successful 2011/12 all Latino program, a program acknowledging immigrant populations (Native American, Latino, African-American, Asian and European), their contribution to the state of Colorado through music by Asian, and European, African-American, Native American and Mexican composers.
- To ensure audience diversity the department would like to increase participation from economically depressed communities (predominantly African-American and Hispanic populations) with 80 – 90% participation in the Title I program, by lowering the per student cost in the 2012/13 season.

Experience the Music Programs

The orchestra provides community based and in-school programs in community-based venues and public, private and charter schools. These programs address music, mathematics, life science, and language arts curricula. Schools requesting one of the regular programs, MathNotes, Music of Life and Once Upon A Time, receive teaching materials prior to the ensemble's visit. The Education Department provides financial assistance to inner-city schools serving high percentages of Title I students. The Master Mentor program supports middle and high school band and orchestra programs.



During future seasons, with the new collaborative agreement with our players, additional musician resources will become available to provide additional programs in schools and community venues throughout metropolitan Denver. This will allow us to expand the scope and coverage and lead to the development of situation specific learning opportunities.

Serving Our Communities

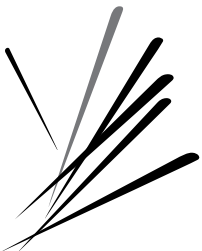
Community engagement makes it possible for the orchestra's programs to reach into the community with programs that serve underserved and culturally diverse communities. By being a more visible part of community's around the region, the perception of "community value," which assists in augmenting earned income with contributed income, is enhanced. Examples include:

- The orchestra, through the Education Department, is engaged in providing programmatic support for the El sistema project at Garden Place Academy located in the Globeville community. The Symphony is exploring the possibility of designing and implementing an El sistema program with planning beginning in the second half of the 2011/12 season that includes extensive outreach into the Latino community.
- The creation of the Too Hot To Handel Initiative this season has begun at the request of the Symphony's Conductor Laureate Marin Alsop. The project will include high school choral students as part of the orchestra's and the Symphony Chorus' performances of Too Hot To Handel. This season the orchestra selected two high schools – Manual (located in northeast Denver) and Montbello (located in far northeast Denver) to participate. The orchestra provided scores, audio tracts of each part and scores. The Associate Director of the Colorado Symphony Choral Mary Louise Burke coached the students and choral teachers attended at least Symphony Chorus rehearsal. Next season the department hopes to add two additional high schools – East and George Washington High Schools.
- In 2009, the orchestra joined the city's major cultural institutions to participate in the Mayor's Office of Education and Children's Five by Five program. The orchestra provides 100 tickets to four Family Concert Series concerts to families participating in the program.
- The orchestra is committed to making itself accessible to all segments of the community. To that end, for more than 20 years the orchestra has worked with the Martin Luther King Humanitarian Awards Community and with Colorado's Martin Luther King, Jr. Holiday Commission to produce a concert that celebrates the extraordinary service of Colorado's citizens in realizing Dr. King's dream of equality for all people. The concert held in January of each year is first of many community-based commemorative events.
- The orchestra also works with the office of the Consul General of Mexico to produce a concert celebrating Mexican Independence (Cinco de Mayo).

SECTION IV

Audience Development & Growth

Successful achievement of the mission of the Association is best reflected in securing a consistent and growing constituency of concert attendees. This represents a sure sign of real and perceived community value. And it provides the foundation for strengthening the efforts to increase contributed income as experiencing the music is the best way to lead toward greater contributions. The new direction of the orchestra to expand the programming, format and geographic reach are intended to both better serve our community and to enhance the financial sustainability of the organization. Besides these structural changes, we have to become more efficient and "personal" in our connections with audiences, proving an experience that brings them back. The shift in how we communicate about our performances, educational programs and community engagement will increasingly shift to electronic methods as newspapers and television continue to change their business practices.



Building on successes in recent seasons, the marketing function will continue to focus on building and strengthening its audience. Key elements include:

1. Patron Loyalty

- a. Demographic trends and arts marketing research all point to a declining arts audience in future years unless greater attention is placed on expanding beyond the traditional audience base. In order to offset this trend and continue to maximize revenue, we will build deeper relationships with our current patrons who are not only our best constituents but the ambassadors on our behalf in the community. We will continue our work to identifying segments of patrons that will help us foster stronger relationships with key patrons. We will institute new processes and procedures to convert multi-ticket buyers into subscribers, as well as encouraging subscribers to become contributors. **Ongoing**

2. Subscriptions

- a. Subscription sales have been strong over the last two seasons and provide a significant financial foundation for each performance season. The goal for moving forward is to continue offering flagship subscriptions to our Masterworks, Pops, Inside the Score and Family Series. With our new performances of chamber and ensemble groups, we will enable more patrons to experience the music close to their homes. National trends also require that we continue to offer and build on flexible, choose-your-own subscriptions in the way of marketing packages. These retention activities will include items such as Thank You letters, value-add gifts, discount offers and more. **Ongoing.**

3. Single Tickets

- a. **Programming** – Programming will continue to be a driving force moving forward on reaching and building new audiences. Our expanded venues will assist in this process. **Ongoing**
- b. **Growing multiple buyers** – Converting new single ticket buyers into multi-buyers is paramount. We will track all of our new buyers throughout the season and offer them a “Buy one – Get one Free” offer to come to another upcoming concert and hopefully move them to multiple purchases. **Ongoing**

4. Concierge Service

- a. As noted a key factor in building a strong and growing audience base is to make every concert experience a positive one. as satisfaction with the experience is often the factor which encourages a decision to attend a subsequent concert. We will establish a *concierge service* to help new and infrequent buyers be comfortable with the entire concert from ticket purchase through parking assistance to post concert actions. **Second Quarter 2012**

5. Website

- a. Focus will be given to making the website a more effective marketing and information tool. Significant improvements to the layout, design and navigation utility are in process. Moving forward, the website will be a dynamic, informative, and interactive presence on the internet. **First quarter 2012**

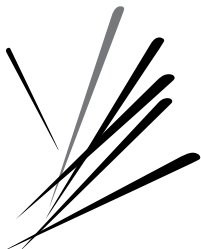
SECTION V

Resource Development

Contributions by individuals, corporations and foundations represent a crucial success factor for performing arts organizations. Orchestras generally depend on about 40% of their annual budgets from this funding category. In the recent history of the Colorado Symphony, this segment failed to keep pace putting financial pressure on the organization. Moving forward, this issue must be actively and aggressively addressed and will with the following actions.

Individuals

Contributions from individual contributors represent the largest source of contributed income for nonprofit organizations. This is because when individuals have committed to an organization based on their belief in the value and purpose for the organization, that commitment is sustainable over many years and can be grown in contribution amount. This is particularly the case for those who make major contributions and also true for those whose gift is modest in amount. Building the sense of value and relevancy requires a connection through programming that matches an individual’s interests and making it available in time and location that is



convenient. The changes in programming, format and performance locations will help to achieve this end with a resulting increase in the size of the audience and thus regular contributors.

To be successful, the orchestra must effectively address each funding category to both broaden the category by strengthening relationships and provide a sense of value for each contribution. Actions by segment will be:

Major Contributors (\$25,000 and up):

Strong personal contacts help to determine how major contributors view and understand the value and contribution to the community made by the orchestra. The manner in which this is recognized and addressed will influence new, renewed and enhanced annual contributions. In addition, emphasis will be placed on securing multi-year contributions to stabilize organization income. Frequent information about how contributor's funds are being used to enhance the work of the orchestra will help reinforce the "return on investment" equation. The current program of special events for contributors with musicians and orchestra leaders participating will be used to reinforce the relationships and value of this segment.

Conductors Circle (\$2,000-25,000)

This segment represents the greatest potential for the opportunity to grow the size of the annual contributors group both in number and quality of contributions. And the group has the potential for increased annual and multi-year contributions. Board and musicians will be engaged more frequently and in small group settings to expand contacts with this group reinforcing their value to the orchestra. Selective events will be used to enhance these connections and to provide opportunities for expressing appreciation for their contributions. As part of the expanded programming of concerts and educational events throughout the metro area, many of these special events will be conducted at sites within the seven county area.

Friends of the Orchestra (Up to \$2,000)

This segment reflects both modest contributors and those nearing Conductor Circle status providing a strong base of support and growth potential. While personal contact is prohibitively expensive, enhanced direct mail, email and other electronic means will be used to expand and deepen this category. Frequently these communications will come from musicians as well as board and staff. Based on information about regular ticket purchasers, they will also be asked to also become contributors and thus grow the size of this category as well.

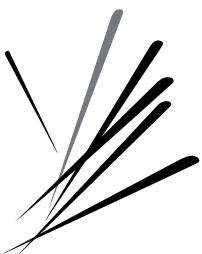
Special Events

Special events play a dual role in sustaining the financial stability of the organization. Their primary purpose, when properly defined and managed, is to provide significant net income to the organization. Second, events can provide an important way to promote to community leadership and the community at large enhanced awareness and knowledge about the organization, its goals and its accomplishments. The orchestra will continue to have a major event each year and have implement small and more tailored events throughout the year.

Business/Corporations

The environment for significant financial support from the business and corporate community has been impacted by a decade long merger and consolidation of corporations in the Denver metro area. This has had a major impact as funding by corporate contributions and sponsorships is often affected by the community being home to corporate headquarters and/or major regional offices. More recently, the challenging economy has further constrained contributions specifically to the arts and to the orchestra. To secure a level of business/corporate funding experienced by the orchestra in the past, the following actions will be taken:

- Develop sponsorship programs that provide measurable impact on the interests of the sponsor while enhancing orchestra income. **First quarter 2012**
- Strengthen long term relationships with current corporate contributors/sponsors by assuring that the benefits they expected are being delivered. To implement this action, specific board members will be designated as the primary contact for these organizations. **Actions underway**



- Actively seek support from organizations not currently contributing and securing contributions from new organizations which have moved to or expanded in Denver. Begin by assessing their business interests and objectives and finding a match with orchestra services. **Initiated in the second quarter of 2012.**
- Actively participate in business organizations (chambers, Metro Convention and Visitors Bureau, Downtown Partnership, etc) to build relationships and to participate in strengthening our communities. **First quarter 2012**

Foundations

The orchestra has a long and successful history of strong support from the Denver and Colorado foundation community. The strength of these relationships reflects a sense of partnering for the betterment and enhancement of our community and transparency with respect to progress on grant support. Sustaining and growing this funding resource will necessitate continued efforts in the following areas:

- Maintaining frequent and transparent communications with foundation leaders with updates on program progress and the efficient use of the funds provided. **Under way**
- Assessing foundations not currently providing grants for current orchestra programs to determine the scope of the foundation's mission and goals and how those fit with orchestra purposes and goals which can lead to new and additional grants for these foundations. **Initiate section quarter 2012**
- Conduct periodic informational events to provide the foundation leadership with progress by the orchestra on community activities. **Second quarter 2012**
- Build on community services provided by the orchestra which demonstrate the potential for enhancing medical therapies given the recognized connection between music and health advances. **Continuing**
- Research national foundations mission and goals for a match with orchestra actions. **Second quarter 2012**

Government

While the primary source of government funding for the orchestra is from the Scientific and Cultural Facilities District (SCFD) as a charter member of the Tier II organization, there are other opportunities for government sourced funding to support orchestra programs. While some of these will only provide cost reimbursement for services provided, there is the potential for growth in earned fee income. Potential areas include:

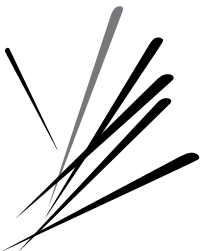
- Expand the current level of Youth Concerts to reach 50,000 children per year by expanding presence in a significant way with Denver Public Schools and other school districts around the metro area.
- Re-instate the school residency/concert program at two – three schools per year.
- Expand in-school mentoring programs and teacher assistance programs.
- Determine the potential for community programs in community centers/adult centers.
- Seek funding for touring supported by public/private sources.

All of these potential opportunities will be assessed in the third quarter 2012.

SECTION VI

Community/Public Relations Plan

The new paradigm for the orchestra reflects a shift to broad community engagement and connections as the orchestra redesigns its musical performances, its educational programs and its community support to more fully encompass the entire metro area. A key factor in this changed approach is actively connecting with community leaders and citizens in the area's communities, with the various community and business related organizations and with the local educational institutions. The intent is to better serve the community needs and interests while demonstrating the orchestra's value and contribution. The result will be achieved by orchestra leadership and musicians directly engaging with local community and political leadership to produce shared benefits.



Key outcomes

- Increase recognition and appreciation for the orchestra's breadth of programming and artistic direction among target audiences to achieve audience growth.
- Increase awareness of the new and improved business model and key initiatives among Denver business community, foundation community, current orchestra supporters and prospective contributors in order to create interest in partnership and revenue opportunities.
- Increase community support by promoting niche programming in community venues, business venues and community centers
- Be acknowledged as an active leader and participant in the Scientific & Cultural Collaborative (SCFD) to assure recognition for orchestra contributions and to position the organization for the upcoming SCFD renewal.
- Strengthen public confidence by highlighting positive news, key milestones and achievements along with the revised business direction.

Strategies

- Manage brand positioning and seed buzz among key influencers by focusing on key differentiators
- Build panel of enthusiasts/evangelists to help influence and drive key messages among target audiences
- Engage third-party advocates, including those in the educational, medical, business and financial communities in Denver, via community-based programming and small group concerts in community and business venues as well as schools and other educational settings
- Use profile and credibility of board members, contributors and musicians to generate positive community support and word of mouth
- Demonstrate the quality and broad scope of the orchestra via unique and fulfilling engagement opportunities
- Increase investment in social media (through own channels as well as participation in existing networks) and use social media as a fundraising and "friend raising" tool
- Prepare the CSO's spokespersons to effectively deliver key messages to media and potential donors and to address difficult questions

Target Audiences

- Prospective audience members of all ages
- Potential audience prospects in targeted geographic areas
- Current and prospective contributors
- Potential new sponsors based on local business interests
- Influencers (media, decision makers in key industries including education, medical, financial, other Colorado-based corporations)

Channels

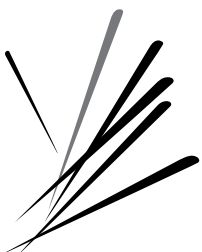
- Traditional media (Denver press, local/regional newspapers, television, national press covering the arts, etc)
- Bloggers and online influencers
- Targeted (direct mail, email database)

SECTION VII

Governance

The Colorado Symphony Association gains strength and stability through its core structure of collaborative governance. By involving and engaging all members of the Association's musicians, board, staff as well as volunteers, the entire entity is both engaged and accountable. With a clear focus on artistic and financial outcomes, through committee and task team engagement and relentless pursuit of financial sustainability, the organization builds its strength and mutual accountability.

Responsibility for determining and achieving concurrence for the overall direction of the organization rests with the Board of Trustees. The current board of twenty three members is being rebuilt to an initial goal of



forty members. The intent to have a board representative of the entire community, including its diversity with a strong commitment to the mission and goals of the orchestra.

The board is composed of community representatives, with a wide range of backgrounds and a strong passion for the continued success of the organization, plus musician trustees representative of the orchestra. This structure sets the stage for an effective balance of artistic interests and business oriented success. By including the musicians in the consideration and decision making process, they are better able to understand the complexity of the business side of the organization and help the community members understand the nature of the orchestra and what is required to achieve a high level of professional capability.

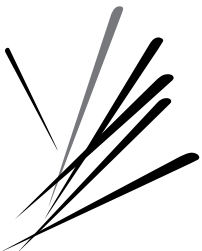
With the strategic directive set by the board, the operational implementation is accomplished via board committees and project task teams composed of community and musician trustees and volunteer community members with backgrounds and skills in the various operating areas.

SECTION VIII **Technology Plan**

The advancing pace of technology provides both the opportunity to more directly engage with our constituencies and the Colorado community in the way they want to engage while allowing for more cost effective operational performance. This changed social media environment also coincides with the decline in readership of newspapers and the changing nature of television. Accordingly, the CSO will develop and implement the following actions to take advantage of these capabilities.

- We will increase our interaction with our audiences, our contributors and the community through the use of such communication tools as blogs, Podcasts, Facebook, Twitter and other tools as they become available. **First quarter 2012**
- Our website portal will be enhanced to serve as the principle method of communicating about our concerts, our educational actions and our community service. The site will be designed to provide easy and effective navigation and be a primary vehicle for ticket sales and contributions and information about the CSO, its musician. Board and staff. **First quarter 2012.**
- We will provide increased connections between the musicians of the orchestra and our audience by providing both active profiles and by allowing the audience to interact with the players using electronic tools. Our intent is to create and foster two-way conversations not just a unidirectional broadcast of information. **Second quarter 2012.**

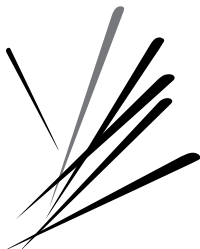
With the availability of low cost recording and distribution capabilities, we will make available to our constituencies the vast archive of orchestra performances over the history of the CSO. Potential options include creation of "the best of" CDs, live streaming of past concerts, subscription based access to the recorded library, etc. **Third quarter 2012.**



SECTION IX
Pro Forma Financials

Colorado Symphony Association
Business Plan Forecast

	FY14 Forecast	FY13 Forecast	FY12 Budget	FY11 <i>Preliminary: 12-05-11</i>
Income:				
Earned:				
Ticket Sales	\$ 5,531,000	\$ 5,366,300	\$ 4,910,998	\$ 5,290,833
One night only sales	788,000	788,500	788,486	320,449
Summer Ticket Sales	900,000	900,000	1,085,289	-
Less: Seat Tax	(625,000)	(613,100)	(612,101)	(522,745)
Ticket Service Fees	698,000	678,400	535,045	390,946
Education	314,000	264,000	123,995	113,409
Fee Concerts	625,000	620,300	65,272	348,216
Subtotal	8,231,000	8,004,400	6,896,985	5,941,109
Contributions:				
Trustees	500,000	500,000	600,000	436,068
Annual Fund	2,300,000	2,300,000	2,100,000	2,748,532
Business Contributors	500,000	500,000	300,000	111,081
Symphony Ball	600,000	600,000	600,000	638,685
Foundations	1,909,000	1,483,800	1,003,750	1,235,727
In-kind donations	100,000	100,000	100,000	115,634
Other (e.g., TRNA release, etc.)	130,000	130,000	130,000	134,756
Subtotal	6,039,000	5,613,800	4,833,750	5,420,483
Government:				
SCFD	862,000	811,700	761,735	824,216
Subtotal	862,000	811,700	761,735	824,216
Other Income	30,000	30,400	30,404	34,256
Total Income	\$ 15,162,000	\$ 14,460,300	\$ 12,522,874	\$ 12,220,064



Colorado Symphony Association
Business Plan Forecast

	FY14 Forecast	FY13 Forecast	FY12 Budget	FY11 <i>Preliminary: 12-05-11</i>
Expenses:				
<u>Artistic Operations:</u>				
Orchestra	\$ 5,722,000	\$ 5,716,700	\$ 4,774,170	\$ 5,101,777
Library	205,000	202,500	190,710	139,471
Artistic Operations	1,870,000	1,739,100	1,785,070	1,790,460
Chorus	137,000	133,800	125,630	113,339
Production Costs	724,000	670,700	417,280	454,915
Venue Expenses	218,000	218,200	489,204	465,473
Summer Season	457,000	416,700	575,614	76,761
Subtotal	9,333,000	9,097,700	8,357,678	8,142,197
<u>Marketing/Sales:</u>				
Sales & Patron Services	566,000	560,100	559,992	693,427
Marketing General & Staff	360,000	352,000	351,323	448,148
Subscription Marketing	257,000	257,000	257,218	248,848
Marketing Overall Season	1,308,000	1,269,000	1,083,263	875,506
Group Sales	26,000	26,000	25,615	23,599
Subtotal	2,517,000	2,464,100	2,277,411	2,289,528
<u>Resource Development:</u>				
Development General & Staff	695,000	685,300	577,746	782,083
Development Events	36,000	35,000	25,012	49,096
Annual Ball	182,000	175,000	141,575	250,536
Subtotal	913,000	895,300	744,333	1,081,714
<u>Education:</u>				
Education General & Staff	114,000	111,000	104,670	120,644
Youth Concerts	112,000	81,000	21,431	11,037
Music Education Enhancement	17,000	17,000	17,478	41,302
Subtotal	243,000	209,000	143,579	172,983
<u>Administration:</u>				
Administration General & Staff	655,000	630,000	591,108	666,034
Compliance	77,000	77,000	77,307	103,727
Insurance	42,000	42,000	42,084	42,304
Lease/Operating Expense	139,000	139,000	138,628	133,553
Information Technology	129,000	129,000	129,434	87,993
Subtotal	1,042,000	1,017,000	978,561	1,033,611
Total Expense	\$ 14,048,000	\$ 13,683,100	\$ 12,501,563	\$ 12,720,033
Reserve Fund	550,000	425,000		
Success Sharing Incentive	450,000	325,000		
Subtotal	1,000,000	750,000	-	-
Net Surplus/(Gap)	\$ 114,000	\$ 27,200	\$ 21,311	\$ (499,969)

