



The 2009 Annual Field Report



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By Larry Bomback and Anthony Cekay

OPERA America's *2009 Annual Field Report* (AFR) is based on the Cultural Data Project/Professional Opera Survey (CDP/POS) that OPERA America Professional Company Members in the United States and Canada complete each year. The CDP/POS collects detailed information on annual financial, performance and attendance activity.

The *2009 Annual Field Report* demonstrates how companies responded to the worst months of the Great Recession. Sixty-five companies, or 48% of members, make up the 2009 Constant Sample Group (CSG). Since nearly all the companies in the CSG had fiscal years that ended between April 2009 and August 2009, the numbers presented in this report span the election of a new White House administration and the crises of Wall Street, from the collapse of Lehman Brothers to the passage of a \$787 billion stimulus package, to a near-zero interest-rate environment.

The stock market began to rebound by the end of most companies' fiscal years, but not before many had lost tremendous net asset value as evidenced by their audited balance sheets. In aggregate, total net assets (including unrestricted, temporarily-restricted and permanently-restricted funds) of the entire U.S. Constant Sample Group declined \$116,964,212, or 14.3%, in just one year. Ticket sales declined by \$5,357,942 from 2008 to 2009 and contributed income dropped by \$46,295,655. Among Canadian companies, however, net assets rose \$207,440 or 64.2% from 2008 to 2009 despite declines in ticket sales.

Feedback from general directors at the start of FY09 suggested that the majority expected the worst, and this, as it turns out, was for the best. Anticipating declines in ticket sales and contributions, and often prevented from drawing on their endowments, opera companies cut costs on the non-personnel side where they could and reined in expenses on the personnel side through a painful combination of salary and hiring freezes, attrition, layoffs, furloughs, renegotiated collective bargaining agreements and cuts to health and pension benefits. Indeed, for the first time in the five seasons reported, the year-over-year rise in total expenses among U.S. companies trailed inflation. Prior to 2009, the ascent had been two-to-three times natural growth.

Please note the following as you read through the report:

- Virtually all companies with permanently and temporarily restricted investments saw unrealized losses throughout FY09 due to severe market declines. The larger the investment portfolio, the larger the loss. If those investment losses exceeded the historic dollar value of donor-designated funds by year-end, companies were required by FASB to cover the difference with unrestricted net assets. Thus, more companies than ever before showed extremely low working capital ratios, while others reported a negative unrestricted position on audited financial statements.
- Board designated reserve funds or "quasi-endowments" appear as unrestricted net assets on balance sheets. If such unrestricted net assets were invested in the equity market and experienced losses in the recent market decline, these losses appear on a company's income statement as negatively affecting total earned revenue, even though ticket sales and other sources of earned income may have held steady or even increased year-over-year. Thus, a company's typical earned-to-contributed income ratio may be radically different from prior seasons.
- 30 states and the District of Columbia adopted UPMIFA between 2008 and 2009. As a result, fund balance transfers were common at audit time. Each state followed slightly different guidelines when determining these net asset transfers, resulting in some reporting discrepancies across the field. For a complete list of states that have adopted UPMIFA, detailed state law comparisons and updates on the enactment status of the remaining states, please visit www.upmifa.org.

Note: Data in the report is presented as an average for each level. Four-year trends are adjusted for inflation. The annualized inflation rate in the U.S. from 2005-2009 was 2.38%; Canada's annualized inflation rate for the same period was 1.78%.

Level 1 Constant Sample Group

ANNUAL BUDGET GREATER THAN \$10,000,000

Ten companies comprise the 2009 Level 1 U.S. CSG:

The Dallas Opera	San Diego Opera Association
Florida Grand Opera	San Francisco Opera
Houston Grand Opera	The Santa Fe Opera
Los Angeles Opera	Seattle Opera
Lyric Opera of Chicago	Utah Symphony Utah Opera

New York City Opera did not have a formal season of programming in 2009 and thus has been excluded from this report. The Metropolitan Opera is also excluded from the report; because of its size, its inclusion distorts the averages.

Highlights

- While seven of the 10 companies in the Level 1 CSG reported an operating deficit in FY09, unrestricted unrealized investment losses and fund transfers among the two largest companies greatly skew the average deficit of the entire group in the negative direction.
- Among Level 1 companies, individual/annual fund giving declined by 14% and government support declined by almost 18% from 2008 to 2009. While not surprising, it is disappointing as both categories had been rising steadily for four consecutive seasons. Corporate and foundation giving, however, reached their highest respective levels in the five seasons reported. Additionally, other private support (mostly monies from one-time fundraising efforts) soared nearly 30% year-over-year.
- Among Level 1 companies, personnel expenses across all departments rose at roughly the same pace from 2008 to 2009. Because of salary freezes, furloughs and layoffs in the 2008-2009 season, the annualized growth rate for personnel expenses from 2005 to 2009 outpaced inflation by a mere one-tenth of a percent.
- Non-personnel expenses rose by just under 8% from 2008 to 2009. Among broadcasting/recording expenses, the reported costs of San Francisco Opera's simulcasts distort the averages resulting in a year-over-year increase of over 183%. The nearly 21% decline in education expenses is largely due to one company's decision to eliminate its entire education program.
- Development and marketing department productivity both fell to their lowest levels in five seasons. For every dollar spent to generate money in 2009, \$11.23 was received, compared with \$14.15 during 2007, the peak year of the market bubble. Program covered reached its lowest level in the five seasons reported in 2009, mirroring declines in ticket sales and marketing productivity.
- Unrestricted net assets — and related to that, working capital — plummeted 57% from FY08 because of market losses averaging approximately \$6 million per company. Total net assets as a percentage of expenses still remained at a relatively healthy 162% at year-end.
- Paid capacity decreased to the lowest percentage point in five seasons, largely because two of the 10 companies posted year-over-year ticket sales declines of 24% and 30%, respectively. The total numbers of productions and performances among the CSG also declined slightly.
- The average cost of the lowest-priced ticket during 2009 was just \$14. Two of the 10 companies offered \$5 mainstage tickets for the first time in the seasons reported, and more than half the group sold single tickets to the opera for \$15 or less.

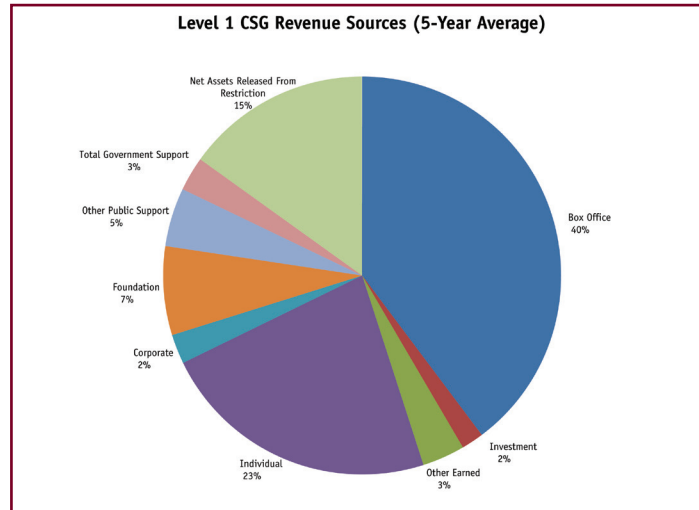
Unrestricted Net Income
US Constant Sample Group of (10) Level 1 Companies

						Percentage Change		4-yr Annualized Growth Rate	
	2005	2006	2007	2008	2009	1-yr	4-yr	Actual	Infl. Adj.
Total Unrestricted Revenue	\$29,617,305	\$27,885,379	\$31,599,879	\$29,330,936	\$23,626,196	-19.4%	-20.2%	-5.5%	-7.9%
Total Expense	\$28,737,033	\$28,131,718	\$31,150,224	\$31,471,739	\$32,497,649	3.3%	13.1%	3.1%	0.7%
Unrestricted Net Income (Loss)	\$880,272	(\$246,339)	\$449,655	(\$2,140,803)	(\$8,871,453)				
As Percentage of Expense	3.0%	-0.9%	1.4%	-7.3%	-37.5%				

Revenue
US Constant Sample Group of (10) Level 1 Companies

						Percentage Change		4-yr Annualized Growth Rate	
	2005	2006	2007	2008	2009	1-yr	4-yr	Actual	Infl. Adj.
Earned Revenue									
Box Office	\$11,140,626	\$11,089,982	\$11,550,696	\$11,350,847	\$11,348,928	48.0%	0.0%	1.9%	-1.9%
Investment	\$2,246,900	\$1,804,669	\$3,838,566	(\$302,784)	(\$5,039,106)	-21.3%	--	--	--
Other Earned	\$1,231,266	\$1,559,406	\$1,609,638	\$1,720,512	\$1,181,215	-5.0%	--	--	--
Total Earned Revenue	\$14,618,793	\$14,454,057	\$16,998,901	\$12,768,575	\$5,128,606	21.7%	-59.8%	-64.9%	-23.0%
Contributed Revenue									
Private Support									
Individual	\$6,148,097	\$6,454,716	\$6,549,372	\$7,079,509	\$6,086,680	25.8%	-14.0%	-1.0%	-0.3%
Corporate	\$633,394	\$635,261	\$673,469	\$689,032	\$749,281	3.2%	8.7%	18.3%	4.3%
Foundation	\$1,872,220	\$1,606,095	\$2,005,963	\$2,248,479	\$2,515,049	10.6%	11.9%	34.3%	7.7%
Other Private Support	\$1,553,714	\$1,350,236	\$1,193,231	\$1,163,339	\$1,595,432	6.4%	29.4%	-3.1%	-0.8%
Total Private Support	\$10,207,426	\$10,046,309	\$10,422,036	\$11,180,359	\$10,856,442	46.0%	-2.9%	6.4%	1.6%
Total Government Support	\$676,400	\$803,525	\$865,234	\$886,101	\$729,397	3.1%	-17.7%	7.8%	1.9%
Total Contributed Revenue	\$10,883,826	\$10,849,834	\$11,287,270	\$12,066,460	\$11,585,839	49.0%	-4.0%	6.5%	-0.8%
Net Assets Released From Restriction	\$4,114,686	\$2,581,488	\$3,313,708	\$4,495,901	\$6,911,751	29.3%	53.7%	68.0%	13.8%
Total Unrestricted Revenue	\$29,617,305	\$27,885,379	\$31,599,879	\$29,330,936	\$23,626,196	-19.4%	-20.2%	-5.5%	-7.9%

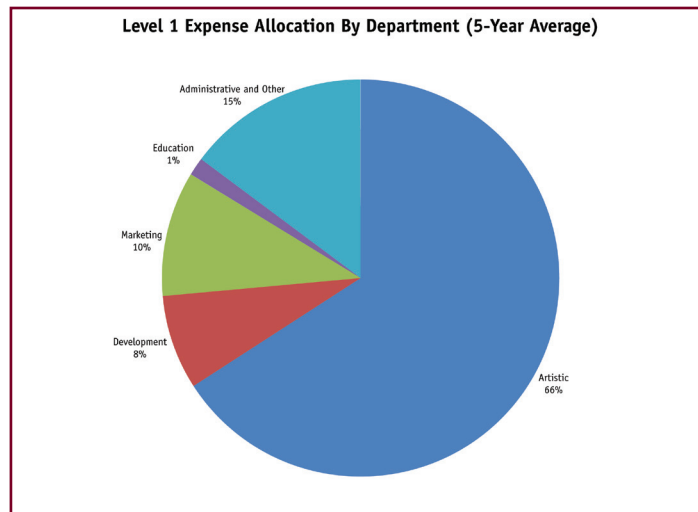
* As a % of Total Unrestricted Revenue



Expenses
US Constant Sample Group of (10) Level 1

						Percentage Change		4-yr Annualized Growth Rate	
	2005	2006	2007	2008	2009	1-yr	4-yr	Actual	Infl. Adj.
Personnel									
Artistic	\$10,241,082	\$9,678,795	\$10,321,616	\$10,659,505	\$10,906,030	33.6%	2.3%	6.5%	-0.8%
Production & Technical	\$5,038,203	\$5,116,865	\$5,253,213	\$5,698,102	\$5,831,006	17.9%	2.3%	15.7%	1.3%
Singer Training	\$310,448	\$283,078	\$316,307	\$313,250	\$317,257	1.0%	1.3%	2.2%	-1.8%
Marketing/PR/Box Office	\$960,728	\$962,291	\$1,074,746	\$1,167,017	\$1,154,473	3.6%	-1.1%	20.2%	4.7%
Development	\$1,020,658	\$1,050,323	\$1,124,684	\$1,271,387	\$1,312,318	4.0%	3.2%	28.6%	6.5%
Education	\$319,023	\$330,475	\$330,771	\$341,334	\$341,440	1.1%	0.0%	7.0%	-0.7%
Administrative	\$1,722,716	\$1,631,205	\$1,998,535	\$1,914,350	\$1,752,564	6.1%	-8.5%	1.7%	0.4%
Total Personnel Expense	\$19,612,859	\$19,053,031	\$20,419,873	\$21,364,944	\$21,615,086	66.5%	1.2%	10.2%	2.5%
Non-Personnel									
Production	\$3,265,134	\$3,123,998	\$4,237,726	\$3,664,255	\$4,174,518	12.8%	13.9%	27.9%	6.3%
Broadcasting, Recording & Internet Expense	\$36,967	\$18,960	\$96,851	\$37,480	\$390,048	1.2%	183.7%	955.1%	80.2%
Singer Training	\$93,331	\$108,975	\$221,081	\$122,841	\$128,775	0.4%	4.8%	38.0%	8.4%
Marketing/PR/Box Office	\$1,988,879	\$1,926,516	\$1,939,323	\$2,082,742	\$2,233,296	6.9%	7.2%	12.3%	2.9%
Development	\$1,129,602	\$1,192,741	\$1,182,431	\$1,236,277	\$1,151,321	3.5%	-6.9%	1.9%	-1.9%
Education	\$120,555	\$124,228	\$105,921	\$121,514	\$96,363	0.3%	-20.7%	-20.1%	-5.4%
Administrative	\$2,059,801	\$2,042,875	\$2,443,125	\$2,276,119	\$2,219,717	6.8%	-2.5%	7.8%	1.9%
Other Earned Income Expenses	\$429,906	\$540,394	\$503,894	\$465,567	\$488,524	1.5%	4.9%	13.6%	3.2%
Total Non-Personnel Expense	\$9,124,174	\$9,078,686	\$10,730,351	\$10,106,795	\$10,892,563	32.1%	7.7%	19.3%	4.5%
Total Expense	\$28,737,033	\$28,131,718	\$31,150,224	\$31,471,739	\$32,497,649	3.3%	13.1%	3.1%	0.7%

* As a % of Total Expense



Productivity Measures

US Constant Sample Group of (10) Level 1 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Development Productivity	\$7.22	\$8.23	\$9.09	\$8.46	\$7.09	-16.2%	-1.9%	-0.5%	-2.9%
Marketing Productivity	\$4.88	\$4.91	\$5.06	\$4.43	\$4.14	-6.6%	-15.1%	-4.0%	-6.4%
Program Coverage	60.1%	61.9%	58.3%	56.7%	53.8%				

Balance Sheet

US Constant Sample Group of (10) Level 1 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Net Assets									
Unrestricted	\$18,112,500	\$19,202,222	\$20,823,859	\$18,798,100	\$8,089,231	-57.0%	-55.3%	-18.3%	-20.6%
Temporarily Restricted	\$6,429,783	\$8,553,393	\$12,168,329	\$14,497,912	\$14,572,090	0.5%	126.6%	22.7%	20.3%
Permanently Restricted	\$20,079,451	\$23,357,410	\$27,481,140	\$29,122,570	\$29,902,216	2.7%	48.9%	10.5%	8.1%
Total Net Assets	\$44,621,734	\$51,113,026	\$60,473,327	\$62,418,581	\$52,563,537	-15.8%	17.8%	4.2%	1.8%
Total NA as % of Expense	155.3%	181.7%	194.1%	198.3%	161.7%				
Working Capital	\$6,754,320	\$7,920,896	\$9,153,309	\$5,827,142	(\$5,065,650)	--	--	--	--
Working Capital as % of Expense	23.5%	28.2%	29.4%	18.5%	-15.6%				
Investments *	\$33,197,815	\$37,835,526	\$45,758,261	\$45,953,517	\$40,066,861	-12.8%	20.7%	4.8%	2.4%
Investments as % of Expense	115.5%	134.5%	146.9%	146.0%	123.3%				
Net Fixed Assets	\$11,358,179	\$11,281,327	\$11,670,550	\$12,970,958	\$13,154,881	1.4%	15.8%	3.7%	1.4%

* Including Separately Incorporated Endowments

Performance Activity

US Constant Sample Group of (10) Level 1 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Performance Activity									
Main Season Productions	6.5	6.0	6.4	6.4	6.3				
Main Season Performances	46.3	43.4	47.5	45.6	43.8				
Attendance									
Main Season Paid Attendance	104,557	104,075	109,489	108,633	97,598	-10.2%	-6.7%		
Total Seats Available	130,904	124,808	136,789	130,454	128,385	-1.6%	-1.9%		
% of Capacity Sold	79.9%	83.4%	80.0%	83.3%	76.0%				
Subscription Renewal Rate	70.6%	78.0%	77.5%	77.5%	73.8%				
Pricing									
High Full Subscription Price	\$1,020	\$1,121	\$1,434	\$1,534	\$1,544	0.6%	51.4%	10.9%	8.5%
Low Full Subscription Price	\$119	\$135	\$135	\$109	\$106	-3.3%	-11.4%	-3.0%	-5.4%
High Single Ticket Price	\$180	\$187	\$193	\$203	\$218	7.2%	21.0%	4.9%	2.5%
Low Single Ticket Price	\$20	\$25	\$24	\$23	\$14	-38.2%	-31.5%	-9.0%	-11.4%
Highest Orchestra Ticket	\$232	\$166	\$175	\$183	\$198	8.5%	-14.6%	-3.9%	-6.2%
Lowest Orchestra Ticket	\$63	\$70	\$78	\$68	\$83	22.7%	31.4%	7.1%	4.7%

Level 2 Constant Sample Group

ANNUAL BUDGET BETWEEN \$3,000,000 AND \$10,000,000

Seventeen companies comprise the 2009 Level 2 U.S. CSG:

The Atlanta Opera	Opera Company of Philadelphia
Austin Lyric Opera	Opera Theatre of Saint Louis
Boston Lyric Opera	Palm Beach Opera
Central City Opera	Pittsburgh Opera
Fort Worth Opera	Portland Opera
Florentine Opera Company	Sarasota Opera
Glimmerglass Opera	Minnesota Opera
Lyric Opera of Kansas City	Virginia Opera
Opera Colorado	

Highlights

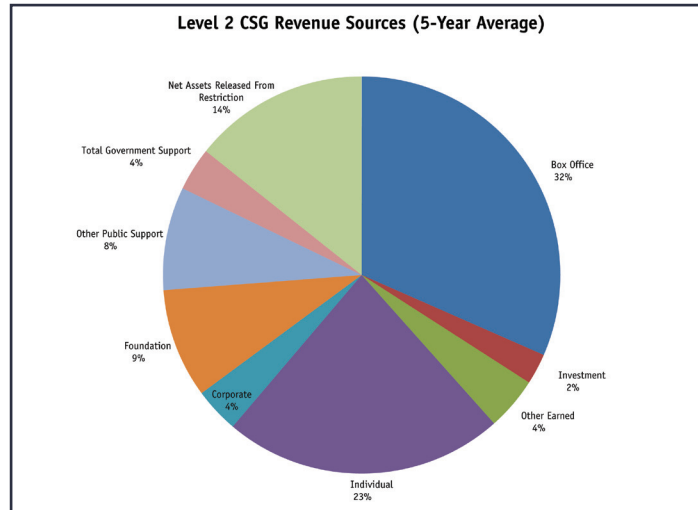
- Because of investment losses and a year-over-year decrease in ticket sales, Level 2 companies in 2009 reported the largest aggregate operating deficit in five years.
- Other earned income rose 33% from 2008 to 2009, the result of a few companies that have recently begun to sublease performance and rehearsal space.
- Contributed revenue decreased across all funding categories with the exception of government sources. Level 2 companies have seen a 24% rise in government funding over the past five years owing in large part to increases in state funding, while support from non-government sources has risen a comparatively modest 7% over the same time period.
- Layoffs, furloughs and hiring freezes were reported throughout the 2008-2009 season, and these cuts are reflected in the personnel expense numbers. Personnel costs rose from 2005 through 2008, slightly ahead of inflation, but declined by nearly 1% from 2008 to 2009. Education and production departments were the most adversely affected. Singer training and marketing departments, however, saw increased budgets from 2008 to 2009.
- Despite cutbacks, there was no noticeable improvement in development and marketing productivity, as both departments continued a steady five-year decline.
- Companies, on average, lost nearly a million dollars of value on paper at the end of FY09. Unrestricted net assets posted a 25% year-over-year decline, resulting in the group's lowest average working capital ratio in any season reported. Permanently restricted net assets declined almost 12%, the result of several states having adopted UPMIFA legislation during the recession and related auditor adjustments that moved many of these funds into temporarily restricted accounts.
- Despite the economy, programming increased. The total number of mainstage productions and performances among Level 2 companies rose slightly from 2008 to 2009, reaching its highest point in the five seasons reported. Just as impressive, more seats were filled by paying customers than in any of the previous five seasons save 2006. Still, because the average single ticket price dropped considerably, total ticket revenue, marketing productivity and program coverage showed year-over-year declines.

Unrestricted Net Income
US Constant Sample Group of (17) Level 2 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Total Unrestricted Revenue	\$5,609,170	\$5,741,004	\$6,260,488	\$6,923,356	\$5,941,420	-14.2%	5.9%	1.4%	-0.9%
Total Expense	\$5,660,181	\$6,040,721	\$6,604,965	\$6,741,644	\$6,655,825	-1.3%	17.6%	4.1%	1.8%
Unrestricted Net Income (Loss)	(\$51,010)	(\$299,717)	(\$344,477)	\$181,712	(\$714,405)				
As Percentage of Expense	-0.9%	-5.2%	-5.5%	2.6%	-12.0%				

Revenue
US Constant Sample Group of (17) Level 2 Companies

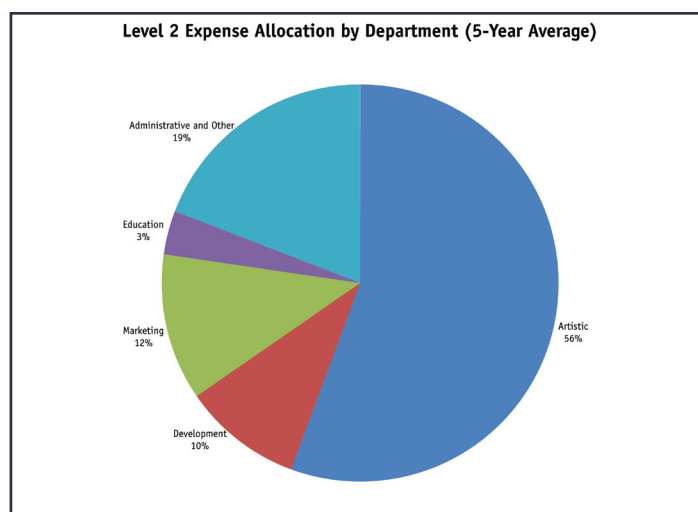
	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate							
						1-yr	4-yr	Actual	Infl. Adj.						
Earned Revenue															
Box Office	\$1,830,344	\$1,932,289	\$1,915,263	\$2,038,774	\$1,913,087	32.6%	33.7%	30.6%	29.4%	32.2%	-6.2%	4.5%	1.1%	-1.3%	
Investment	\$221,611	\$267,263	\$410,128	\$118,682	(\$254,974)	4.0%	4.7%	6.6%	1.7%	(\$254,974)	-4.3%	--	--	--	
Other Earned	\$207,946	\$196,454	\$364,564	\$235,308	\$312,763	3.7%	3.4%	5.8%	3.4%	\$312,763	5.3%	32.9%	50.4%	10.7%	8.4%
Total Earned Revenue	\$2,259,902	\$2,396,006	\$2,689,954	\$2,392,764	\$1,970,876	40.3%	41.7%	43.0%	34.6%	\$1,970,876	33.2%	-17.6%	-12.8%	-3.4%	-5.7%
Contributed Revenue															
Private Support															
Individual	\$1,253,836	\$1,261,796	\$1,286,758	\$1,620,856	\$1,523,142	22.4%	22.0%	20.6%	23.4%	\$1,523,142	25.6%	-6.0%	21.5%	5.0%	2.6%
Corporate	\$250,691	\$202,103	\$230,078	\$227,270	\$202,098	4.5%	3.5%	3.7%	3.3%	\$202,098	3.4%	-11.1%	-19.4%	-5.2%	-7.6%
Foundation	\$473,070	\$441,867	\$672,053	\$636,259	\$490,046	8.4%	7.7%	10.7%	9.2%	\$490,046	8.2%	-23.0%	3.6%	0.9%	-1.5%
Other Private Support	\$519,041	\$522,312	\$472,058	\$596,200	\$454,199	9.3%	9.1%	7.5%	8.6%	\$454,199	7.6%	-23.8%	-12.5%	-3.3%	-5.7%
Total Private Support	\$2,486,639	\$2,428,078	\$2,660,946	\$3,080,586	\$2,669,485	44.5%	42.3%	42.5%	44.5%	\$2,669,485	44.9%	-13.3%	6.9%	1.7%	-0.7%
Total Government Support	\$188,859	\$180,489	\$252,850	\$214,988	\$234,854	3.4%	3.1%	4.0%	3.1%	\$234,854	4.0%	9.2%	24.4%	5.6%	3.2%
Total Contributed Revenue	\$2,685,498	\$2,608,568	\$2,913,796	\$3,295,573	\$2,904,339	47.9%	45.4%	46.5%	47.6%	\$2,904,339	48.9%	-11.9%	8.1%	2.0%	-0.4%
Net Assets Released From Restriction	\$663,771	\$736,431	\$656,738	\$1,235,018	\$1,066,204	11.8%	12.8%	10.5%	17.8%	\$1,066,204	17.9%	-13.7%	60.6%	12.6%	10.2%
Total Unrestricted Revenue	\$5,609,170	\$5,741,004	\$6,260,488	\$6,923,356	\$5,941,420							-14.2%	5.9%	1.4%	-0.9%



Expenses
US Constant Sample Group of (17) Level 2 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate							
						1-yr	4-yr	Actual	Infl. Adj.						
Personnel															
Artistic	\$1,468,386	\$1,503,099	\$1,534,330	\$1,565,150	\$1,735,398	25.9%	24.9%	23.2%	23.2%	\$1,735,398	26.1%	10.9%	18.2%	4.3%	1.9%
Production & Technical	\$771,016	\$830,244	\$819,615	\$915,330	\$776,040	13.6%	13.7%	12.4%	13.6%	\$776,040	11.7%	-15.2%	0.7%	0.2%	-2.2%
Singer Training	\$16,813	\$27,117	\$30,766	\$27,211	\$42,028	0.3%	0.4%	0.5%	0.4%	\$42,028	0.6%	54.5%	150.0%	25.7%	23.4%
Marketing/PR/Box Office	\$248,029	\$285,612	\$285,096	\$300,793	\$315,112	4.4%	4.7%	4.3%	4.5%	\$315,112	4.7%	4.8%	27.0%	6.2%	3.8%
Development	\$291,274	\$290,444	\$318,246	\$334,380	\$325,535	5.1%	4.8%	4.8%	5.0%	\$325,535	4.9%	-2.6%	11.8%	2.8%	0.4%
Education	\$120,219	\$147,008	\$140,647	\$153,322	\$111,534	2.1%	2.4%	2.1%	2.3%	\$111,534	1.7%	-27.3%	-7.2%	-1.9%	-4.2%
Administrative	\$454,575	\$470,660	\$504,912	\$526,279	\$485,983	8.0%	7.8%	7.6%	7.8%	\$485,983	7.3%	-7.7%	6.9%	1.7%	-0.7%
Total Personnel Expense	\$3,370,311	\$3,554,184	\$3,633,612	\$3,822,465	\$3,791,630	59.5%	58.8%	55.0%	56.7%	\$3,791,630	57.0%	-0.8%	12.5%	3.0%	0.6%
Non-Personnel															
Production	\$941,722	\$964,762	\$1,296,609	\$1,112,603	\$1,015,498	16.6%	16.0%	19.6%	16.5%	\$1,015,498	15.3%	-8.7%	7.8%	1.9%	-0.5%
Broadcasting, Recording & Internet Expense	\$5,835	\$1,693	\$18,828	\$8,413	\$1,184	0.1%	0.0%	0.3%	0.1%	\$1,184	0.0%	-85.9%	-79.7%	-32.9%	-35.3%
Singer Training	\$26,251	\$34,832	\$37,215	\$40,689	\$72,623	0.5%	0.6%	0.6%	0.6%	\$72,623	1.1%	78.5%	176.6%	29.0%	26.6%
Marketing/PR/Box Office	\$423,644	\$462,794	\$451,887	\$505,164	\$514,395	7.4%	7.7%	6.8%	7.5%	\$514,395	7.7%	1.8%	22.0%	5.1%	2.7%
Development	\$237,322	\$257,171	\$323,165	\$355,961	\$347,835	4.2%	4.3%	4.9%	5.3%	\$347,835	5.2%	-2.3%	46.6%	10.0%	7.6%
Education	\$75,674	\$103,298	\$75,792	\$100,932	\$101,238	1.3%	1.7%	1.1%	1.5%	\$101,238	1.5%	0.3%	33.8%	7.5%	5.2%
Administrative	\$521,115	\$605,647	\$677,201	\$699,266	\$687,188	9.2%	10.0%	10.3%	10.4%	\$687,188	10.3%	-1.7%	31.9%	7.2%	4.8%
Other Earned Income Expenses	\$60,305	\$56,340	\$90,656	\$96,151	\$124,233	1.1%	0.9%	1.4%	1.4%	\$124,233	1.9%	29.2%	106.0%	19.8%	17.4%
Total Non-Personnel Expense	\$2,289,869	\$2,486,537	\$2,971,353	\$2,919,180	\$2,864,195	40.5%	41.2%	45.0%	43.3%	\$2,864,195	43.0%	-1.9%	25.1%	5.8%	3.4%
Total Expense	\$5,660,181	\$6,040,721	\$6,604,965	\$6,741,644	\$6,655,825							-1.3%	17.6%	4.1%	1.8%

* As a % of Total Expense



Productivity Measures

US Constant Sample Group of (17) Level 2 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Development Productivity	\$6.89	\$6.99	\$6.90	\$6.40	\$6.09	-4.8%	-11.7%	-3.1%	-5.4%
Marketing Productivity	\$3.54	\$3.31	\$3.39	\$3.35	\$2.93	-12.6%	-17.4%	-4.7%	-7.1%
Program Coverage	57.5%	58.6%	52.5%	56.7%	52.6%				

Balance Sheet

US Constant Sample Group of (17) Level 2 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Net Assets									
Unrestricted	\$2,840,095	\$2,512,047	\$2,519,623	\$2,795,823	\$2,087,095	-25.3%	-26.5%	-7.4%	-9.8%
Temporarily Restricted	\$1,930,878	\$2,018,108	\$2,671,597	\$2,298,227	\$2,659,079	15.7%	37.7%	8.3%	5.9%
Permanently Restricted	\$4,020,048	\$4,605,529	\$4,892,719	\$4,699,604	\$4,142,066	-11.9%	3.0%	0.8%	-1.6%
Total Net Assets	\$8,791,020	\$9,135,684	\$10,083,939	\$9,793,654	\$8,888,240	-9.2%	1.1%	0.3%	-2.1%
Total NA as % of Expense	155.3%	151.2%	152.7%	145.3%	133.5%				
Working Capital	\$500,801	\$66,894	\$115,119	(\$462,034)	(\$1,361,834)	--	--	--	--
Working Capital as % of Expense	8.8%	1.1%	1.7%	-6.9%	-20.5%				
Investments *	\$5,957,431	\$6,694,553	\$7,705,013	\$7,347,141	\$5,510,299	-25.0%	-7.5%	-1.9%	-4.3%
Investments as % of Expense	105.3%	110.8%	116.7%	109.0%	82.8%				
Net Fixed Assets	\$2,339,294	\$2,445,152	\$2,404,504	\$3,257,857	\$3,448,929	5.9%	47.4%	10.2%	7.8%

* Including Separately Incorporated Endowments

Performance Activity

US Constant Sample Group of (17) Level 2 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Performance Activity									
Main Season Productions	3.7	3.7	3.6	3.8	3.9				
Main Season Performances	21.7	21.1	21.5	22.5	22.8				
Attendance									
Main Season Paid Attendance	29,354	30,394	28,369	28,075	27,156	-3.3%	-7.5%		
Total Seats Available	39,236	39,079	37,661	36,964	35,582	-3.7%	-9.3%		
% of Capacity Sold	74.8%	77.8%	75.3%	76.0%	76.3%				
Subscription Renewal Rate	74.2%	77.8%	80.1%	79.0%	71.5%				
Pricing									
High Full Subscription Price	\$394	\$394	\$415	\$450	\$455	1.2%	15.4%	3.7%	1.3%
Low Full Subscription Price	\$77	\$82	\$92	\$77	\$79	2.8%	2.8%	0.7%	-1.7%
High Single Ticket Price	\$118	\$121	\$129	\$161	\$148	-7.9%	25.8%	5.9%	3.5%
Low Single Ticket Price	\$22	\$22	\$23	\$22	\$17	-23.0%	-24.8%	-6.9%	-9.2%
Highest Orchestra Ticket	\$94	\$107	\$115	\$159	\$158	-0.7%	67.7%	13.8%	11.4%
Lowest Orchestra Ticket	\$42	\$45	\$47	\$53	\$65	21.2%	53.7%	11.3%	9.0%

Level 3 Constant Sample Group

ANNUAL BUDGETS BETWEEN \$1,000,000 AND \$3,000,000

Ten companies comprise the Level 3 U.S. CSG:

Chautauqua Opera	Nashville Opera
Dayton Opera	Opera Boston
Indianapolis Opera	Opera Omaha
Kentucky Opera	Syracuse Opera
Madison Opera	Tulsa Opera

Highlights

- On an operating basis, the Level 3 Companies weathered the economic storm better than any other U.S. constant sample group, reporting, on average, a very modest aggregate operating deficit of about 1%, but four of the 10 companies reported a negative unrestricted net asset position at the end of the fiscal year.
- Even though box office income and contributed income both reached their lowest points in five seasons' time, companies looked for other sources of earned revenue to make up the difference. Indeed, other earned income, including subleasing of rehearsal and performance facilities, parking, concessions and advertising nearly doubled, on average, from 2005 to 2009.
- Unlike Level 1 and Level 2 companies that had little flexibility on the production side due to pre-existing contracts with unions and solo artists, Level 3 companies were able to reduce production costs on both the personnel and non-personnel side, which allowed total expenses to decrease for the second consecutive season.
- Despite a decline in development productivity, marketing productivity — although consistently lower among these companies compared to Level 1 and 2 companies — has remained generally stable throughout the past five seasons.
- Note that the spike in unrestricted net assets among the companies in 2008 is the result of \$6MM of leasehold improvements (fixed assets are unrestricted) related to a \$12MM capital campaign at one company.
- The total number of productions for Level 3 companies increased in the 2008-2009 season, although the total number of performances declined. Six of the 10 companies reported less than 60% paid attendance in 2009, resulting in a sharp year-over-year drop in the average percentage of capacity sold.

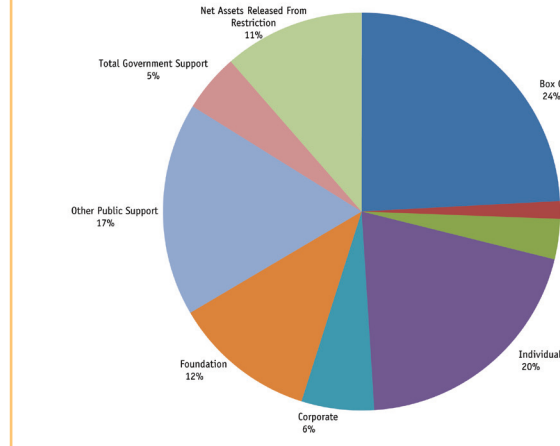
Unrestricted Net Income
US Constant Sample Group of (10) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change 1-yr	4-yr 4-yr	4-yr Annualized Growth Rate Actual	Infl. Adj.
Total Unrestricted Revenue	\$2,019,237	\$1,930,618	\$2,124,064	\$2,324,976	\$2,133,734	-8.2%	5.7%	1.4%	-1.0%
Total Expense	\$2,172,046	\$2,176,283	\$2,231,316	\$2,185,742	\$2,159,996	-1.2%	-0.6%	-0.1%	-2.5%
Unrestricted Net Income (Loss)	(\$152,809)	(\$245,665)	(\$107,252)	\$139,234	(\$26,262)				
As Percentage of Expense	-7.6%	-12.7%	-5.0%	6.0%	-1.2%				

Revenue
US Constant Sample Group of (10) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change 1-yr	4-yr 4-yr	4-yr Annualized Growth Rate Actual	Infl. Adj.
Earned Revenue									
Box Office	\$509,980	\$517,556	\$532,314	\$514,385	\$471,059	22.1%	-8.4%	-7.6%	-4.3%
Investment	\$47,400	\$51,099	\$71,384	(\$15,288)	(\$4,025)	-0.7%	--	--	--
Other Earned	\$59,552	\$43,973	\$51,848	\$70,581	\$118,656	3.0%	68.1%	99.2%	16.4%
Total Earned Revenue	\$616,932	\$612,628	\$655,547	\$569,678	\$585,691	27.4%	2.8%	-5.1%	-3.7%
Contributed Revenue									
Private Support									
Individual	\$421,367	\$394,461	\$473,999	\$420,441	\$408,483	19.1%	-2.8%	-3.1%	-3.2%
Corporate	\$130,826	\$138,485	\$149,477	\$131,165	\$73,554	5.6%	-43.9%	-43.8%	-15.8%
Foundation	\$236,783	\$259,464	\$283,406	\$278,362	\$164,624	7.7%	-40.9%	-30.5%	-11.1%
Other Private Support	\$387,413	\$326,388	\$337,458	\$347,404	\$428,611	14.9%	23.4%	10.6%	2.6%
Total Private Support	\$1,176,388	\$1,118,799	\$1,244,339	\$1,177,372	\$1,075,273	50.4%	-8.7%	-8.6%	-4.6%
Total Government Support	\$86,277	\$122,164	\$113,010	\$102,674	\$73,648	4.4%	-28.3%	-14.6%	-3.9%
Total Contributed Revenue	\$1,262,665	\$1,240,963	\$1,357,349	\$1,280,046	\$1,148,921	53.8%	-10.2%	-9.0%	-2.3%
Net Assets Released From Restriction	\$139,640	\$77,028	\$111,168	\$475,251	\$399,122	18.7%	-16.0%	185.8%	27.6%
Total Unrestricted Revenue	\$2,019,237	\$1,930,618	\$2,124,064	\$2,324,976	\$2,133,734	-8.2%	5.7%	1.4%	-1.0%

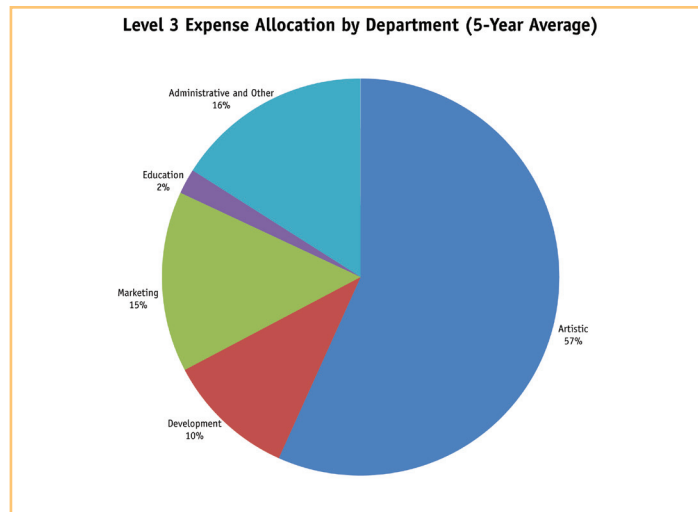
Level 3 CSG Revenue Sources (5-Year Average)



Expenses
US Constant Sample Group of (10) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change 1-yr	4-yr 4-yr	4-yr Annualized Growth Rate Actual	Infl. Adj.
Personnel									
Artistic	\$595,158	\$595,330	\$603,361	\$596,201	\$578,132	27.4%	27.4%	26.8%	-3.0%
Production & Technical	\$258,444	\$238,906	\$250,090	\$236,171	\$227,840	11.9%	11.0%	10.8%	-3.5%
Singer Training	\$3,784	\$770	\$0	\$0	\$7,299	0.2%	0.0%	0.3%	--
Marketing/PR/Box Office	\$107,551	\$108,446	\$104,666	\$100,150	\$82,821	5.0%	5.0%	4.6%	-17.3%
Development	\$110,655	\$117,861	\$119,029	\$114,395	\$118,214	5.1%	5.4%	5.5%	3.3%
Education	\$24,337	\$33,687	\$34,556	\$40,660	\$20,591	1.1%	1.5%	1.9%	-49.4%
Administrative	\$127,495	\$132,212	\$143,669	\$145,344	\$195,148	5.9%	6.1%	6.6%	34.3%
Total Personnel Expense	\$1,227,425	\$1,227,212	\$1,255,371	\$1,232,921	\$1,230,044	56.5%	56.4%	56.9%	0.2%
Non-Personnel									
Production	\$434,368	\$387,148	\$400,732	\$404,657	\$330,081	20.0%	17.8%	15.3%	-18.4%
Broadcasting, Recording & Internet Expense	\$475	\$0	\$1,489	\$576	\$0	0.0%	0.0%	0.0%	--
Singer Training	\$10,466	\$17,136	\$8,540	\$4,623	\$7,708	0.5%	0.8%	0.4%	66.7%
Marketing/PR/Box Office	\$213,739	\$234,655	\$233,337	\$212,561	\$208,070	9.8%	10.5%	9.7%	-2.1%
Development	\$98,597	\$114,705	\$129,509	\$123,207	\$103,804	4.5%	5.3%	5.6%	-15.7%
Education	\$10,356	\$9,466	\$8,750	\$10,420	\$30,764	0.5%	0.4%	0.5%	195.2%
Administrative	\$144,333	\$148,077	\$161,148	\$157,234	\$190,729	6.6%	6.8%	7.2%	21.3%
Other Earned Income Expenses	\$32,288	\$37,885	\$32,441	\$39,544	\$58,796	1.5%	1.7%	1.8%	2.7%
Total Non-Personnel Expense	\$944,621	\$949,071	\$975,945	\$952,821	\$929,952	43.5%	43.6%	43.1%	-2.4%
Total Expense	\$2,172,046	\$2,176,283	\$2,231,316	\$2,185,742	\$2,159,996	-1.2%	-0.6%	-0.1%	-2.5%

* As a % of Total Expense



Productivity Measures

US Constant Sample Group of (10) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Development Productivity	\$7.25	\$6.32	\$6.31	\$6.61	\$6.22	-6.0%	-14.3%	-3.8%	-6.2%
Marketing Productivity	\$1.94	\$1.82	\$1.86	\$1.97	\$1.93	-2.4%	-0.8%	-0.2%	-2.6%
Program Coverage	39.6%	42.4%	42.4%	41.6%	41.5%				

Balance Sheet

US Constant Sample Group of (9*) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Net Assets									
Unrestricted	\$49,684	\$68,547	\$27,910	\$697,610	\$658,626	-5.6%	1225.6%	90.8%	88.4%
Temporarily Restricted	\$276,024	\$898,446	\$726,894	\$1,149,393	\$974,392	-15.2%	253.0%	37.1%	34.7%
Permanently Restricted	\$312,672	\$642,496	\$519,314	\$400,121	\$367,913	-8.0%	17.7%	4.2%	1.8%
Total Net Assets	\$638,381	\$1,609,489	\$1,274,118	\$2,247,124	\$2,000,931	-11.0%	213.4%	33.1%	30.7%
Total NA as % of Expense	29.4%	74.0%	57.1%	102.8%	92.6%				
Working Capital	(\$155,780)	(\$174,206)	(\$199,762)	(\$100,993)	(\$252,229)	-149.7%	-61.9%	-12.8%	-15.2%
Working Capital as % of Expense	-7.2%	-8.0%	-9.0%	-4.6%	-11.7%				
Investments **	\$1,451,181	\$1,423,260	\$1,244,199	\$1,333,593	\$944,621	-29.2%	-34.9%	-10.2%	-12.6%
Investments as % of Expense	66.8%	65.4%	55.8%	61.0%	43.7%				
Net Fixed Assets	\$205,465	\$242,754	\$227,672	\$798,603	\$910,855	14.1%	343.3%	45.1%	42.7%

* Chautauqua Opera Does Not Report Balance Sheet Information

** Including Separately Incorporated Endowments

Performance Activity

US Constant Sample Group of (10) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Performance Activity									
Main Season Productions	3.3	3.3	3.3	3.3	3.7				
Main Season Performances	8.2	8.3	8.4	9.0	8.4				
Attendance									
Main Season Paid Attendance	10,179	10,639	11,055	9,761	8,510	-12.8%	-16.4%		
Total Seats Available	15,505	15,801	15,620	14,645	15,200	3.8%	-2.0%		
% of Capacity Sold	65.6%	67.3%	70.8%	66.7%	56.0%				
Subscription Renewal Rate	76.9%	79.8%	77.2%	82.4%	78.2%				
Pricing									
High Full Subscription Price	\$235	\$247	\$257	\$279	\$284	1.7%	20.7%	4.8%	2.4%
Low Full Subscription Price	\$75	\$71	\$59	\$58	\$68	18.4%	-9.2%	-2.4%	-4.8%
High Single Ticket Price	\$84	\$89	\$92	\$102	\$103	1.2%	22.1%	5.1%	2.7%
Low Single Ticket Price	\$22	\$21	\$19	\$18	\$13	-29.2%	-40.3%	-12.1%	-14.5%
Highest Orchestra Ticket	\$75	\$81	\$81	\$86	\$94	8.8%	25.6%	5.9%	3.5%
Lowest Orchestra Ticket	\$42	\$55	\$44	\$35	\$34	-1.6%	-18.8%	-5.1%	-7.4%

Level 4 Constant Sample Group

ANNUAL BUDGETS LESS THAN \$1,000,000

Eighteen companies comprise the Level 4 U.S. CSG:

Amarillo Opera	Opera in the Heights
American Opera Projects	Opera North
Fargo-Moorhead Opera	Opera Southwest
Lake George Opera at Saratoga	Pacific Repertory Opera
Mobile opera	Pensacola Opera
Musical Traditions	Tacoma Opera
Music-Theatre Group	Townsend Opera Players
Nautilus Music-Theater	Tri-Cities Opera

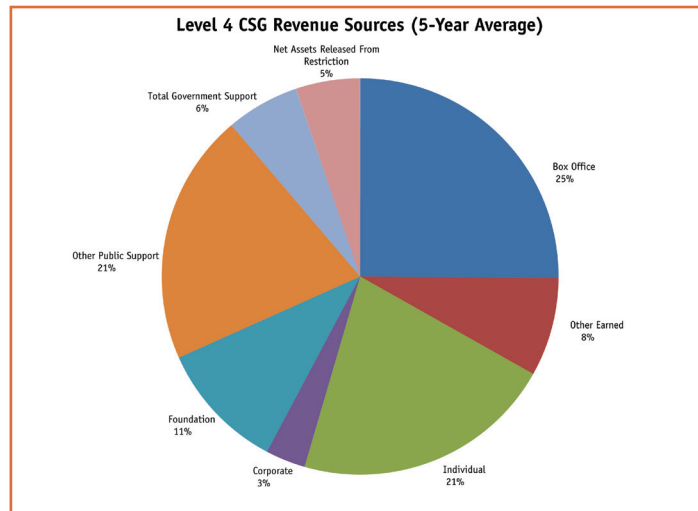
Highlights

- Box office revenue rose nearly 4% from 2008 to 2009 and has increased by 18% since 2005. In 2009, total earned revenue reached its highest point since 2006.
- Average contributed income declined among all funding sources from 2008 to 2009 with the notable exception of foundations which, on average, gave more to Level 4 companies than in any of the other seasons reported.
- Escalating personnel costs have contributed mightily to the negative bottom lines of Level 4 companies. Since Level 4 companies had the leanest budgets of any professional company members, there was little room to cut when the recession hit. Unlike their larger counterparts, Level 4 total expenses reached their highest point in the five seasons reported in 2009 and outpaced revenue by one-and-a-half times over the past five seasons.
- Level 4 companies recorded the largest average operating deficit by percentage in the five seasons reported, although the magnitude of the deficit is due mostly to three companies that posted operating deficits of about \$250,000 each.
- Unrestricted net assets declined 41% from 2008 to 2009 and more than halved since 2005. Entering FY10, total net assets only covered one-third of the average company's annual operating expenses. Average working capital swung to the negative, continuing a declining trend.
- Main season paid attendance dropped by more than 6% despite a decrease in the amount of programming and seats available. The increase in ticket revenue year-over-year, however, suggests that more tickets were purchased at the high-end of the ticket spectrum.

Unrestricted Revenue and Expense Summary
US Constant Sample Group of (18) Level 4 Companies

	2005		2006		2007		2008		2009		Percentage Change 1-yr	4-yr	4-yr Annualized Growth Rate Actual	Infl. Adj.	
Earned Revenue		*		*		*		*		*					
Box Office	\$126,736	25.1%	\$149,811	27.0%	\$138,951	23.9%	\$144,049	24.1%	\$149,724	25.5%	3.9%	18.1%	4.3%	1.9%	
Other Earned	\$37,504	7.4%	\$53,458	9.6%	\$47,945	8.3%	\$45,828	7.7%	\$42,536	7.3%	-7.2%	13.4%	3.2%	0.8%	
Total Earned Revenue	\$164,240	32.5%	\$203,269	36.7%	\$186,895	32.2%	\$189,877	31.8%	\$192,260	32.8%	1.3%	17.1%	4.0%	1.6%	
Contributed Revenue															
Private Support															
Individual	\$103,014	20.4%	\$106,987	19.3%	\$121,755	21.0%	\$135,752	22.8%	\$135,547	23.1%	-0.2%	31.6%	7.1%	4.7%	
Corporate	\$16,809	3.3%	\$17,940	3.2%	\$21,762	3.7%	\$19,993	3.4%	\$15,231	2.6%	-23.8%	-9.4%	-2.4%	-4.8%	
Foundation	\$52,226	10.3%	\$57,925	10.4%	\$62,376	10.7%	\$54,134	9.1%	\$70,253	12.0%	29.8%	34.5%	7.7%	5.3%	
Other Private Support	\$114,209	22.6%	\$115,734	20.9%	\$115,701	19.9%	\$117,874	19.8%	\$115,303	19.7%	-2.2%	1.0%	0.2%	-2.1%	
Total Private Support	\$286,257	56.7%	\$298,585	53.8%	\$321,593	55.3%	\$327,754	54.9%	\$336,334	57.3%	2.6%	17.5%	4.1%	1.7%	
Total Government Support	\$29,654	5.9%	\$34,058	6.1%	\$33,934	5.8%	\$39,157	6.6%	\$31,780	5.4%	-18.8%	7.2%	1.7%	-0.6%	
Total Contributed Revenue	\$315,910	62.6%	\$332,644	60.0%	\$355,527	61.2%	\$366,911	61.5%	\$368,114	62.8%	0.3%	16.5%	3.9%	1.5%	
Net Assets Released From Restriction	\$24,684	4.9%	\$18,604	3.4%	\$38,666	6.7%	\$39,883	6.7%	\$26,224	4.5%	-34.2%	6.2%	1.5%	-0.9%	
Total Unrestricted Revenue	\$504,834		\$554,517		\$581,089		\$596,671		\$586,598		-1.7%	16.2%	3.8%	1.4%	
Total Personnel Expense	\$281,471	53.8%	\$307,404	53.6%	\$319,736	54.0%	\$340,739	57.5%	\$382,438	58.6%	12.2%	35.9%	8.0%	5.6%	
Total Non-Personnel Expense	\$242,023	46.2%	\$266,305	46.4%	\$271,929	46.0%	\$251,527	42.5%	\$269,843	41.4%	7.3%	11.5%	2.8%	0.4%	
Total Expense	\$523,494		\$573,709		\$591,665		\$592,267		\$652,280		10.1%	24.6%	5.7%	3.3%	
Unrestricted Net Income (Loss)	(\$18,660)		(\$19,192)		(\$10,576)		\$4,405		(\$65,683)						
As Percentage of Expense	-3.7%		-3.5%		-1.8%		0.7%		-11.2%						

* As a % of Total Unrestricted Revenue
** As a % of Total Expense



Balance Sheet

US Constant Sample Group of (18) Level 4 Companies

	2005	2006	2007	2008	2009	Percentage Change 1-yr	4-yr	4-yr Annualized Growth Rate Actual	Infl. Adj.
Net Assets									
Unrestricted	\$163,111	\$128,729	\$123,497	\$126,068	\$74,253	-41.1%	-54.5%	-17.9%	-20.2%
Temporarily Restricted	\$10,720	\$40,084	\$59,503	\$38,439	\$31,385	-18.3%	192.8%	30.8%	28.4%
Permanently Restricted	\$75,736	\$78,566	\$86,170	\$112,360	\$99,508	-11.4%	31.4%	7.1%	4.7%
Total Net Assets	\$249,567	\$247,378	\$269,170	\$276,867	\$205,146	-25.9%	-17.8%	-4.8%	-7.2%
Total NA as % of Expense	47.7%	43.1%	45.5%	46.7%	31.5%				
Working Capital	\$26,373	\$12,609	\$14,486	\$1,919	(\$29,604)	--	--	--	--
Working Capital as % of Expense	5.0%	2.2%	2.4%	0.3%	-4.5%				
Investments *	\$188,472	\$185,747	\$221,748	\$267,401	\$147,358	-44.9%	-21.8%	-6.0%	-8.3%
Investments as % of Expense	36.0%	32.4%	37.5%	45.1%	22.6%				
Net Fixed Assets	\$136,739	\$116,120	\$109,011	\$124,149	\$103,858	-16.3%	-24.0%	-6.6%	-9.0%

* Including Separately Incorporated Endowments

Performance Activity						Percentage Change		4-yr Annualized Growth Rate	
US Constant Sample Group of (18) Level 4 Companies						1-yr	4-yr	Actual	Infl. Adj.
Performance Activity	2005	2006	2007	2008	2009				
Performance Activity									
Main Season Productions	3.7	3.5	3.3	3.6	3.4				
Main Season Performances	10.2	10.6	10.1	11.6	10.8				
Attendance									
Main Season Paid Attendance	3,787	3,767	3,684	3,772	3,539	-6.2%	-6.5%		
Total Seats Available	6,264	5,961	5,924	6,041	5,925	-1.9%	-5.4%		
% of Capacity Sold	60.5%	63.2%	62.2%	62.4%	59.7%				
Subscription Renewal Rate	71.9%	80.8%	67.9%	90.2%	76.9%				
Pricing									
High Full Subscription Price	\$158	\$173	\$186	\$178	\$197	10.9%	25.2%	5.8%	3.4%
Low Full Subscription Price	\$50	\$57	\$60	\$53	\$43	-19.8%	-14.5%	-3.8%	-6.2%
High Single Ticket Price	\$52	\$57	\$60	\$62	\$67	7.3%	28.1%	6.4%	4.0%
Low Single Ticket Price	\$13	\$13	\$17	\$15	\$12	-22.9%	-8.3%	-2.2%	-4.5%
Highest Orchestra Ticket	\$43	\$48	\$44	\$47	\$50	7.4%	17.7%	4.2%	1.8%
Lowest Orchestra Ticket	\$25	\$23	\$24	\$26	\$25	-3.2%	-0.6%	-0.2%	-2.5%

Canadian Constant Sample Group

Ten companies with budgets ranging from CAD \$437,252 to CAD \$32,321,984 comprise the Canadian CSG:

The Banff Centre
Calgary Opera
Canadian Opera Company
Edmonton Opera
Manitoba Opera

Opera Atelier
Pacific Opera Victoria
Tapestry New Opera Works
Queens of Puddings Music Theater Company
Vancouver Opera

Highlights

- The Canadian companies maintained an aggregate surplus for all five years of the survey, and all 10 companies finished FY09 in positive fiscal territory.
- Ticket revenue has increased by 48% since 2005; however, Canadian companies are still, on average, nearly 25% below their peak ticket revenue achieved in 2007.
- Other earned income has jumped significantly from 2008 to 2009, the result of one company's atypical set-rental revenue in 2009.
- Two companies received substantial new foundation grants in 2009; as a result, foundation support more than doubled from 2008 to 2009.
- Artistic personnel costs continued a second straight year of declines, while technical production personnel costs reached the highest level in the years reported. Over five years, total personnel costs rose at a rate of over nine times Canadian annualized inflation.
- The size and number of singer training departments continued to expand at Canadian companies, and average education program costs more than doubled between 2005 and 2009.
- Average unrestricted net assets swung to the positive as one company's very large accumulated deficit continues to narrow with each consecutive year. Total net assets rose 65% year-over-year, particularly impressive given that investments declined by 30%.
- Productions and performances remained flat from 2008 to 2009. Unfortunately, 14% fewer tickets were sold to performance in 2009 compared to the prior season. Subscription ticket prices increased considerably despite no major increases in the number of performances. Still, average single ticket prices on the low end dropped down to levels not seen since 2006.

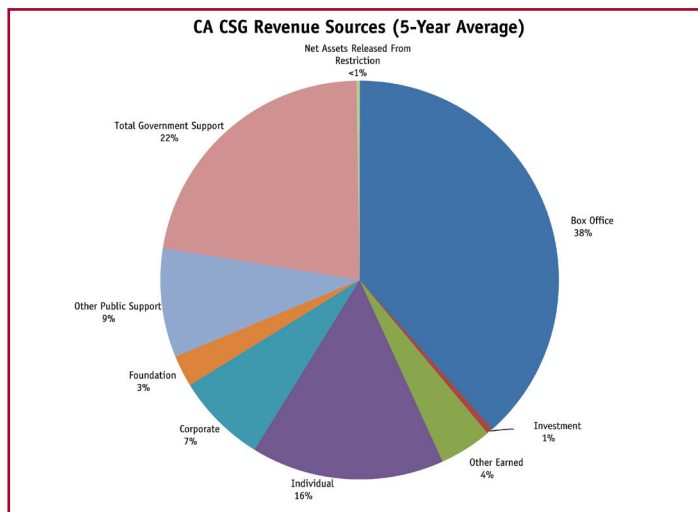
Unrestricted Net Income
Canadian Constant Sample Group of (10) Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Total Unrestricted Revenue	\$3,981,448	\$4,635,854	\$5,964,129	\$5,666,204	\$5,942,205	4.9%	49.2%	10.5%	8.7%
Total Expense	\$3,925,443	\$4,600,004	\$5,877,840	\$5,584,324	\$5,908,548	5.8%	50.5%	10.8%	9.0%
Unrestricted Net Income (Loss)	\$56,005	\$35,850	\$86,289	\$81,881	\$33,658				
As Percentage of Expense	1.4%	0.8%	1.4%	1.4%	0.6%				

Revenue
Canadian Constant Sample Group of (10) Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Earned Revenue									
Box Office	\$1,466,301	\$1,709,680	\$2,602,049	\$2,118,729	\$2,165,644	36.8%	2.2%	47.7%	10.2%
Investment	\$31,976	\$54,143	(\$17,335)	\$26,618	\$37,452	0.8%	0.6%	40.7%	17.1%
Other Earned	\$117,831	\$124,897	\$190,345	\$175,515	\$505,549	3.0%	8.5%	188.0%	329.0%
Total Earned Revenue	\$1,616,108	\$1,888,720	\$2,775,059	\$2,320,862	\$2,708,646	40.6%	16.7%	67.6%	13.8%
Contributed Revenue									
Private Support									
Individual	\$599,364	\$732,998	\$823,308	\$1,022,132	\$918,110	15.1%	-10.2%	53.2%	11.3%
Corporate	\$293,371	\$312,279	\$617,516	\$373,542	\$329,104	7.4%	-11.9%	12.2%	2.9%
Foundation	\$101,022	\$90,491	\$94,452	\$101,711	\$278,784	2.5%	174.1%	176.0%	28.9%
Other Private Support	\$407,073	\$566,364	\$465,903	\$416,703	\$461,637	10.2%	10.8%	13.4%	3.2%
Total Private Support	\$1,400,830	\$1,702,131	\$2,001,180	\$1,914,088	\$1,987,634	35.2%	3.8%	41.9%	9.1%
Total Government Support	\$964,510	\$1,045,002	\$1,187,890	\$1,386,997	\$1,223,945	24.2%	-11.8%	26.9%	6.1%
Total Contributed Revenue	\$2,365,340	\$2,747,134	\$3,189,070	\$3,301,085	\$3,211,579	59.4%	-2.7%	35.8%	7.9%
Net Assets Released From Restriction	\$0	\$0	\$0	\$44,257	\$21,981	0.0%	-50.3%	--	--
Total Unrestricted Revenue	\$3,981,448	\$4,635,854	\$5,964,129	\$5,666,204	\$5,942,205	4.9%	49.2%	10.5%	8.7%

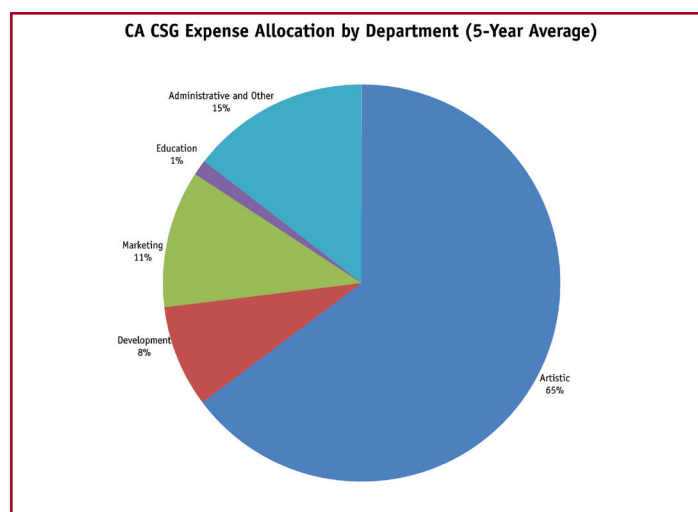
* As a % of Total Unrestricted Revenue



Expenses
Canadian Constant Sample Group of (10) Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Personnel									
Artistic	\$1,254,365	\$1,478,595	\$2,023,553	\$1,727,372	\$1,685,949	32.0%	-2.4%	34.4%	7.7%
Production & Technical	\$591,200	\$730,465	\$1,047,849	\$919,058	\$1,179,099	15.1%	20.0%	26.3%	18.8%
Singer Training	\$3,195	\$3,412	\$10,776	\$72,260	\$122,109	0.1%	69.0%	--	--
Marketing/PR/Box Office	\$136,108	\$173,149	\$201,434	\$214,011	\$227,802	3.5%	3.9%	6.4%	13.7%
Development	\$130,033	\$131,705	\$180,557	\$214,858	\$212,949	3.3%	-0.9%	63.8%	13.1%
Education	\$31,751	\$40,645	\$47,162	\$60,441	\$63,603	0.8%	5.2%	100.3%	19.0%
Administrative	\$288,485	\$272,373	\$286,699	\$301,477	\$395,067	7.3%	6.7%	31.0%	36.9%
Total Personnel Expense	\$2,435,138	\$2,830,344	\$3,798,031	\$3,509,477	\$3,886,577	62.0%	10.7%	59.6%	12.4%
Non-Personnel									
Production	\$637,623	\$731,830	\$938,201	\$830,581	\$842,178	16.2%	1.4%	32.1%	7.2%
Broadcasting, Recording & Internet Expense	\$528	\$147	\$547	\$343	\$137	0.0%	--	--	--
Singer Training	\$34,893	\$43,329	\$35,460	\$37,026	\$43,618	0.9%	17.8%	25.0%	5.7%
Marketing/PR/Box Office	\$302,837	\$344,904	\$421,817	\$406,627	\$463,184	7.7%	7.8%	14.5%	11.2%
Development	\$196,877	\$266,508	\$293,307	\$292,639	\$233,314	5.0%	-20.3%	18.5%	4.3%
Education	\$11,202	\$20,563	\$13,329	\$19,788	\$21,430	0.3%	8.3%	91.3%	17.6%
Administrative	\$266,216	\$326,149	\$323,555	\$421,394	\$366,242	6.8%	-13.1%	37.6%	8.3%
Other Earned Income Expenses	\$40,130	\$36,231	\$53,594	\$68,450	\$51,868	1.0%	-24.2%	29.3%	6.6%
Total Non-Personnel Expense	\$1,490,306	\$1,769,660	\$2,079,809	\$2,074,847	\$2,021,970	38.0%	-2.5%	35.7%	6.1%
Total Expense	\$3,925,443	\$4,600,004	\$5,877,840	\$5,584,324	\$5,908,548	5.8%	50.5%	10.8%	9.0%

* As a % of Total Expense



Productivity Measures	Canadian Constant Sample Group of (10) Companies					Percentage Change		4-yr Annualized Growth Rate	
	2005	2006	2007	2008	2009	1-yr	4-yr	Actual	Infl. Adj.
Development Productivity	\$7.24	\$6.90	\$6.73	\$6.50	\$7.20	10.7%	-0.5%	-0.1%	-1.9%
Marketing Productivity	\$3.87	\$3.89	\$5.09	\$4.10	\$3.47	-15.4%	-10.2%	-2.7%	-4.4%
Program Coverage	59.0%	58.1%	64.9%	60.9%	62.5%				

Balance Sheet	Canadian Constant Sample Group of (10) Companies					Percentage Change		4-yr Annualized Growth Rate	
	2005	2006	2007	2008	2009	1-yr	4-yr	Actual	Infl. Adj.
Net Assets									
Unrestricted	(\$111,953)	(\$79,053)	(\$6,908)	(\$15,677)	\$5,109	--	--	--	--
Temporarily Restricted	\$0	\$0	\$0	\$0	\$0	--	--	--	--
Permanently Restricted	\$37,050	\$40,000	\$42,805	\$47,889	\$47,947	0.1%	29.4%	6.7%	4.9%
Total Net Assets	(\$74,903)	(\$39,053)	\$35,897	\$32,212	\$53,056	64.7%	170.8%	28.3%	26.5%
Total NA as % of Expense	-1.9%	-0.8%	0.6%	0.6%	0.9%				
Working Capital	(\$485,920)	(\$474,427)	(\$327,975)	(\$361,207)	(\$333,618)	--	--	--	--
Working Capital as % of Expense	-12.4%	-10.3%	-5.6%	-6.5%	-5.6%				
Investments *	\$1,762,151	\$2,004,105	\$3,019,304	\$3,566,480	\$3,172,286	-11.1%	80.0%	15.8%	14.1%
Investments as % of Expense	44.9%	43.6%	51.4%	63.9%	53.7%				
Net Fixed Assets	\$373,967	\$395,374	\$321,066	\$345,530	\$338,727	-2.0%	-9.4%	-2.4%	-4.2%

* Including Separately Incorporated Endowments

Performance Activity	Canadian Constant Sample Group of (10) Companies					Percentage Change		4-yr Annualized Growth Rate	
	2005	2006	2007	2008	2009	1-yr	4-yr	Actual	Infl. Adj.
Performance Activity									
Main Season Productions	2.8	2.6	2.9	3.1	3.1				
Main Season Performances	14.7	12.5	15.0	16.4	16.3				
Attendance									
Main Season Paid Attendance	18,789	18,429	19,348	19,830	16,984	-14.4%	-9.6%		
Total Seats Available	25,832	28,547	27,450	29,948	29,569	-1.3%	14.5%		
% of Capacity Sold	72.7%	64.6%	70.5%	66.2%	57.4%				
Subscription Renewal Rate	82.1%	82.7%	83.4%	80.3%	80.0%				
Pricing									
High Full Subscription Price	\$222	\$269	\$288	\$391	\$403	3.1%	81.3%	16.0%	14.3%
Low Full Subscription Price	\$39	\$45	\$61	\$60	\$80	33.6%	106.3%	19.8%	18.1%
High Single Ticket Price	\$82	\$96	\$107	\$111	\$122	10.4%	49.2%	10.5%	8.7%
Low Single Ticket Price	\$17	\$18	\$18	\$20	\$18	-10.9%	4.9%	1.2%	-0.6%
Highest Orchestra Ticket	\$66	\$84	\$86	\$96	\$99	2.3%	50.2%	10.7%	8.9%
Lowest Orchestra Ticket	\$28	\$36	\$46	\$42	\$37	-11.1%	34.4%	7.7%	5.9%

Financial Position Terminology

Balance sheet measures and ratios are used to track the overall health of an opera company. The following measures are included in the *Annual Field Report*.

FASB

Financial Accounting Standards Board, the designated organization in the private sector for establishing standards of financial accounting that govern the preparation of financial reports by nongovernmental entities.

UPMIFA

The Uniform Prudent Management of Institutional Funds Act establishes a sound and unified basis for charitable fund management.

Total Net Assets

This is what an organization owns after paying off all its liabilities or all that it owes. Total net assets should grow at least as fast as operating expenses each year. This tends to indicate that an opera company is building its total capital.

- Unrestricted net assets have no donor imposed restrictions, are available for use by a company and generally include fixed assets.
- Temporarily restricted net assets represent gifts for future periods or for specific projects. Temporarily restricted net assets indicate that the organization is funding projects in advance of implementing them.
- Permanently restricted net assets are restricted by the donor in perpetuity. Permanently restricted net assets are most commonly endowment. Increases may be caused by increases in the market value of existing investments and/or by new gifts from donors.

Working Capital

Working capital consists of the unrestricted resources available for operations. It is a fundamental financial building block of an organization. Adequate working capital provides financial strength and flexibility to an organization, the ability to meet obligations as they come due and the flexibility to experiment. Working capital is calculated as unrestricted net assets less fixed assets. (For Canadian companies, the calculation is total net assets minus fixed assets.) If an organization has unrestricted investments, they will be included both in working capital and in total investments. Working capital can be related to the size of an organization's operation. An increase in the ratio over time indicates growth in financial strength.

Investments

Invested capital includes monies usually invested long-term. This includes both investments reported on an organization's balance sheet and separately incorporated endowment funds. It approximates reserves and endowment, and it may be unrestricted, temporarily restricted or permanently restricted. Income from investments is available for operations or to support specific purposes. Invested capital that provides a significant revenue stream increases the strength and sustainability of an organization. An increase in the ratio over time indicates investment growth at least in proportion to growth in operating size.

Fixed Assets

Fixed assets includes all land, buildings, equipment, any capitalized production elements (sets, props, costumes) and other fixed assets owned by the organization. Fixed assets are generally unrestricted but may be temporarily restricted. Net fixed assets are less accumulated depreciation.

Productivity Measures

Productivity ratios measure how many dollars are generated by each dollar spent on revenue generating activities. Expenses include both personnel and non-personnel costs. Examples of two of these productivity ratios — marketing and development — are provided below.

The **marketing productivity ratio** measures how many dollars of program revenue are generated by each dollar spent on marketing and public relations. It is calculated as:

Marketing Productivity = Total box office revenue ÷ Marketing/PR/Box Office expenses (includes personnel and non-personnel expenses)

The **development productivity ratio** measures how many dollars of contributed revenue are generated by spending a dollar on development. This calculation includes restricted and unrestricted contributions because development expenses include expenses for any capital fundraising such as for a permanently restricted endowment. It is calculated as:

Development Productivity = Total contributions (including unrestricted, temporarily and permanently restricted) ÷ Development expenses (includes personnel and non-personnel expenses)

The **program coverage** measure tracks what portion of artistic and production costs are covered by box office revenue. It is calculated as:

Program Coverage = Total box office revenue ÷ Artistic & production expense (includes personnel and non-personnel expenses)

Benchmarking Prospectus

Good research is important for understanding the health of an opera company and for developing short- and long-term strategies. The AFR presents an overview of the field's activity. While it offers a detailed look at levels within the opera field, the data and trends are averaged from groups of companies that may have little in common operationally beyond their budget sizes. Thus, the trends of a group may not reflect the trends of an individual company. OPERA America has data on professional companies dating back more than two decades, and frequently conducts 10-, 15- and 20-year trend analyses, on request, for general directors and trustees using carefully selected comparable organizations.

A complete OPERA America Benchmarking Analysis includes the following information:

Financial & Operational Analysis

- Budget Growth
- Endowment as % of Total Expense
- Artistic Expense as % of Total Expense
- Artistic Expense Growth Rate vs. Total Expense Growth Rate
- Program Coverage (% of Artistic Budget Covered by Ticket Sales)
- Artistic Expense per Available Seat
- Artistic Expense per Production
- Artistic Expense per Performance
- Personnel vs. Non-Personnel Expenses
- Ticket Income/Contributed Income/Other Operating Income as % of Unrestricted Income
- Development Productivity
- Sources of Contributed Income
- Individual Contributions per Attendance
- Marketing Productivity
- Box Office Income per Attendance
- Market Penetration
- Ticket Prices
- Capacity Utilization
- Subscription Renewal Rates
- Current Ratio
- Net Assets as a % of Budget
- Working Capital

City Profile

- City and Metropolitan Area Population
- Median City and Metropolitan Area Age, Education Level and Income
- Cost of Living Averages
- Cultural Statistics — Number of Higher Education Institutions, Number of Performing Arts Organization and Cultural Vitality Rankings

Repertoire Analysis

This unique and proprietary tool is used, in part, to determine repertoire trends at companies that share a similar budget size and demographic.

For information or to commission a benchmarking study, contact Larry Bomback, LBomback@operaamerica.org.