

Richmond Symphony Board of Directors Meeting
Tuesday, 17th March, 2020 at 4:00 p.m.
Libby Gottwald Playhouse, Dominion Energy Center, 612 E. Grace St. Richmond, VA 23219

Present: Stu Blain, John Braymer, Priscilla Burbank, Mark Cox, Ron Crutcher, Alison Eckis, David Fisk, Gary Flowers, Steve Girard, Cheryl Goddard, Rebecca Horner, Brennan Keene, Ted Linhart, Roger Neathawk, Kelly O’Keefe, Dale Porfilio, Rick Sample, Maura Scott, Richard Smith, Richard Szucs, Brandon Taylor, Marcia Thalhimier, John Walker, Ludi Webber, Mark Wickersham, Mark Wolfram, Betsy Wollan, Bucci Zeugner.

Also in Attendance: Jen Arnold, Victoria Cottrell, Aimee Halbruner, Walter Bitner, Frances Sterling, Chris Valdez, Thomas Schneider, Neal Cary.

Regrets: Josh Bennett, Phil Bennett, Jill Bussey Harris, Lisa Byrd, Elizabeth Cabell Jennings, Angel Clarke, Earl Ferguson, Maria Gogova, Christopher Lindbloom, George Mahoney, Patrick Murtaugh, Debra Pollock, Kamran Raika, Leon Roday.

I. Welcome & Opening remarks **Richard Smith**

Richard began the meeting by taking attendance via the conference call and requesting guests to mute their phone and text in the question to be asked. David thanked Tom and Neal for being at the meeting and representing the Symphony musicians.

II. Consent Agenda:

- (i.) Reminder of calendar of meeting topics for the year
- (ii.) Activation of Officer Nominating Committee
- (iii.) Approval of meeting minutes/notes

Richard directed attention to the Consent Agenda and referenced the activation of the Officer Nominating Committee. This is the group that gets together to come up with the selection for next year’s officers. We are looking for Treasurer and Secretary. A motion was put forward to approve the minutes: *All approved.*

III. Regular Agenda:

(i.) Impact of Corona Virus and Financial Health report and discussions **Rick Sample & David Fisk**

Richard said David and his staff have taken a lot of time to look at where we are and what will be happening in the next couple of months. There are a couple of scenarios in particular they are looking at currently. David has been in contact with those partnering Menuhin and it looks like there is a good chance it will be getting postponed, which is actually the best of any scenario we had previously thought of. On the downside for the remainder of this season, the worst case would be everything else would be cancelled. There is potential to move some things into June. Richard assured members that the Symphony has the resources to work through this and come back next season. The loss for the year could be around \$500K, the good news is that we have \$1.5M cash available that we can call upon if needed to get through this time period. There are obviously a lot of logistical things to move through regarding this. David will speak to that.

David spoke about two scenarios: one being that we have to cancel everything remaining, and the other that we may be able to extend some things into June. David asked for the Board to look at the attachment that is a print out of the musicians’ schedule for the last four months of the season starting in March. This is to reflect what was in the most recent email sent around describing what would be cancelled or postponed. We strove to postpone rather than cancel the Discovery concerts, but since have been forced to cancel them. We cancelled the Lollipops of 14th March, which has required us to offer refunds to subscribers and single ticket buyers. The complete total of that is not that large, about \$5,000 being refunded. We received the unsurprising news from the Opera that the performances of Aida on the 20th, 22nd, 23rd, 27th, and 29th March have all been cancelled with a potential postponement to June. The Henrico concert at the Cultural Arts Center is being postponed until June. Going into April, the first two weeks are essentially vacation. That takes us to the Masterworks week with two performances on April 18th and 19th that if we are not able to fulfill have implications for the Music Director search, but also potentially subscriptions that will need to be refunded, plus single ticket sales. Keep in mind there is also a savings by not

performing, so we don't have exact net amount of impact for you yet. We then have the Metro concert on 23rd April, followed by the Metro performance on 26th April at Randolph Macon. At this point we do not see a way to reschedule these performances. The 25th April is the StarWars concert that has a single ticket goal of about \$175,000 of which we have already sold \$130,000. We are trying to reschedule this concert to June ... which takes us to May's schedule.

Westminster Canterbury, where we are very sorry to hear about the first case of COVID-19 this afternoon, is on lockdown. Nevertheless, they are looking forward to the possibility of our concert there on 2nd May being rescheduled to June. We have not heard anything new on the 'Violins of Hope' performance for 6th May potentially being rescheduled to June. The Chesterfield Big Tent on 9th May is unlikely to be able to go ahead. They are hoping to be able to reschedule it. We are doubtful about being available for the new date. That takes us to Menuhin. The 14th through 24th of May was all about Menuhin, of course, including our last Masterworks of the season. We have a conference call meeting with the four co-hosts and London to confirm a plan to reschedule Menuhin to the year 2021. We want to be sure that the Menuhin Trust Board will back that rescheduling. The management team in London are very supportive of the idea of postponing it a year. Postponing it to June is officially off the table. Question: Will this involve postponing all of the following Menuhin competitions a year or will this be a special occasion where there is a competition two years in a row? Answer: We do not know yet and assume London is wrestling with that.

On to June: The last week of May and the first week of June are available services for redeployment. We are not confident it is a wise idea to reschedule yet. We are hopeful that we can keep the final scheduled weekend of the season with the Big Tent in Forest Hill Park. That is of course still liable to cancellation. This brings us to the conversation with the musicians. The musicians of the RSO are very keen to try to be helpful. We are actively looking at extending the season into June under favorable conditions in order to be able to reschedule activities that will be beneficial to our desire to finish the season on a high, and provide the community with the opportunity to come together through the Richmond Symphony as the virus threat lifts. This could look like a 12th June Masterworks-type concert. It could be a rescheduling or reworking of the May Masterworks. It is possible that our chosen Music Director candidate could be available to conduct depending on whom that is (...). The 14th June is available to us to reschedule the Cultural Arts Center program from 28th March. The 17th June is available to us to reschedule the 2nd May concert at Westminster Canterbury. The 18th and 19th June are available to us to reschedule StarWars from the 25th April. The 20th and 21st June are available to us to schedule a complementary big audience event at the Richmond Raceway for a fee as was done last year with Weird Al. The 22nd through 27th of June are our summer camp, which has some of our Richmond Symphony musicians involved, but we might be able to work around that in part to reschedule the 'Violins of Hope' concert. It is possible that the 27th and 28th of June could be used for the Chesterfield Big Tent. The following week is already in our minds to use for rehearsals for 4th July at Henrico. We also have a confirmed date for 18th July for the Shenandoah Summer Festival with Beethoven 9. There is activity that can be scheduled into June to minimize the losses we would be facing if total cancellation happened.

Richard asked for any questions and concluded by saying this is our game plan for this interesting time. He again thanked the musicians for their flexibility at this time.

(ii.) Music Director Search Committee

Betsy Wollan

Betsy began by saying there are several issues on the table. Since the last update, there have been two more Music Director candidates to review: Laura Jackson and Valentina Peleggi. The Committee does not meet to talk about Valentina until 24th March. A review of Laura Jackson is the objective today. We had a very good experience with Laura. To summarize, the committee's sense of Laura Jackson's presence here was a bit mixed. In the area of Music Director, she is the only one of the five candidates who is currently Music Director; she's 'got the goods' in that area and clearly knows what she is doing. The Board, audience, chorus, and youth orchestra's responses were all largely positive, but not entirely positive. Most people were impressed with how articulate she was and how skilled she was at handling a crowd and talking to people. She is very friendly and encouraging in groups. She would be a good face for the Symphony in going out in the community. Two areas where we had some concerns about her: The first was a real disconnect between the opinions of the musicians. About 1/3 of the musicians liked the way she conducted, about 1/3 were not supportive, and the other 1/3 were indifferent and thought she was better than candidate x, but not better than candidate y. We also had a little bit of concern with the amount of time she would actually spend in Richmond. We did not require that our candidate live in Richmond, but we did make very clear our expectations that this person would be very much involved with the cultural life of the City and region. Laura Jackson would be able to do this, and she has family here, but she is involved in a lot of other places. We have been taking straw votes at the end of each discussion. At the end of Laura Jackson's review, Ankush Bahl was still our number one choice.

We have not yet met to discuss Valentina Peleggi, but I think it is fair to say that all responses about her have been forthcoming and enthusiastic. We take the responses very carefully, talk them over, and then ask the musicians to understand particular issues that come up in those comments. The comments that came in about Valentina from musicians have been unanimous in their delight in working with her. Most had a strong positive experience with Valentina. There really is a very clear difference between the responses relative to Valentina and other candidates. On the other hand, we are happy that the committee was happy with Ankush as well as a Music Director. From the beginning, the committee has said, and is in our terms of commission, that should we find the ideal candidate it is possible to stop the search and hire that candidate. On Tuesday, that will be a topic of discussion in the committee meeting. We know that Ms. Peleggi is interested in the job. She was very gratified by her experience.

David said that, in coming to a conclusion, we thought to have the final candidate coming in late April, to take the vote in the first week of May, and bring that decision to the Board quickly thereafter. The goal had been to announce before Menuhin began. The question now is that is the best scenario to make this decision? If the Board insisted that we see the fifth candidate, Farkhad Khudiyev, we would have to reach out and ask if he'd be available in June, pushing back our announcement and all the things following there afterwards to be announced following the end of season. We certainly do not want to see it drag on into June, if we can avoid it. If we are able to make a decision from the first four, it would be possible for us to stick to the original timeline and announce the new Music Director in May, and potentially invite that candidate in to conduct the last concert of our season, the rescheduled Masterworks on 12th June. Ankush has not been contacted about his availability of that date. Today, Valentina's manager made it clear that if the position was offered to her, she would accept and she would be available for that date if we wanted her. Richard mentioned that the guiding force should be the terms of commission that state that if the committee approved of a candidate, the search could stop. Betsy said that it is a wonderful thing to have such fine candidates and to know that at this stage in the game, there are two that would be welcomed as Music Director.

David spoke about Valentina's home base. When she was here, she said she doesn't have a permanent home where she would work from. She is originally from Italy. She has been based in London because of work for the past few years. In theory, it is possible that she may in time select Richmond to be her home base. That is not something we can assume at this point. We do know that for the 2020/21 season she is really busy with already committed work, including an opera production in London. We should expect that for the 2020/21 season her home base will remain in London, but beyond that her manager was not comfortable to share Valentina's plan on her behalf. She and we talked through what a sufficient obligation of time looks like and we feel pretty confident that she would make that available to us in 2021/22 and beyond. We would not be left disappointed. Whether or not she moves to Richmond was something she was open to discussing.

Tom, RSO musician, had a thought. He said that some members of the committee may not be happy with the fact that they are unable to hear from the fifth candidate. The next season requires a lot of guest conductors, so in the case that we don't hear Farkhad, potentially we could reach out to him as a guest conductor. David said we should be sensitive not to invite anyone in the Music Director's first season that could feel awkward in some way.

Rick gave the financial report: Coronavirus obviously is causing concerns as well as the financial path. We are still focused on the line of credit. Before adapting, we were looking at \$1.46M on the credit line at the end of June. We will be managing that, in conjunction with some of the loan facilities available to us from the Foundation. In other news, David received word very recently that one of our long time supporters Virginia Arnold has passed away, and we are the beneficiary of her trust after her 93 year old sister passes away. This is a very generous bequest. Our intention initially was to use windfalls like this one to reduce reliance on the credit line. The subscription sales for FY20 finished at 96% of plan, \$521,000. Subscription sales for next year are proceeding really well. We have already sold \$256,000 worth of subscriptions compared to this time last year at \$208,000. It's about 48% of the plan so far. We are now fully staffed with a great leadership team at the Symphony. In column K on the spreadsheet, it projected a net deficit of \$111,000. That's a great improvement over last month. At this point it is essentially meaningless. That number may creep up to \$500,000 and we will be looking to size that based on how much of June we can do. It's a bit too early for us to be able to give you exact numbers. A question came up about the Menuhin funds raised this far: Rick said that what we've raised so far has been used to cover expenses we've incurred so far. In the end we will probably have to raise a little bit more because we will be doing some things twice. Not all expenses will have to be paid again. Most of the expenses were expected to be paid in April, May and June. So some of the expenses, such as the licensing fee of \$328,000 is now paid and we won't incur that next time.

Richard asked for any other questions at this point; there were none.

(iii.) Detailed Gala Review

Frances Sterling & Chris Valdez

For the detailed review of the Gala, Chris presented four years' worth of comparisons of revenue vs expenses and noted that there was a significant contraction in net revenue from FY19 to FY20. The primary contributors to this appear to be a much larger than anticipated AV bill, over \$10K higher than FY19, and a contraction in sponsorships, losing close to \$20K in that line. When examining revenue in detail, a few trends were noted: Individual tickets have been steadily converted into hosted tables; the silent auction has been a steady drag year over year while also requiring the most labor to execute; the live auction can pay off but has required significant consignment costs; the raffle is a stable but low level contributor; and the raise the paddle delivers but appears fragile with an exceptionally high per person donation level coupled with a low number of participants this year. Moving on to a look at specific types of tables, it was noted that attendees that sat at corporate tables had a high (66%) rate of participation in night-of events but tended to spend less per head (\$261.38). Individual tickets had a much lower rate of participation (43%) but contributed significantly more per head (\$456.26). Finally hosted tables had a good rate of participation (55%) while spending the most of any per head (\$557.49). These amounts were less the participation of Board members and Trustees who combined to spend nearly \$65K. When focusing on corporate participation specifically, it was found that of the 164 seats allocated to corporate tables, 46 of them were left empty meaning if the revenue per head were maintained, they left \$12K on the table. The areas of further inquiry that were identified were a look into the format of the event, including order of activities, usage of space, type of entertainment, and giving options. Additionally, it should be investigated whether it is worthwhile to maintain the current night-of sources of revenue and if we should adjust the desired audience mix considering the relative rate of participation of the types of attendees.

(iv.) Update on Diversity, Equity & Inclusion:

Walter Bitner & Jen Arnold

Walter began by saying the DE&I Committee was working on a number of opportunities including partnering with Doctoral students from VCU. They have been doing research for us on how to diversify our audience. They will make their final presentation to us on April 1st. The other big news is that the Symphony was granted the Catalyst Grant by the League of American Orchestras, which is a two-fold award. One part is to hire someone to help us align our goals for DE&I as well as understand how to move forward as an organization, all of us in all the aspects, to make our Richmond Symphony more inclusive. The second is to provide special development training in this area for our staff and musicians. Ideally, it would be the same consultant who would do both of those things. We have a period of time in which to contract a consultant in order to complete the terms of the grant. We are already working on that and have narrowed down the big list the League has sent us. Hopefully in the next two to three weeks we will narrow this down further and decide who that consultant will be. David said that the other piece of this Jen would mention about the update about participation in National Alliance for Audition Support. We have been able to identify highly qualified and excellent musicians of color through the NAAS. Jen said Walter and she and two musicians went to the Sphinx conference in Detroit in February and participated in listening to people who we would like to come audition for us and sub for the Symphony. This is an opportunity to get our name out there so that they will audition here in the future. So far we have hired at least three people from that process to sub for us or to be extras. It's a great way for the RSO to get out in the world as a welcoming environment. Question: Was that an expansion of our sub list? Jen said it was an expansion, but also there are some sub lists that are larger than others. We need to make sure we always have enough people.

Frances added that a Board survey will be going around about the gala debrief.

Richard brought the meeting to a close and thanked members for dealing with the call-in option.

David mentioned that all committees will be telephonic / online for the foreseeable future.