

Executive Director's Report 2010-11 Season



In April, I completed my third year as Executive Director/CEO of the Stockton Symphony. Despite the challenging economic climate, we continued to innovate and grow – both in the number and quality of our artistic and education programs and in our administrative and governance professionalism. While many other orchestras around the country, big and small, are experiencing declining audiences, ours are growing. We sold out all of our Pops concerts, almost doubled the number of our Pops subscribers, attracted new and more diverse audiences and launched an important new education initiative. We also increased our fundraising capacity through staff training, the reorganization of our fund development committee, and strategic use of consultants paid for by our Irvine Foundation grant. We have positioned ourselves well for sustainable growth as our economy revives.

A sample of our accomplishments and successes this season:

- **Through our new Pops concerts, we have made major progress in broadening and diversifying our audiences. We sold out all three concerts in our second year of offering a 3-concert Pops Series.** A new packaging of Pops programming was tried and proved enormously successful. For our Beatles Pops & Picnic concert this April, we sold the most tickets we have ever sold for a single performance – filling 3,000 seats in the Alex G. Spanos Center. Our Pops concerts drew many brand new patrons to the Symphony this season. New and expanded marketing initiatives, made possible by the Irvine grant, helped us to sell out these concerts, including our very first cable TV advertising, expanded radio advertising, and a generous media sponsorship by *The Record*.
- The success of our new Pops concerts increased our earned revenue. **We exceeded our FY11 earned income goal by more than \$72,000.**
- **We increased revenue from ticket sales this season by more than \$50,000, a 10% increase over last season – exceeding the budget goal for FY11 by more than \$34,000.**
- **We won a three-year \$275,000 Arts Regional Initiative grant from the James Irvine Foundation to support efforts to improve cultural participation and achieve financial sustainability.**
- **We won a Meet the Composer Music Alive grant in the amount of \$65,000 that will allow us to commission and premier a full-length work from Avner Dorman in the coming season.** Dorman is a major composer who earns commissions from the largest orchestras around the world and was featured in a recent three-page spread in the New York Times arts pages. This is a huge coup for a small budget regional orchestra!
- **We exceeded by more than \$105,000 our budgeted total income goal this fiscal year.**

- **We turned around the critical decline in contributed revenue experienced last year. We attracted \$95,000 more in total contributed support this season than last. Gifts to the orchestra from individuals this season exceeded last year's by almost \$27,000.**
- **The operating deficit this year will be \$122,000 less than that originally anticipated in the budget.**
- **We welcomed a major new concert sponsor for our Pops & Picnic concert this year. Thank you to Jason Mills and Utility Telephone.**
- **Our endowment and invested cash reserves regained much of their value that was lost during the previous two years. The increased cash reserves have given us additional time to tackle our financial challenges.**
- **We performed our first free concert for the community in four years, since the City cancelled our July 4th concerts in 2007.** This concert, in celebration of Hispanic Heritage Month, was a part of *The Record's* day-long Literacy Fair in the Park.
- **We deepened our engagement with the University of the Pacific with Peter Jaffe joining the new President's "Beyond Our Gates" Task Force. Our proposal for an "El sistema" inspired music education program was adopted as President Eibeck's first partnership project.** This free, intensive, after-school music education program for underserved elementary students, called Harmony Stockton, will launch in late July at Marshall Elementary. United Way, as a founding partner, has provided 5 years of seed money for this new initiative.
- **We recently hired a Director of Community Engagement who has more than 20 years of experience in establishing collaborative education and community programs for performing arts organizations.** Randy Fisher will oversee all our education initiatives, including Harmony Stockton. Randy's wealth of experience partnering with artists and teachers will be invaluable for expanding the impact of our education and outreach programs.
- **We established a closer relationship with the Central Valley Youth Symphony with the hope that in another year we might become a united organization again.** We will provide management services for the Youth Orchestra, who in turn will pay in part the salary of our Director of Community Engagement.

Despite these impressive strides, we continue to have challenges and disappointments due to the slow economic recovery here in Stockton.

- **We still are not raising annual income sufficient to balance our operating expenses.**
- The Symphony was forced by the City, with little advance notice, to move from its subsidized downtown office space. **The cost of our new office space has increased our overhead by more than \$30,000 a year.**

- **The bad economy continues to hamper our efforts to find concert sponsors, especially corporate sponsors.** Though we exceeded last year's concert sponsorship total by \$12,000, **we fell short of this year's goal by \$15,000.**

And we still have other challenges, including:

- **Building a larger donor base. Turning more subscribers into donors.** We have done a very good job of attracting new subscribers. Now we need to turn more of them into donors. Currently about 33% of subscriber households (both Pops and Classics) also donate. During the recession we learned that we cannot continue to count on only a few very wealthy individuals to provide the largest percentage of our annual contributed support. We must be able to make a better case for support to more individuals in order to broaden the donor base.
- **Declining or disappearing music programs in area school districts.** This will seriously impact future audiences. We must be proactive in fighting for our public school music programs.
- **Inadequate government funding.** California is 49th of the 50 states in arts funding. Currently, San Joaquin County provides no funding for the Stockton Symphony. The City of Stockton awards relatively little funding to arts organizations in comparison to cities of similar size in other parts of the country. This makes sustainability the more difficult to achieve.
- **Competition for volunteers.** We are a small community with a small number of dedicated, involved leaders - who are sought after by an increasing number of nonprofits for leadership positions. As our dedicated volunteers retire from service we are challenged to find new ones to step up in their place. Our Alliance is especially challenged to find new leadership.
- **Improving the relationship with our musician Players' Committee.** In difficult economic times, musicians have deep concerns for their livelihood. These concerns (on the musicians' part) and fundraising challenges (on the institution's part) strain the relationship. We need to find more opportunities to meet together and establish better methods of communication.
- **Meeting the needs of a diverse community.** Our region's demographics demand that we learn how to become valuable to more of our populace. This will require a new kind of work on our part, including:
 - 1. Orchestras that do not represent and reflect the communities they serve will not last. The orchestra has to become known to, valued by, and of service to more people. We must learn how to reach and communicate with all the varied constituent groups that make up our community.
 - 2. Experimenting further to learn what kind of artistic programming will provide a gateway for new audiences and constituencies to the symphony concert hall – an unfamiliar and

intimidating world for the newcomer. We have made great progress in the last year in attracting new audiences with our expanded Pops programs. This work needs to continue and grow.

- 3. Getting out of our traditional concert hall with small ensembles to perform for prospective new audiences in the familiarity of their own neighborhood schools, churches and community centers.
- 4. Developing partnerships with organizations that can help us to meet and create relationships with nontraditional audiences.
- 5. Developing new and innovative adult education programs that will deepen our audience members' relationship with the music and our organization.
- 6. Finding ways to fund and develop the technologies that will attract younger people to the orchestra's programs. – Facebook, Twitter, blogs, and audio and video podcasts. This is how young people communicate and we cannot be relevant to them if we don't take advantage of these new technologies and skills.

The Stockton Symphony has become the organization it is because of fine artistic leadership coupled with the dedicated support of board members and donors, both individual and corporate. The gifts of talent, time and treasure can combine to ensure the future, both artistic and fiscal, of the Stockton Symphony. By being open to new ideas and change, while still honoring our orchestra's traditions, we can ensure that it will grow and prosper.

The Stockton Symphony has the potential to reach even greater artistic heights, to educate even more young people, and to become an organization that reflects and serves the entire community. I look forward in the next year to working with all of you on pursuing these grand goals.

I wish to extend my appreciation tonight...

... to those of you who dug deep into your wallets, bank accounts, equity holdings, trust funds, relationships and wine cellars to keep the Stockton Symphony solvent and allow it to keep up with programmatic and infrastructural growth this year.

... to those of you who sacrificed vacation time, work time, dinner time, tee times, and in many cases bed time in order to *make* time for the Stockton Symphony this year.

... to those of you who helped in making critical decisions on behalf of the Stockton Symphony this year, whether by doing the research, asking the right questions, sharing in the responsibility, or simply exercising your ability to compromise.

... to those of you who leave behind legacies of faithful stewardship and dedication, even as circumstances have forced you to remove yourselves from active involvement with the Stockton Symphony.

... to the members of our staff --who have worked incredibly long hours and put up with more change in three years than they had any right to expect, including restructurings, software conversions, office moves, new programs, new concert venues, etc. The list is long.

... to our team of capable and dedicated officers, who defend the interests of this institution with integrity, passion, and persistence.

... to the members of the orchestra, who regularly share their talents with our community, and especially to those who recognize our many areas of common interest and who appreciate the fact that ultimately we're all in this together.

... to Peter Jaffe, whose talent, enthusiasm, team spirit, kind words, and fierce dedication to the Stockton Symphony – make him beloved in this town..

... and finally, to those of you who attend our concerts on a regular basis; who choose to listen and allow yourselves to be open and affected by the music that is at the heart of our endeavor.

Together, you have all helped ensure an invigorating, challenging, artistically satisfying 84th season in 2010-2011, one characterized by significant moves toward fulfillment of the goals outlined in the Arts Regional Initiative grant from the James Irvine Foundation. We have made huge strides in three years, but we have a lot more to do to achieve our goal of financial sustainability. Each of you will be asked by this institution to give of yourselves in a variety of ways in the coming year. I hope that you will each continue to say “yes” when asked to do your part.

It is your passion, hard work, talent, thoughtfulness, participation, leadership, time and donations that make possible this orchestra's musical contributions to the community. I hope you will continue giving these in full measure so that we may realize our educational and artistic dreams. We really are on the cusp of something very exciting and transformative.

Thank you.