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COLORADO SYMPHONY ANNOUNCES POSITIVE VOTE FROM PLAYERS

DENVER – September 23, 2011 – After additional negotiation this week with the Colorado Symphony Association (CSA), the musicians of the Colorado Symphony issued a vote to accept changes to the current contract. The changes constitute a total reduction in pay of \$530,000. The contract concessions were requested to assist with balancing the FY12 operating budget.

Prior to receiving this positive vote from the players, several resignations from the Board of Trustees were received and several were tendered at the meeting for a total of 20 resignations. An overall sentiment of appreciation and love for the orchestra was shared by all of those who issued resignation, and several specifically encouraged the organization to “be bold, be brave, and be different.” The CSA extends heartfelt thanks and appreciation to the departing Board members for their dedication, commitment and generosity on behalf of the entire organization.

While approval of the FY12 budget is pending a more complete understanding of cash flow, the musician trustees spoke on behalf of their colleagues in the orchestra that they would play without pay this weekend and further, that the players intend to perform all concerts as scheduled. Members of the administrative staff have also contributed their salaries.

Due to the new Board of Trustees structure, several business items on the agenda were tabled until the next meeting tentatively scheduled for Monday, September 26, 2011.

A recap of current CSA financial information:

- The Colorado Symphony’s preliminary statements for the fiscal year ending June 30, 2011 show a \$52,000 surplus. Therefore, the Colorado Symphony has neither a deficit, nor an accumulated debt.
- The Colorado Symphony does have a cash shortfall of approximately \$1.2M from the fiscal year ended June 30, 2011 (FY11) which is a serious financial and operational challenge that the organization must overcome to complete the season as scheduled. Even with a balanced budget for FY12, the organization has forecast cash shortfalls due to normal operations by mid-November without extraordinary fundraising necessary needed to fund operations with cash.
- This is true because: 1) a very successful multi-year pledge campaign which, according to GAAP, must be accounted for in the year pledged; 2) shortfall in budgeted cash donations for FY11, and 3) a 2% over-run in expenses including two weeks of furlough give-backs to the musicians of the orchestra.
- The assembly of the 11-member Sustainability Committee which included three Board of Trustee members, three musicians from the orchestra, three community members, the Board Chair and the CEO of the Colorado Symphony should not be characterized as an emergency committee. The committee was established by the Board of Trustees many months prior, in September of 2010, and was discussed as early as June of 2010 to explore long-term solutions to ongoing industry challenges. The committee actively functioned from April through July 2011.

After a very difficult and lengthy budgeting process with administrative staff and several rounds of detailed vetting with the Board Finance Committee containing several musician representatives from the orchestra, a balanced budget for FY12 was prepared for approval which contains expense reductions in all operational areas as well as significant increases in

earned revenues amounting to an approximate net positive change of \$2M prior to asking for changes to the existing musicians' contract. The fixed costs in the CSA's annual budget comprise nearly 70% of total expenses, the largest component of which is artistic staff salaries (the musicians of the orchestra). The Board of Trustees has prioritized their work around implementing a balanced and approved FY12 operating budget and establishing an environment of donor confidence which will assist with advancing major gifts to help solve cash flow issues.

About the Colorado Symphony

The state's only full-time professional orchestra, the Colorado Symphony embraces a tradition of musical excellence by presenting a diverse array of symphonic performances throughout the year. Originally established in 1989 as the successor to the Denver Symphony, the Colorado Symphony performs in Boettcher Concert Hall and throughout the Front Range, presenting outstanding education and outreach programs, as well as Masterworks, Pops, Holiday, Family, and the exciting new *Inside the Score* and *Symphony on the Rocks* series that have attracted a historic level of first-time concertgoers. By presenting music that is both timeless and inspiring, while taking risks with new musical collaborations and interactive concerts, the Colorado Symphony is attracting more diverse and younger audiences than ever before. The increasing popularity of Colorado Symphony concerts as well as a strong fund-raising base not only re-affirms the artistic excellence of the orchestra, but also reflects the Symphony's relevance to its Colorado community and deep-rooted enthusiasm for symphonic music felt by so many individuals across the region. For more information about the Colorado Symphony, visit www.coloradosymphony.org.

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