



The 2009-2010 Year in Review







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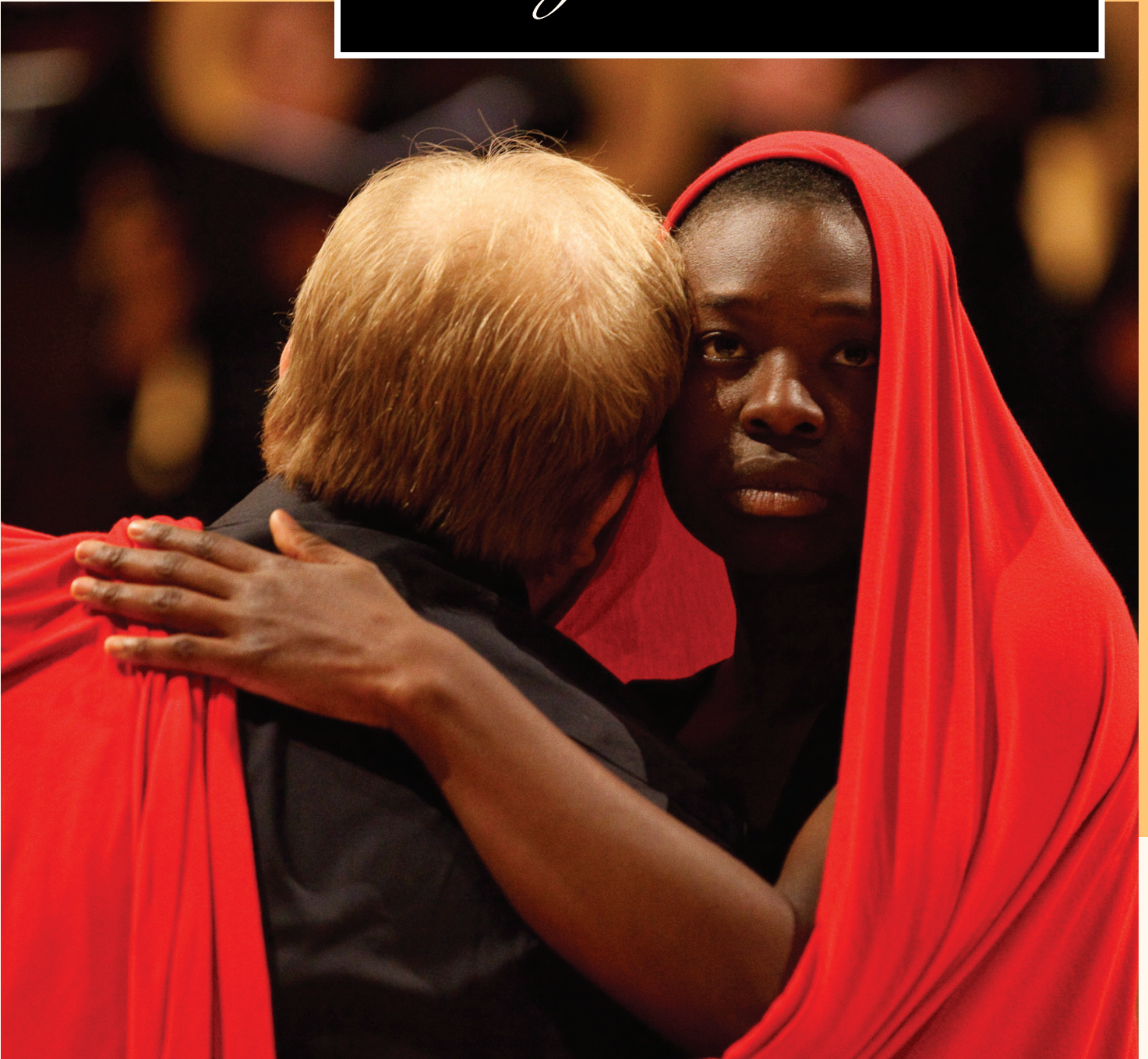
OPERA America — the nonprofit service organization for opera — leads and serves the entire opera community, supporting the creation, presentation and enjoyment of opera. Artistic services help opera companies and creative and performing artists to improve the quality of productions and increase the creation and presentation of North American works. Information, technical and administrative services to opera companies reflect the need for strengthened leadership among staff, trustees and volunteers. Education, audience development and community services are designed to enhance all forms of opera enjoyment.

OPERA America's membership includes 135 Professional Company Members in North America, nearly 300 Associate and Business Members (many of which produce and present opera), 1,250 Individual Members and 16,000 online subscribers from around the world.

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Additional copies of the report are available to members at \$20 per copy, plus postage and handling. The non-member price is \$25 per copy, plus postage and handling.

The Year in Review



The economic crunch has abated for some, and not much for others. But there may be an upside to tough economic times. While the theme of 2009 revolved around reacting and adjusting in the face of a crisis, 2010 had the silver lining of creative adaptation and opportunity born of necessity. Just as consumers learned the value of sacrifice and savings, opera learned to embrace the challenge of operating with fewer resources. Companies realized and accepted that the landscape is permanently altered, and rather than bowing to the recession, responded with measures beyond mere cost and job cuts.

Of 65 companies responding to the Future Season Survey, almost half sought co-producing partners in the last year. Subsequent productions of new works rose in 2010 owing to multi-company co-productions. As companies actively seek partners to save costs, they are also recognizing the importance of supporting new and American works to enrich the field, and the benefits of new works in terms of public curiosity and media attention.

OPERA America this year welcomed 10 new Associate Members, five Business Members, six Educational Producing Associates and seven Professional Company Members. The ranks currently include a total of 74 Associate Members, 68 Busi-

ness Members, 60 Educational Producing Associate Members and 135 Professional Company Members. Participation by OPERA America's Professional Company Members across all its professional development programs, including the annual conference, has risen almost 25% in 2010 compared with 2009, in a sign that most opera companies are past the worst fiscal hurdles and once again able to focus on business development and strategy. Adversity often forces innovation. Opera companies are no longer bowing to the recession, but using the opportunity to advocate for the field, support emerging talent and strategize in all dimensions of operations.

OPERA America's activities, as the organization marked its 40th year, have sought

to both encourage and accompany these important shifts in the creative landscape. Members engaged in a strategic planning process that propels it along an exciting path supporting greater communication in the field, development of new works and more extensive collaboration. *The Opera Fund* endowment returned to a level above its historic dollar value this past spring, and OPERA America will draw \$250,000 for repertoire development grant awards and related administration.

These are but a sampling of the organization's activities, the implementation and results of which will come to fruition over the next year. Read on for a detailed look at the progress OPERA America made in all aspects of its services in 2009-2010, exemplifying our commitment to advancing the missions of our members.

The Strategic Plan

2010 saw the completion of a new strategic plan, which will be implemented over a five-year period. The plan outlines details for establishing an Opera Center in New York City that will serve as a center of support to members and the opera community. To advance professional support and research in the field, the plan calls for establishment of a strategy council, additional forums for networks and interest areas, a professional development committee, a research advisory committee and a roster of consultants to the field. Fiscal initiatives appear in the form of travel assistance to members, a re-establishment of grants supporting North American works and an increase in *The Opera Fund*. Member recruitment efforts will also strengthen as the field expands and support extends to smaller, artist-driven companies. Find the strategic plan online at <http://www.operaamerica.org/StrategicPlan.pdf>.



Professional Development



One of the responsibilities of OPERA America is to anticipate the needs of our Professional Company Members with services that help advance both the art form and professional learning. Almost all members participated in at least one program in 2009-2010, and about half participated in two or three programs.

OPERA America has considerably expanded its online offerings, allowing many professionals to gain and share knowledge without travel costs. With a two-year Andrew W. Mellon Foundation grant of \$770,000, OPERA America inaugurated its **Webinar series**. An online set of 10 sessions now reside in the website archive. The series

is free to Professional Company Members, offering expertise on the following topics: institutional alcohol policies, the Cultural Data Project, planned giving strategies, taxation and visa processing for foreign artists, social media tools and strategies for educators. Attendance rose steadily through the first year as the series, and over 30% of member companies have now participated in at least one webinar.

Opera Conference 2010: New Realities | New Strategies provided an opportunity for live networking and learning. Participation in 2010 rebounded to 57% of Professional Company Members compared with 45% in 2009. OPERA America for the

first time recorded not only the opening keynote address, but all the general sessions and select open sessions, which are archived and available to members as a valuable and historical resource. The conference also featured the New General Director's Roundtable, for leaders still navigating the first few years at the helm of their organizations, as well as a strategic session for companies in cities where a bigger opera house prevails. Co-Production Speed Dating, the first session of its kind, brought together general directors, artistic and production directors and others to explore creative and collaborative possibilities for six operas from the standard repertoire. Women of Opera also met to discuss the challenges for women in business leadership roles.

The **Cultural Data Project** (CDP), a collaborative effort with the Pew Charitable Trusts, integrated the Professional Opera Survey with the CDP, an endeavor begun in 2008. OPERA America made the new form available to all Professional Company Members in January 2010, becoming the first of the national arts service organization to launch an integrated online survey form alongside the CDP. The annual Development, Marketing and Education Benchmarking Surveys have also been moved online and incorporated into this survey process. These powerful online management tools will streamline the annual data collection process and provide all statistics for future Professional Opera Survey and Benchmarking Reports.

OPERA America led and participated in **two sessions convened by the Andrew W. Mellon Foundation**, along with a host of our counterparts in the arts. In the first of these, a group of participants comprised of composers, librettists, designers, artistic and general directors and administrators discussed the quality and quantity of new works created by American opera companies, with emphasis on ways development practices and support could be improved. In the second convening, a group of artistic leaders from other nonprofit service organizations gathered to examine potential synergies in professional development programs. Organizations had a chance to share the types of programs they offer, strong and weak points of the programs, and the challenges and benefits of merging programs across sectors.

Forums

OPERA America's forums serve different constituents in the opera industry, from artists to administrators to trustees, bringing them together in person to share and advance ideas, and gain new expertise.

For the **Electronic Media Forum**, OPERA America retains two consultants, Michael Bronson and Joseph Kluger, to advise Professional Company Members on electronic media-related issues. This year's forum meeting was held in January in New York City, and included 21 staff members from 15 member companies. The NEA enabled OPERA America to provide travel stipends to those traveling more than 150 miles. In this meeting, companies presented their own case studies on issues including radio and social networking, television simulcasting and television production of new works, each of which was assessed and analyzed by Bronson and Kluger.

OPERA America's **National Trustee Forum** was formed in 2005 to create a deeper understanding of the most pressing governance issues challenging the field of opera and to explore ways OPERA America can respond. Twenty-six professional opera companies are currently represented on the forum. Shared best practices and year-round networking opportunities continue to make the National Trustee Forum a highly valued resource for opera company board members. In February 2010, the National Trustee Forum held the first of its two annual meetings in New York City. The three-day agenda included a comparative financial analysis of the 17 companies represented around the table over the last 10 years. The forum also featured a two-part presentation led by Bruce Thibodeau, president of Arts Consulting Group, entitled *Creating a Dynamic Five-Star Board and Strategic Planning in Action*. The National Trustee Forum next met during the *Opera Conference* in Los Angeles. Deloitte sponsored this meeting at which Thibodeau returned to lead the two-part agenda with his colleague, Vice President Lee Kappelman. They spoke about fundraising, and board development with a focus on diversity and evaluation.

The **Singer Training Forum**, comprised of stakeholders in the opera field who are dedicated to the identification and development of aspiring singers, also met twice over the year, in September 2009 in New York City and at the *Opera Conference* in June 2010. At the first meeting, members discussed career paths for singers outside of traditional Young Artist Programs, and ways to both redefine success and make artists aware of alternative paths to success. As a result of that meeting, OPERA America has begun a series of artist profiles meant to shed light on the many ways people in opera can make a living. The second meeting focused on training program models, beginning with a site visit to OperaWorks, a program at California State University, Northridge, that takes a holistic approach to singer training. Representatives of Houston Grand Opera spoke about their more traditional program, HGO Studio, and the meeting finished with an audition by singers from Los Angeles Opera's Domingo-Thornton Young Artist Program.

The **Technical Production Forum**, an expansion and continuation of the well-established Technical/Production Committee, consists of a small group of production and technical administrators who also meet twice annually. The Forum is growing to include a larger membership, with the goal of more clearly identifying and addressing commonly held concerns in all areas of opera production.

The Education Committee has also grown into the **Education Forum**, and gathered for its second meeting in November 2009 in New York City. Discussions led to the formalization of education language in OPERA America's strategic plan, the selection of new *Online Learning* courses and more. In conjunction with OPERA America's strategic plan, the expanded Forum will allow for broader, more inclusive development of strategies and ideas to strengthen opera education and community service.

Artistic Services



Of artists surveyed by OPERA America, 78% said they use OPERA America as their primary source of information for career advice. Almost 40% said the *Making Connections* series resulted in a business connection or opportunity. 100% said they met people or came away with ideas that would help their career in business. These statistics, gathered this past year, are testament to the quality of artistic services offered by OPERA America.

Salon Series: Exploring American Voices

The 2009-2010 season OPERA America's popular showcase for contemporary American opera and songs featured three evenings of music by some of today's leading composers. Programs included:

- **Excerpts from Stewart Wallace and Amy Tan's *The Bonesetter's Daughter***, performed by soprano Nicole Mitchell, mezzo-soprano Mike Shigematsu, traditional Chinese vocalist Qian Yi, pianist Timothy Long and composer Stewart Wallace. The evening was presented in collaboration with Schott Music NY.
- **A selection of songs by Ricky Ian Gordon**, performed by soprano Devon Guthrie, mezzo-soprano Rebecca Jo Loeb, tenor John Myers, baritone Aaron Theno and composer/pianist Ricky Ian Gordon. The evening was presented in collaboration with Carl Fischer Music.
- **Excerpts from Tod Machover's *Death and the Powers***, performed by soprano Joëlle Harvey, baritone James Madalena, pianist John McDonald and composer Tod Machover on electronics. The evening was presented in collaboration with Boosey & Hawkes.

Making Connections

OPERA America's professional development program for aspiring and emerging opera artists ran from September 30, 2009 to May 26, 2010, giving attendees the opportunity to learn from and network with important industry professionals including Joyce DiDonato, John Conklin, Martina Arroyo, Harolyn Blackwell, Darren K. Woods and William Burden. The 2009-2010 season of also featured the first-ever live stream of a *Making Connections* session on the OPERA America website, allowing artists across the country to share in the learning. The season's topics included:

- Audition Advice for Singers
- Master Class with Lauren Flanigan
- An Evening with Designer John Conklin
- Social Networking in the Life of an Opera Artist
- Strategic Planning for Independent Artists
- Master Class with Harolyn Blackwell
- Tax Issues for Artists
- High School Singer Open House
- Master Class with William Burden
- Fundraising for Independent Artists
- An Evening with Martina Arroyo on Role Preparation
- Building and Managing Your Network

Regional Workshops

Each year, OPERA America staff members host business workshops for artists in venues around the country. These day-long seminars help students and aspiring artists learn the business of opera and connect with experts from the field. Sessions focus on the non-artistic aspects of a career, including resumes, auditions, professional decorum and building a professional network. OPERA America creates an atmosphere that encourages

connections among registrants and panelists. Four workshops were held during the 2009-2010 season:

- September 2009: Workshop for Singers in Kansas City, MO
- October 2009: Workshop for Singers in Ithaca, NY
- February 2010: Workshop for Singers in Cincinnati, OH
- February 2010: Technical/Production Workshop in Cincinnati, OH

(See page 7 for details of the Singer Training Forum and Technical/Production Forum.)



Trustees





OPERA America believes that the health of every opera company is determined in large measure by the commitment and effectiveness of its trustees. Throughout this past year OPERA America continued to provide important programs and resources to support these key decision-makers who are helping to define opera's present and shape its future.

The **National Opera Trustee Recognition Awards**, chaired by OPERA America Vice Chairman Frayda Lindemann and made possible by Bank of America, took place at a private club in New York City in February 2010. The guest list was a "who's who" of opera leaders, general directors and OPERA America board members along with honorees' family members and friends. The 2010 honorees included Marc I. Stern, Los Angeles Opera; Jeffrey A. Evershed, Portland Opera; Fred and Eve Simon, Opera Omaha; and Benjamin Keaton, Long Leaf Opera Company (NC). All were recognized and celebrated for exemplary leadership, exceptional support and strong audience-building efforts.

Turkish-American composer Kamran Ince performed new music from his developing opera, *Judgment of Midas*, using authentic Turkish instruments and providing the gateway into the setting of this ancient Greek myth. Metropolitan Opera Maestro J. David Jackson, accompanied by fellow music director Jonathan Khuner, conduct-

ed celebrated baritone Richard Bernstein as Apollo in his musical duel with New York City Opera tenor Matt Morgan's forest god Pan. Nicole Mitchell, Sarah Nelson Craft, Sarah Moulton and Heather Meyer also sang.

The **Trustee Designee Program**, funded by Deloitte, is one of the benefits of Professional Company Membership with OPERA America. Through this program, OPERA America annually extends complimentary one-year memberships for up to three trustees designated from among current board members of all member companies. An Individual Membership with OPERA America provides trustees with the information and resources they need for:

- A broader and keener awareness of the critical issues facing the field
- Increased knowledge of best practices
- Enhanced leadership and stewardship skills

As trustees become more informed about the world of opera, the opera company benefits both short- and long-term. Seventy-three trustee designees representing 30 professional company members participated in the program last year.

(See page 7 for discussion of the National Trustee Forum.)

Development



The programs and activities of OPERA America are possible only with strong support from individual donors, foundations and corporate and government grants. Contributed income comprised 62% of OPERA America's overall revenue last year.

Individual Support

Nearly 300 individual donors across the U.S. now support OPERA America. While their primary commitment is (and should be) to their local companies, these generous opera lovers also choose to support the only national organization serving the entire field. Donors recognize the value of our services and often point to specific areas within their respective companies where OPERA America provided assistance.

Last year individual donors contributed \$447,453 — more than double the previous year's Annual Fund total (also a record) of \$209,309. These gifts included a number of individual major gifts that were made in honor of OPERA America's 40th anniversary and Marc A. Scorca's 20th as President & CEO. These increased Annual Fund contributions provide special support for the professional development program expansion that is a central component of the dual anniversary celebration and the strategic plan.

Foundation, Corporate and Government Support

OPERA America receives 42% of its contributed income from foundations, corporations and government grants. The declining foundation support that many of our member companies are experiencing is also a reality for OPERA America, exacerbated by the fact that fewer and fewer foundations are supporting national service organizations regardless of economic conditions. Yet due to the vision and generosity of several such as The Andrew W. Mellon Foundation and MetLife Foundation, to name but two, OPERA America

has increased its technology-based resources and made its *Music! Words! Opera!* program available to four additional local school communities in the coming year.

Support from the William Penn and The James Irvine Foundations enabled general directors from small-budget opera companies to attend the 2010 Annual *Opera Conference* in Los Angeles to meet colleagues and take home best practices. Foundation grants were also received from the Amphion, Arthur F. and Alice E. Adams Family, and Ann and Gordon Getty Foundations; also, the Booth Ferris and Baisley Powell Elebash Foundations made major grants in support of the Opera Center. Generous corporate support from Bank of America, Deloitte and Wells Fargo helped OPERA America provide vital trustee skills development and annual recognition programs.

The National Endowment for the Arts continued its critically important support of the field through funding to OPERA America. NEA support provided travel assistance to the Technical/Production, Singer Training, Education and Electronic Media Forums and Committee meetings, as well as a Singer Workshop in Ohio. A Recovery Act grant preserved a key staff position threatened by the economic decline. Funding also facilitated the second annual NEA Opera Honors. Government funding was provided by the New York State Council on the Arts for Artists Workshops in upstate New York. The New York City Department of Cultural Affairs once again provided crucial support for *Making Connections* in New York City.

OPERA America remains deeply grateful for all the generosity and commitment of its individual, foundation, corporate and government donors and partners throughout the past year. Please see pages 26 – 29 for the complete list of supporters we are proud to acknowledge.



Education and Community Service



Education has always been one of OPERA America's core tenets, demonstrated by the fact that the organization supports a fully dedicated education program. From curricular programs to professional development and beyond, initiatives continually seek to engage established audiences and attract new ones. Recently, OPERA America formally recognized the crucial role of community outreach by expanding the network name to Education and Community Service.

Music! Words! Opera!

Music! Words! Opera! (M!W!O!) is OPERA America's landmark curriculum program for students. Designed in the late 1980s, it introduces students to the great operas while guiding them through the process of creating an original piece that they compose, produce and perform.

The summer of 2010 marked the 20th anniversary of *M!W!O!*. Six opera companies hosted teacher training workshops: Central City Opera, Fort Worth Opera, Opera Cleveland, Opera Theatre of Saint Louis, Utah Symphony | Utah Opera and Vancouver Opera. To date, the series has reached more than 32,000 students, nearly 1,300 educators and over 600 arts programs.

In 2008-2009, with the support of MetLife Foundation, OPERA America commenced a much-needed revision of the program. The new curriculum, to be released in the fall of 2010, will be published by GIA Publications of Chicago. A new granting opportunity, also supported by MetLife, will provide funds for five opera companies to offer the program in their communities through teacher workshops. The teacher workshop grants will ensure that *M!W!O!* continues to reach teachers, students and communities in a meaningful way for another two decades and beyond.

North American Opera Journal

In 2009, OPERA America identified the need for scholarly review of opera created and produced in North America. The *North*

American Opera Journal engages in new scholarship, extending OPERA America's reach into the academic community. The new publication will be the first journal specific to the field of opera in the United States, Canada and Mexico. The *Journal* will delve into issues of opera history, aesthetics, cultural/interdisciplinary studies, business, music and libretto composition, production, reception, performance practice and more.

Michael Pisani, professor of music at Vassar College, is consulting editor to the *Journal*, along with an academically and geographically diverse review committee. The *Journal* will be published twice each year, with submissions welcomed on a rolling basis.

Online Learning

The 2009-2010 season of *Online Learning* was one of OPERA America's most successful to date, with two courses presented over a period of several weeks. 88% of respondents surveyed said the course would help them have a better live operagoing experience; 96% said they would take another online learning course through OPERA America. The courses were offered to hundreds of patrons through partnerships with opera companies throughout North America. The 2009-2010 season included the following courses:

- Giacomo Puccini's *La bohème*: October 20 – November 17, 2009
Instructed by John Glover
Partner Companies: Arizona Opera, Austin Lyric Opera, Hawaii Opera Theatre, Opera in the Heights (TX), Portland Opera (OR), Virginia Opera
- Richard Wagner's *Der Ring des Nibelungen*: April 6 – June 1, 2010
Instructed by Thomas May
Partner Company: Los Angeles Opera (in conjunction with OPERA America's 2010 *Opera Conference*)

OPERA America invites companies and organizations to offer *Online Learning* courses to their audiences. Licensing rates start as low as \$250, and courses are currently available on the following operas: *The Barber of Seville*, *La bohème*, *Brief Encounter*, *La Cenerentola*, *Don Giovanni*, *Hansel and Gretel*, *Macbeth*, *Madama Butterfly*, *The Marriage of Figaro*, *Nixon in China*, *Der Ring des Nibelungen*, *Samson et Delila* and *La traviata*.

Learning Center

This year, OPERA America redesigned its central online repository of opera information, the Learning Center. The update expanded a hub of background information — synopses, biographies, insightful articles, resources for audio, video and books, and scholarly papers — from 20 operas to 50. The wide range of materials is designed to be used by opera administrators, artists and academics alike. Ten American operas were also added during the summer of 2010, which include *Amahl and the Night Visitors*, *Candide*, *Little Women*, *The Consul*, *The Ballad of Baby Doe*, *Of Mice and Men*, *The Threepenny Opera*, *Street Scene*, *Sweeney Todd* and *The Crucible*.

Updates include the creation of an extensive timeline of opera, which contains details about major opera periods and essays about composers, history and style. In particular, the timeline focuses on North American composers and their operas. The information is available to the general public, but is particularly useful for OPERA America members as a resource to which they can link to enhance their own offerings to opera lovers and newcomers to the art form.

The **Opera for Youth Directory**, a listing of operas for young performers which went live on the OPERA America website in 2008, expanded by about 20 works over the past year.

(See page 7 for discussion of the Education Forum.)

Advocacy and Public Policy





PERA America, as a founding member of the Performing Arts Alliance, represents the interests of the opera field before Congress, the White House and federal government agencies. OPERA America's advocacy efforts are further bolstered by participation in the Cultural Advocacy Group and membership in Independent Sector, the national organization representing the nonprofit field.

This past year, OPERA America has advocated in support of:

- Improving the visa process for foreign guest artists
- Increasing annual appropriations for the National Endowment for the Arts
- Increasing arts education funding and research at the Department of Education
- Strengthening arts education in the Elementary and Secondary Education Act
- Protecting wireless microphones and other wireless audio technology
- Reinstating, and making permanent, the IRA Charitable Rollover giving incentive
- Strengthening cultural exchange and cultural diplomacy opportunities
- Preserving a free and open Internet; network neutrality
- Supporting the arts in stimulating the economy; job creation in the arts
- Strengthening opportunities for the arts to partner with the national service programs
- Reinstating the fair market value artist deduction; tax fairness for artists and writers

In addition to advancing public policy in support of the arts, OPERA America continues to inform and engage members in advocacy efforts. Over the past year, OPERA America members have had the opportunity to participate in national

webinars on health care reform, tax withholdings for foreign guest artists and visa processing for foreign guest artists. As a member benefit, all OPERA America members have received e-mail action alerts in support of the National Endowment for the Arts, arts in education policy and visa policy for foreign guest artists. And, advocacy and public policy has been incorporated into the Education Forum, the Electronic Media Forum and the conference roundtable sessions.

Highlights of Developments in Key Issue Areas:

Visa Policy for Foreign Guest Artists

OPERA America has remained active in advocating for an improved visa processing system for artists. Our advocacy efforts include participating in the Performing Arts Visa Working Group, conducting meetings with key members of Congress, filing comments and participating in meetings with U.S. Citizenship and Immigration Services (USCIS) and participating in meetings hosted by the White House.

Following extensive efforts by performing arts advocates, USCIS announced that all processing times for regularly filed artist visa petitions will not exceed 14 days. In a meeting with public stakeholders in July 2010, the agency also promised that significant improvements to the quality of artist visa processing will be underway as the agency revises its policy and training programs for the two service centers that process artist visa petitions.

White Space Issue

OPERA America has focused on seeking licensing eligibility for wireless microphones used in the performing arts. Advocacy efforts have included meetings at the Federal Communications Commission (FCC), filing comments in public proceedings and member communications.

For the past 35 years, wireless microphones have been used throughout the performing arts industry while being ineligible to apply for a license which would offer protection from interference. Due to the many changes taking place within the radio frequency spectrum, where wireless microphones operate, the FCC is now considering proposals to expand licensing eligibility to include the performing arts.

In January 2010, the FCC adopted rules to ban wireless microphones (including wireless headsets used backstage) from the 700 MHz band of the broadcast spectrum. Wireless microphone users had until June 12, 2010 to vacate this area of the spectrum, which is now operated by AT&T, Verizon and public safety First Responders.

Charitable Giving

As a member of Independent Sector, OPERA America has immediate access to detailed analysis of charitable giving issues, and a seat at the table with the larger nonprofit community to discuss and strategize how to positively affect charitable giving policies.

As of December 31, 2009, both the IRA Charitable Rollover and the Estate Tax have expired. The IRA Rollover allows individuals age 70½ and older to make charitable gifts from their IRAs tax-free, up to a total of \$100,000 per year. OPERA America continues to advocate for the IRA Charitable Rollover to be reinstated and made permanent. The Estate Tax serves as a strong incentive for individuals to donate from their estates to charitable organizations to reduce estate tax liability. President Obama has proposed reinstating the Estate Tax at 2009 levels (\$3.5 million individual exemption, 45% rate). If Congress does not address the Estate Tax in 2010, the tax will return in 2011 at a higher rate (as high as 55%) and with a lower exemption level of \$1 million.



Health-Care Reform

In March 2010, President Obama signed the health care reconciliation measure (H.R. 4872), completing Congress' work on health care reform. Key provisions of the health care reform legislation include: a small business tax credit; a state-based health insurance exchange program; a requirement that health plans give the option for young people up to the age of 26 to remain on their parents' insurance policy; a mandate that individuals shall not be denied coverage based on pre-existing conditions; and a requirement that all U.S. citizens and legal residents obtain health insurance or pay a penalty of up to \$695 per adult.

Arts Education

OPERA America advocates for arts education as a member of the Arts Education Legislative Working Group, an ad-hoc coalition comprised of members of the Cultural Advocacy Group and the Arts Education Partnership. Arts Education issues have involved reauthorization of the Elementary and Secondary Education Act (ESEA) and Arts in Education appropriations and research.

In January 2010, OPERA America attended an arts stakeholders meeting at the Department of Education on reauthorizing the ESEA. During the meeting, arts advocates highlighted our legislative asks for arts education, which include:

- Maintaining the arts in the definition of core subjects of learning
- Improving federal data and research regarding arts education
- Requiring states to annually report the status and condition of arts education
- Improving dissemination of the results of projects funded through the Department of Education Arts in Education Programs

International Cultural Exchange

OPERA America's advocacy efforts for cultural exchange have focused on communication with the State Department and the National Endowment for the Arts, State Department appropriations and member education on cultural exchange opportunities. In addition, OPERA America takes a leadership role in coordinating the Cultural Exchange Working Group, a subgroup of the Cultural Advocacy Group to strategize and take action on this issue.


Over the past year, OPERA America has been working with several other national service organizations to enhance the arts training program of cultural affairs officers at the Foreign Service Institute. OPERA America has observed the training courses and worked in coalition to develop recommendations to the Foreign Service Institute. OPERA America intends to maintain communications with the Foreign Service Institute to increase the opportunities and effectiveness of cultural exchange and cultural diplomacy efforts.

Timeline of Advocacy Activities

August 2009	Introductory meeting with the new chairman of the National Endowment for the Arts, Rocco Landesman, on his second day in office; first-ever meeting at the Corporation for National and Community Service between arts advocates and agency staff on strengthening the arts in national service.
October 2009	Webinar on health-care reform proposals, free to all members. Guest speakers on the webinar included Pat Read, vice president of public policy at Independent Sector; Derek Davis, executive director of AGMA's health and retirement plans; and David Bennett, managing director of Gotham Chamber Opera.
November 2009	Meetings with leadership of USCIS to discuss visa issues for artists; Education Forum includes a session on grassroots advocacy; OPERA America board member conducts legislative visits on Capitol Hill.
December 2009	Convening of national service organizations at the National Endowment for the Arts to discuss the 2008 Survey of Public Participation in the Arts (SPPA); the IRA Rollover and the Estate Tax expire; the Performing Arts Alliance holds quarterly board meeting.
January 2010	The Performing Arts Alliance is invited to a meeting with the Domestic Policy Council at the White House along with Americans for the Arts; Electronic Media Forum includes a discussion on federal policy issues; Arts Stakeholders Forum on Arts Education at the U.S. Department of Education; the FCC bans wireless microphones from the 700 MHz band of the radio broadcasting spectrum.
February 2010	Attendance at the Foreign Service Institute to observe and offer suggestions for strengthening the arts training for Cultural Affairs Officers and Public Affairs Officers.
March 2010	Webinar on tax withholdings for foreign guest artists featuring tax expert Robyn Williams, co-author of the Artists From Abroad website; submission of testimony to the House Interior Appropriations Subcommittee on the importance of funding for the National Endowment for the Arts; meeting at the FCC to advocate in support of licensing for wireless microphones used in the performing arts; the Performing Arts Alliance holds quarterly board meeting.
April 2010	Webinar on visa processing with Jonathan Ginsburg and Andi Floyd of FTM Arts Law; national co-sponsor of Arts Advocacy Day in Washington, D.C.; Performing Arts Alliance files comments with the FCC on net neutrality.
May 2010	Conference call hosted by the White House on visa processing issues for artists; submission of testimony to the Senate Interior Appropriations Subcommittee on the importance of funding for the National Endowment for the Arts; OPERA America, the League of American Orchestras and Dance/USA file Ex Parte Comments with the FCC on licensing eligibility requirements for wireless microphones; the Performing Arts Alliance holds quarterly board meeting.
June 2010	Attendance at the Foreign Service Institute to observe and offer suggestions for strengthening the arts training of Cultural Affairs Officers and Public Affairs Officers.
July 2010	Following efforts of the Performing Arts Visa Working Group (of which OPERA America is an active member), USCIS promises to review O and P visa petitions within 14 days and to greatly improve the artist visa process.

Opera in the Public and Media Eye



 PERA America not only supports its membership base, but also seeks to promote the art form to the public and the media.

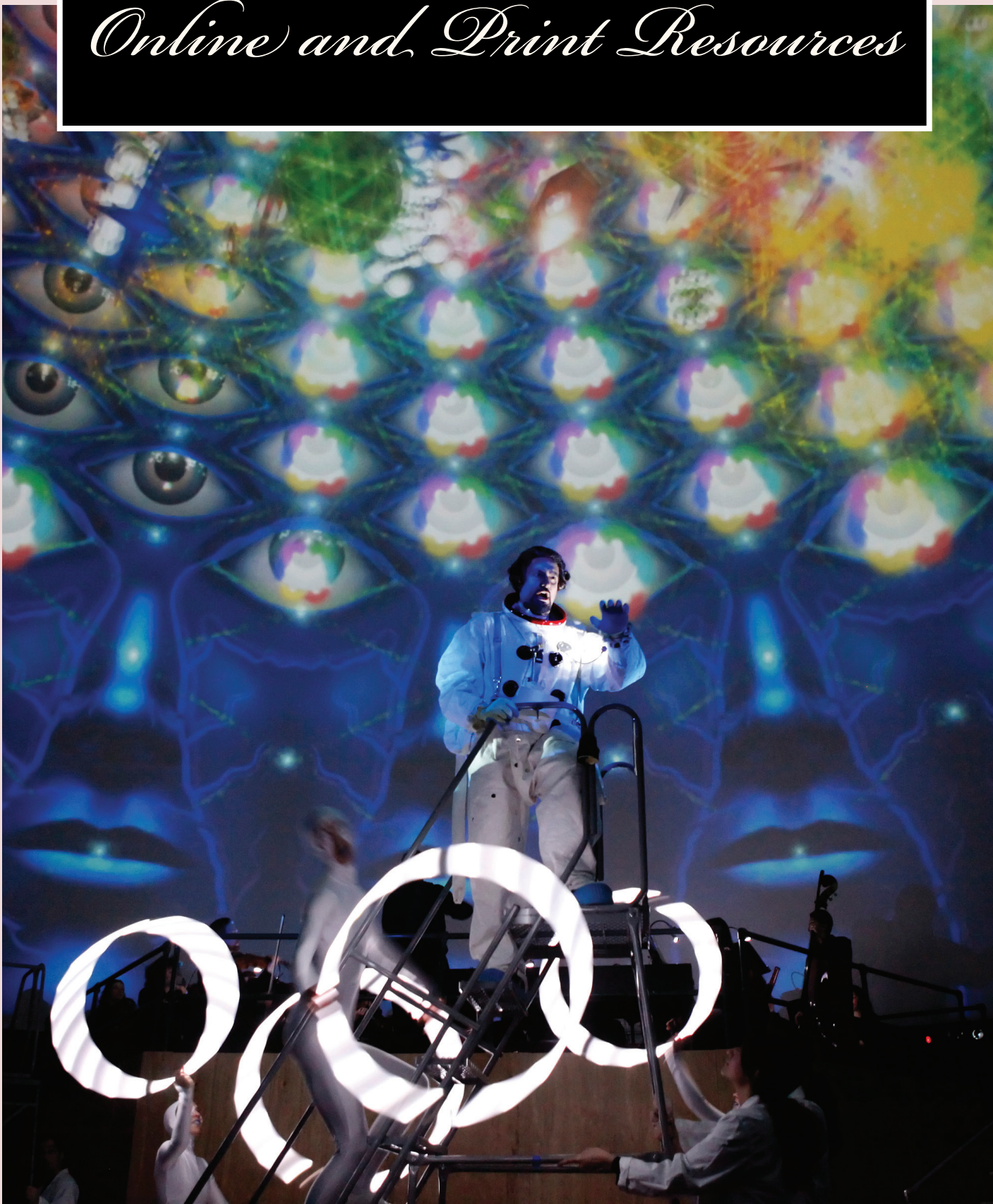
2009 marked the second annual **NEA Opera Honors**, open to the public and held at Washington, D.C.'s Harman Center for the Arts. This year's honorees included composer John Adams, stage director and librettist Frank Corsaro, mezzo-soprano Marilyn Horne, general director Lotfi Mansouri and conductor Julius Rudel.

In conjunction with the second year of the NEA's Opera Honors, OPERA America helped launch the inaugural **National Opera Week** in mid-November, during which opera companies engaged the public in a variety of free and fun activities such as backstage tours, YouTube contests and flash performances — events designed to encourage people to experience opera, some for the first time. Over 100 organizations participated in National Opera Week, including 62 Professional Company Members and 18 Associate Members, and participants joined in from 31 states.

OPERA America President & CEO Marc A. Scorca has been interviewed or cited by 27 news outlets over the past year, on topics ranging from the economy's impact on opera to National Opera Week to ticket prices. OPERA America has itself generated news by issuing 10 press releases about awards, special events for artists and other opera opportunities of interest to the public. And of course OPERA America maintains a lively presence on Twitter and Facebook, where the organization enjoys the attention of over 2,500 fans.



Online and Print Resources



On the occasion of its 40th anniversary, OPERA America's **website** features a new page dedicated to celebrating the organization's history. A timeline of industry news, salient opera events and other details offers a rich look at 40 years of artistic and professional change. In addition, the page features "In Their Voices," a series of interviews with some of OPERA America's past leaders. The Education page of the website has also seen a marked overhaul, with streamlined services for education professionals and an historical opera timeline that members are invited to plumb for their own patrons.

OPERA America has substantially boosted **multimedia** content on its website, adding general and open sessions from *Opera Conference 2010*, and archiving webinars on an ongoing basis, ensuring that no professional development opportunity needs to be missed. The materials serve a historical and informational purpose, providing members with interactive web elements that may be either of passing interest or a deeper professional development experience.

News about opera is housed on the homepage, conveniently aggregated so that members and non-members can easily stay up-to-date on developments in the field. The website also offers the option to subscribe to the news feed, making it easy to stay current. OPERA America's electronic services were further enhanced by the streamlined e-newsletter **OperaLink**, offering membership news, upcoming artist opportunities, literature and articles, and updates on OPERA America's services all in a once-a-month bundle. Twelve issues of *OperaLink* appeared over the past year, sent to approximately 16,000 subscribers.

The North American Works Directory is the online hub for information about North American opera and music-theater works, and is the largest compendium of its kind. This Directory provides information on vocal parts, orchestration, musical style, length, source materials, synopsis and contact information, as well as premiere dates, locations and artistic personnel. Each opera's Directory record also includes information on past and



future performances produced by OPERA America's organizational members. When this resource premiered on the OPERA America website, the Directory featured data for 700 North American operas. In the past year, additions submitted by member publishers, composers and companies, as well as OPERA America staff have increased the directories listings to over 1,100 listings and counting. Efforts continue to research and add North American works that are eligible for inclusion.

A physical counterpart to the online directory, the **Baisley Powell Elebash Score Library**, includes scores, libretti and recordings of North American operas. OPERA America's holdings continued to become more robust this year, owing to individual and institutional donations.

Opera America Magazine published four issues, featuring the organization's 40th anniversary and Marc A. Scorca's 20 years of leadership, National Opera Week, OPERA America's role in the promotion of American works, the state of co-productions in the field, and an education issue on, among other things, the 20th anniversary of *Music! Words! Opera!*.

Financial Position





PERA America closed FY10 with a surplus of \$11,049. Despite some foundation gift declines and a 5% drop in membership dues, conference registration revenue exceeded expectations by \$35,000 and the 40th Anniversary Campaign surpassed its goal by nearly \$50,000. OPERA America did not take an endowment draw in FY10 for the second consecutive year; however, the *Opera Fund* endowment did return to a level above its historic dollar value in the Spring 2010, and the board of directors authorized OPERA America to draw \$250,000 for FY11 repertoire development grant awards and related administration.

STATEMENT OF FINANCIAL POSITION

Assets

Cash and equivalents	\$1,746,120
Investments	\$6,499,973
Accounts receivable	\$218,464
Grants and pledges receivable	\$334,250
Prepaid expenses	\$44,858
Property and equipment	\$59,996
Security deposit	\$65,835
<i>Total Assets</i>	<i>\$8,969,496</i>

Liabilities

Accounts payable and accrued expenses	\$182,773
Grants payable	\$86,000
Deferred revenue	\$137,511
Funds held on behalf of others	\$186,225
Deferred rent	\$3,762
<i>Total liabilities</i>	<i>\$596,271</i>

Net Assets

Unrestricted	\$1,090,265
Temporarily Restricted	\$1,893,928
Permanently Restricted	\$5,389,032
<i>Total Net Assets</i>	<i>\$8,373,225</i>

STATEMENT OF ACTIVITIES

Operating Revenue FY10 (unaudited)

Membership dues	\$741,527
Grants and Annual Fund	\$573,610
Investment income	\$6,249
Seminars, workshops, conference	\$293,773
Publications, advertising	\$37,891
Miscellaneous income	\$17,223
Net assets released from restriction	\$1,182,807
<i>Total Operating Revenue</i>	<i>\$2,853,080</i>

Expenses

Membership	\$308,241
Public affairs	\$95,088
Public relations/marketing	\$43,375
NEA Opera Honors	\$479,880
Information Services/Publications	\$401,487
Education	\$114,658
Conferences and meetings	\$337,655
<i>Opera Fund</i> program and artistic initiatives	\$215,277
Total program services	\$1,995,661
General finance and administration	\$602,406
Fundraising activity	\$243,964
Total supporting services	\$846,370
<i>Total Expenses</i>	<i>\$2,842,031</i>
Change in Net Assets	\$11,049

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OPERA America is enormously grateful to the following individuals, foundations and public agencies who have demonstrated leadership in helping us establish The Opera Fund, which supports the creation, production and enjoyment of new North American operas and related audience development activities. Launched with the initial support of the National Endowment for the Arts, The Opera Fund is supported by:

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OPERA America is pleased to acknowledge leadership support of OPERA America's relocation to New York City and the initial planning of The Opera Center.

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The 2009 Annual Field Report



The 2009 Annual Field Report

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

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						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%				

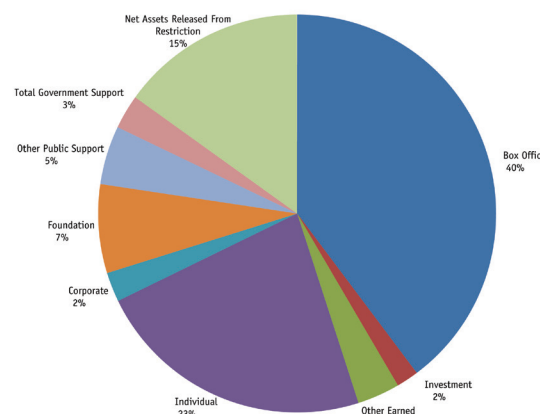
Revenue

US Constant Sample Group of (10) Level 1 Companies

	2005		2006		2007		2008		2009		Percentage Change		4-yr Annualized Growth Rate	
											1-yr	4-yr	Actual	Infl. Adj.
Earned Revenue														
Box Office	\$11,140,626	37.6%	\$11,089,982	39.8%	\$11,550,696	36.6%	\$11,350,847	38.7%	\$11,348,928	48.0%	0.0%	1.9%	0.5%	-1.9%
Investment	\$2,246,900	7.6%	\$1,804,669	6.5%	\$3,838,566	12.1%	(\$302,784)	-1.0%	(\$5,039,106)	-21.3%	--	--	--	--
Other Earned	\$1,231,266	4.2%	\$1,559,406	5.6%	\$1,609,638	5.1%	\$1,720,512	5.9%	(\$1,181,215)	-5.0%	--	--	--	--
Total Earned Revenue	\$14,618,793	49.4%	\$14,454,057	51.8%	\$16,998,901	53.8%	\$12,768,575	43.5%	\$5,128,606	21.7%	-59.8%	-64.9%	-23.0%	-25.4%
Contributed Revenue														
Private Support														
Individual	\$6,148,097	20.8%	\$6,454,716	23.1%	\$6,549,372	20.7%	\$7,079,509	24.1%	\$6,086,680	25.8%	-14.0%	-1.0%	-0.3%	-2.6%
Corporate	\$633,394	2.1%	\$635,261	2.3%	\$673,469	2.1%	\$689,032	2.3%	\$749,281	3.2%	8.7%	18.3%	4.3%	1.9%
Foundation	\$1,872,220	6.3%	\$1,606,095	5.8%	\$2,005,963	6.3%	\$2,248,479	7.7%	\$2,515,049	10.6%	11.9%	34.3%	7.7%	5.3%
Other Private Support	\$1,553,714	5.2%	\$1,350,236	4.8%	\$1,193,231	3.8%	\$1,163,339	4.0%	\$1,595,432	6.4%	29.4%	-3.1%	-0.8%	-3.2%
Total Private Support	\$10,207,426	34.5%	\$10,046,309	36.0%	\$10,422,036	33.0%	\$11,180,359	38.1%	\$10,856,442	46.0%	-2.9%	6.4%	1.6%	-0.8%
Total Government Support	\$676,400	2.3%	\$803,525	2.9%	\$865,234	2.7%	\$886,101	3.0%	\$729,397	3.1%	-17.7%	7.8%	1.9%	-0.5%
Total Contributed Revenue	\$10,883,826	36.7%	\$10,849,834	38.9%	\$11,287,270	35.7%	\$12,066,460	41.1%	\$11,585,839	49.0%	-4.0%	6.5%	1.6%	-0.8%
Net Assets Released From Restriction	\$4,114,686	13.9%	\$2,581,488	9.3%	\$3,313,708	10.5%	\$4,495,901	15.3%	\$6,911,751	29.3%	53.7%	68.0%	13.8%	11.5%
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

Level 1 CSG Revenue Sources (5-Year Average)



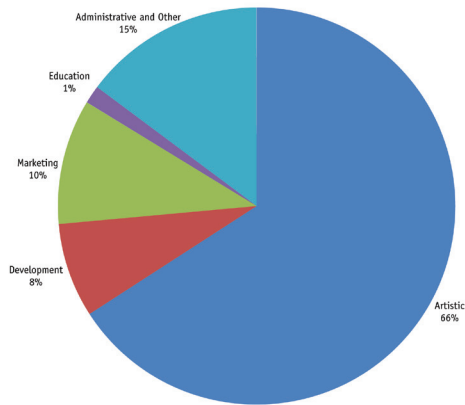
Expenses

US Constant Sample Group of (10) Level 1

	2005		2006		2007		2008		2009		Percentage Change		4-yr Annualized Growth Rate	
											1-yr	4-yr	Actual	Infl. Adj.
Personnel														
Artistic	\$10,241,082	35.6%	\$9,678,795	34.4%	\$10,321,616	33.1%	\$10,659,505	33.9%	\$10,906,030	33.6%	2.3%	6.5%	1.6%	-0.8%
Production & Technical	\$5,038,203	17.5%	\$5,116,865	18.2%	\$5,253,213	16.9%	\$5,698,102	18.1%	\$5,831,006	17.9%	2.3%	15.7%	3.7%	1.3%
Singer Training	\$310,448	1.1%	\$283,078	1.0%	\$316,307	1.0%	\$313,250	1.0%	\$317,257	1.0%	1.3%	2.2%	0.5%	-1.8%
Marketing/PR/Box Office	\$960,728	3.3%	\$962,291	3.4%	\$1,074,746	3.5%	\$1,167,017	3.7%	\$1,154,473	3.6%	-1.1%	20.2%	4.7%	2.3%
Development	\$1,020,658	3.6%	\$1,050,323	3.7%	\$1,124,684	3.6%	\$1,271,387	4.0%	\$1,312,318	4.0%	3.2%	28.6%	6.5%	4.1%
Education	\$319,023	1.1%	\$330,475	1.2%	\$330,771	1.1%	\$341,334	1.1%	\$341,440	1.1%	0.0%	7.0%	1.7%	-0.7%
Administrative	\$1,722,716	6.0%	\$1,631,205	5.8%	\$1,998,535	6.4%	\$1,914,350	6.1%	\$1,752,564	5.4%	-8.5%	1.7%	0.4%	-1.9%
Total Personnel Expense	\$19,612,859	68.2%	\$19,053,031	67.7%	\$20,419,873	65.6%	\$21,364,944	67.9%	\$21,615,086	66.5%	1.2%	10.2%	2.5%	0.1%
Non-Personnel														
Production	\$3,265,134	11.4%	\$3,123,998	11.1%	\$4,237,726	13.6%	\$3,664,255	11.6%	\$4,174,518	12.8%	13.9%	27.9%	6.3%	4.0%
Broadcasting, Recording & Internet Expense	\$36,967	0.1%	\$18,960	0.1%	\$96,851	0.3%	\$137,480	0.4%	\$390,048	1.2%	183.7%	955.1%	80.2%	77.9%
Singer Training	\$93,331	0.3%	\$108,975	0.4%	\$221,081	0.7%	\$122,841	0.4%	\$128,775	0.4%	4.8%	38.0%	8.4%	6.0%
Marketing/PR/Box Office	\$1,988,879	6.9%	\$1,926,516	6.8%	\$1,939,323	6.2%	\$2,082,742	6.6%	\$2,233,296	6.9%	7.2%	12.3%	2.9%	0.6%
Development	\$1,129,602	3.9%	\$1,192,741	4.2%	\$1,182,431	3.8%	\$1,236,277	3.9%	\$1,151,321	3.5%	-6.9%	1.9%	0.5%	-1.9%
Education	\$120,555	0.4%	\$124,228	0.4%	\$105,921	0.3%	\$121,514	0.4%	\$96,363	0.3%	-20.7%	-20.1%	-5.4%	-7.8%
Administrative	\$2,059,801	7.2%	\$2,042,875	7.3%	\$2,443,125	7.8%	\$2,276,119	7.2%	\$2,219,717	6.8%	-2.5%	7.8%	1.9%	-0.5%
Other Earned Income Expenses	\$429,906	1.5%	\$540,394	1.9%	\$503,894	1.6%	\$465,567	1.5%	\$488,524	1.5%	4.9%	13.6%	3.2%	0.9%
Total Non-Personnel Expense	\$9,124,174	31.8%	\$9,078,686	32.3%	\$10,730,351	34.4%	\$10,106,795	32.1%	\$10,882,563	33.5%	7.7%	19.3%	4.5%	2.1%
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

Level 1 Expense Allocation By Department (5-Year Average)



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

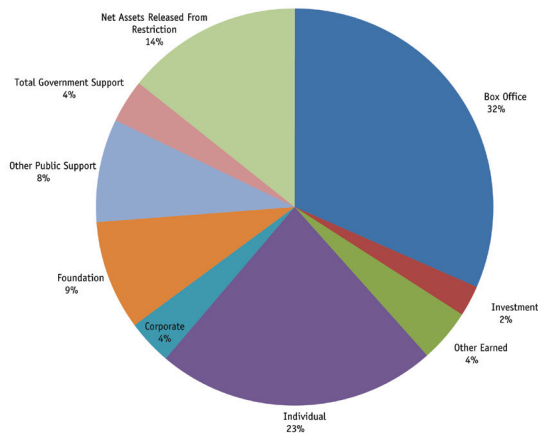
	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Total Unrestricted Revenue	\$5,609,170	\$5,741,004	\$6,260,488	\$6,923,356	\$5,941,420	-14.2%	5.9%	1.4%	-0.9%
Total Expense	\$5,660,181	\$6,040,721	\$6,604,965	\$6,741,644	\$6,655,825	-1.3%	17.6%	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	32.6%	\$1,932,289	33.7%	\$1,915,263	30.6%	\$2,038,774	29.4%	\$1,913,087	32.2%	-6.2%	4.5%	1.1%	-1.3%
Investment	\$221,611	4.0%	\$267,263	4.7%	\$410,128	6.6%	\$118,682	1.7%	(\$254,974)	-4.3%	--	--	--	--
Other Earned	\$207,946	3.7%	\$196,454	3.4%	\$364,564	5.8%	\$235,308	3.4%	\$312,763	5.3%	32.9%	50.4%	10.7%	8.4%
Total Earned Revenue	\$2,259,902	40.3%	\$2,396,006	41.7%	\$2,689,954	43.0%	\$2,392,764	34.6%	\$1,970,876	33.2%	-17.6%	-12.8%	-3.4%	-5.7%
Contributed Revenue														
Private Support														
Individual	\$1,253,836	22.4%	\$1,261,796	22.0%	\$1,286,758	20.6%	\$1,620,856	23.4%	\$1,523,142	25.6%	-6.0%	21.5%	5.0%	2.6%
Corporate	\$250,691	4.5%	\$202,103	3.5%	\$230,078	3.7%	\$227,270	3.3%	\$202,098	3.4%	-11.1%	-19.4%	-5.2%	-7.6%
Foundation	\$473,070	8.4%	\$441,867	7.7%	\$672,053	10.7%	\$636,259	9.2%	\$490,046	8.2%	-23.0%	3.6%	0.9%	-1.5%
Other Private Support	\$519,041	9.3%	\$522,312	9.1%	\$472,058	7.5%	\$596,200	8.6%	\$454,199	7.6%	-23.8%	-12.5%	-3.3%	-5.7%
Total Private Support	\$2,496,639	44.5%	\$2,428,078	42.3%	\$2,660,946	42.5%	\$3,080,586	44.5%	\$2,669,485	44.9%	-13.3%	6.9%	1.7%	-0.7%
Total Government Support	\$188,859	3.4%	\$180,489	3.1%	\$252,850	4.0%	\$214,988	3.1%	\$234,854	4.0%	9.2%	24.4%	5.6%	3.2%
Total Contributed Revenue	\$2,685,498	47.9%	\$2,608,568	45.4%	\$2,913,796	46.5%	\$3,295,573	47.6%	\$2,904,339	48.9%	-11.9%	8.1%	2.0%	-0.4%
Net Assets Released From Restriction	\$663,771	11.8%	\$736,431	12.8%	\$656,738	10.5%	\$1,235,018	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%

Level 2 CSG Revenue Sources (5-Year Average)

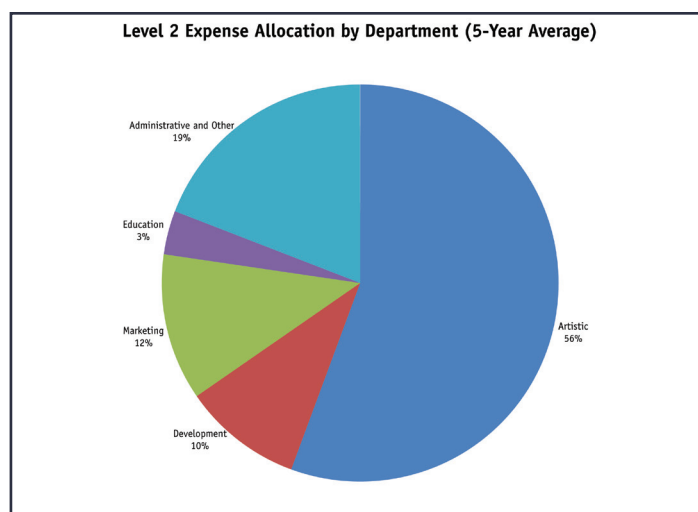


Expenses

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	25.9%	\$1,503,099	24.9%	\$1,534,330	23.2%	\$1,565,150	23.2%	\$1,735,398	26.1%	10.9%	18.2%	4.3%	1.9%
Production & Technical	\$771,016	13.6%	\$830,244	13.7%	\$819,615	12.4%	\$915,330	13.6%	\$776,040	11.7%	-15.2%	0.7%	0.2%	-2.2%
Singer Training	\$16,813	0.3%	\$27,117	0.4%	\$30,766	0.5%	\$27,211	0.4%	\$42,028	0.6%	54.5%	150.0%	25.7%	23.4%
Marketing/PR/Box Office	\$248,029	4.4%	\$285,612	4.7%	\$285,096	4.3%	\$300,793	4.5%	\$315,112	4.7%	4.8%	27.0%	6.2%	3.8%
Development	\$291,274	5.1%	\$290,444	4.8%	\$318,246	4.8%	\$334,380	5.0%	\$325,535	4.9%	-2.6%	11.8%	2.8%	0.4%
Education	\$120,219	2.1%	\$147,000	2.4%	\$140,647	2.1%	\$153,322	2.3%	\$111,534	1.7%	-27.3%	-7.2%	-1.9%	-4.2%
Administrative	\$454,575	8.0%	\$470,660	7.8%	\$504,912	7.6%	\$526,279	7.8%	\$485,983	7.3%	-7.7%	6.9%	1.7%	-0.7%
Total Personnel Expense	\$3,370,311	59.5%	\$3,554,184	58.8%	\$3,633,612	55.0%	\$3,822,465	56.7%	\$3,791,630	57.0%	-0.8%	12.5%	3.0%	0.6%
Non-Personnel														
Production	\$941,722	16.6%	\$964,762	16.0%	\$1,296,609	19.6%	\$1,112,603	16.5%	\$1,015,498	15.3%	-8.7%	7.8%	1.9%	-0.5%
Broadcasting, Recording & Internet Expense	\$5,835	0.1%	\$1,693	0.0%	\$18,828	0.3%	\$8,413	0.1%	\$1,184	0.0%	-85.9%	-79.7%	-32.9%	-35.3%
Singer Training	\$26,251	0.5%	\$34,832	0.6%	\$37,215	0.6%	\$40,689	0.6%	\$72,623	1.1%	78.5%	176.6%	29.0%	26.6%
Marketing/PR/Box Office	\$421,644	7.4%	\$462,794	7.7%	\$451,887	6.8%	\$505,164	7.5%	\$514,395	7.7%	1.8%	22.0%	5.1%	2.7%
Development	\$237,322	4.2%	\$257,171	4.3%	\$323,165	4.9%	\$355,961	5.3%	\$347,835	5.2%	-2.3%	46.6%	10.0%	7.6%
Education	\$75,674	1.3%	\$103,298	1.7%	\$75,792	1.1%	\$100,932	1.5%	\$101,238	1.5%	0.3%	33.8%	7.5%	5.2%
Administrative	\$521,115	9.2%	\$605,647	10.0%	\$677,201	10.3%	\$699,266	10.4%	\$687,188	10.3%	-1.7%	31.9%	7.2%	4.8%
Other Earned Income Expenses	\$60,305	1.1%	\$56,340	0.9%	\$90,656	1.4%	\$96,151	1.4%	\$124,233	1.9%	29.2%	106.0%	19.8%	17.4%
Total Non-Personnel Expense	\$2,289,869	40.5%	\$2,486,537	41.2%	\$2,971,353	45.0%	\$2,919,180	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.

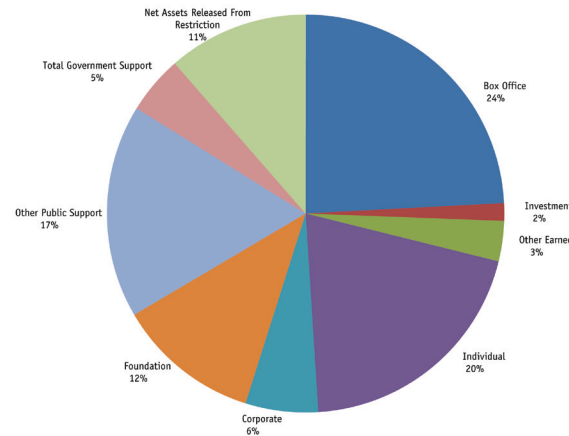
Unrestricted Net Income
US Constant Sample Group of (10) Level 3 Companies

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	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		4-yr Annualized Growth Rate	
		*		*		*		*		*	1-yr	4-yr	Actual	Infl. Adj.
Earned Revenue														
Box Office	\$509,980	25.3%	\$517,556	26.8%	\$532,314	25.1%	\$514,385	22.1%	\$471,059	22.1%	-8.4%	-7.6%	-2.0%	-4.3%
Investment	\$47,400	2.3%	\$51,099	2.6%	\$71,384	3.4%	(\$15,288)	-0.7%	(\$4,025)	-0.2%	--	--	--	--
Other Earned	\$59,552	2.9%	\$43,973	2.3%	\$51,848	2.4%	\$70,581	3.0%	\$118,656	5.6%	68.1%	99.2%	18.8%	16.4%
Total Earned Revenue	\$616,932	30.6%	\$612,628	31.7%	\$655,547	30.9%	\$569,678	24.5%	\$585,691	27.4%	2.8%	-5.1%	-1.3%	-3.7%
Contributed Revenue														
Private Support														
Individual	\$421,367	20.9%	\$394,461	20.4%	\$473,999	22.3%	\$420,441	18.1%	\$408,483	19.1%	-2.8%	-3.1%	-0.8%	-3.2%
Corporate	\$130,826	6.5%	\$138,485	7.2%	\$149,477	7.0%	\$131,165	5.6%	\$73,554	3.4%	-43.9%	-43.8%	-13.4%	-15.8%
Foundation	\$236,783	11.7%	\$259,464	13.4%	\$283,406	13.3%	\$278,362	12.0%	\$164,624	7.7%	-40.9%	-30.5%	-8.7%	-11.1%
Other Private Support	\$387,413	19.2%	\$326,388	16.9%	\$337,458	15.9%	\$347,404	14.9%	\$428,611	20.1%	23.4%	10.6%	2.6%	0.2%
Total Private Support	\$1,176,388	58.3%	\$1,118,799	58.0%	\$1,244,339	58.6%	\$1,177,372	50.6%	\$1,075,273	50.4%	-8.7%	-8.6%	-2.2%	-4.6%
Total Government Support	\$86,277	4.3%	\$122,164	6.3%	\$113,010	5.3%	\$102,674	4.4%	\$73,648	3.5%	-28.3%	-14.6%	-3.9%	-6.3%
Total Contributed Revenue	\$1,262,665	62.5%	\$1,240,963	64.3%	\$1,357,349	63.9%	\$1,280,046	55.1%	\$1,148,921	53.8%	-10.2%	-9.0%	-2.3%	-4.7%
Net Assets Released From Restriction	\$139,640	6.9%	\$77,028	4.0%	\$111,168	5.2%	\$475,251	20.4%	\$399,122	18.7%	-16.0%	185.8%	30.0%	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)

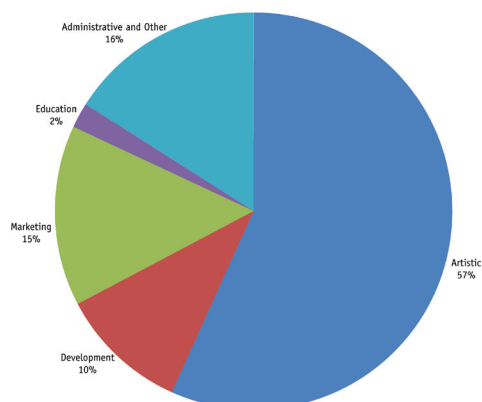


Expenses
US Constant Sample Group of (10) Level 3 Companies

	2005		2006		2007		2008		2009		Percentage Change		4-yr Annualized Growth Rate	
		*		*		*		*		*	1-yr	4-yr	Actual	Infl. Adj.
Personnel														
Artistic	\$595,158	27.4%	\$595,330	27.4%	\$603,361	27.0%	\$596,201	27.3%	\$578,132	26.8%	-3.0%	-2.9%	-0.7%	-3.1%
Production & Technical	\$258,444	11.9%	\$238,906	11.0%	\$250,090	11.2%	\$236,171	10.8%	\$227,840	10.5%	-3.5%	-11.8%	-3.1%	-5.5%
Singer Training	\$3,784	0.2%	\$770	0.0%	\$0	0.0%	\$0	0.0%	\$7,299	0.3%	--	92.9%	17.8%	15.5%
Marketing/PR/Box Office	\$107,551	5.0%	\$108,446	5.0%	\$104,666	4.7%	\$100,150	4.6%	\$82,821	3.8%	-17.3%	-23.0%	-6.3%	-8.7%
Development	\$110,655	5.1%	\$117,861	5.4%	\$119,029	5.3%	\$114,395	5.2%	\$118,214	5.5%	3.3%	6.8%	1.7%	-0.7%
Education	\$24,337	1.1%	\$33,687	1.5%	\$34,556	1.5%	\$40,660	1.9%	\$20,591	1.0%	-49.4%	-15.4%	-4.1%	-6.5%
Administrative	\$127,495	5.9%	\$132,212	6.1%	\$143,669	6.4%	\$145,344	6.6%	\$195,148	9.0%	34.3%	53.1%	11.2%	8.8%
Total Personnel Expense	\$1,227,425	56.5%	\$1,227,212	56.4%	\$1,255,371	56.3%	\$1,232,921	56.4%	\$1,230,044	56.9%	-0.2%	0.2%	0.1%	-2.3%
Non-Personnel														
Production	\$434,368	20.0%	\$387,148	17.8%	\$400,732	18.0%	\$404,657	18.5%	\$330,081	15.3%	-18.4%	-24.0%	-6.6%	-9.0%
Broadcasting, Recording & Internet Expense	\$475	0.0%	\$0	0.0%	\$1,489	0.1%	\$576	0.0%	\$0	0.0%	--	--	--	--
Singer Training	\$10,466	0.5%	\$17,136	0.8%	\$8,540	0.4%	\$4,623	0.2%	\$7,708	0.4%	66.7%	-26.3%	-7.4%	-9.7%
Marketing/PR/Box Office	\$213,739	9.8%	\$234,655	10.8%	\$233,337	10.5%	\$212,561	9.7%	\$208,070	9.6%	-2.1%	-2.7%	-0.7%	-3.0%
Development	\$98,597	4.5%	\$114,705	5.3%	\$129,509	5.8%	\$123,207	5.6%	\$103,804	4.8%	-15.7%	5.3%	1.3%	-1.1%
Education	\$10,356	0.5%	\$9,466	0.4%	\$8,750	0.4%	\$10,420	0.5%	\$30,764	1.4%	195.2%	197.1%	31.3%	28.9%
Administrative	\$144,333	6.6%	\$148,077	6.8%	\$161,148	7.2%	\$157,234	7.2%	\$190,729	8.8%	21.3%	32.1%	7.2%	4.8%
Other Earned Income Expenses	\$32,288	1.5%	\$37,885	1.7%	\$32,441	1.5%	\$39,544	1.8%	\$58,796	2.7%	48.7%	82.1%	16.2%	13.8%
Total Non-Personnel Expense	\$944,621	43.5%	\$949,071	43.6%	\$975,945	43.7%	\$952,821	43.6%	\$929,952	43.1%	-2.4%	-1.6%	-0.4%	-2.8%
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

Level 3 Expense Allocation by Department (5-Year Average)



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.

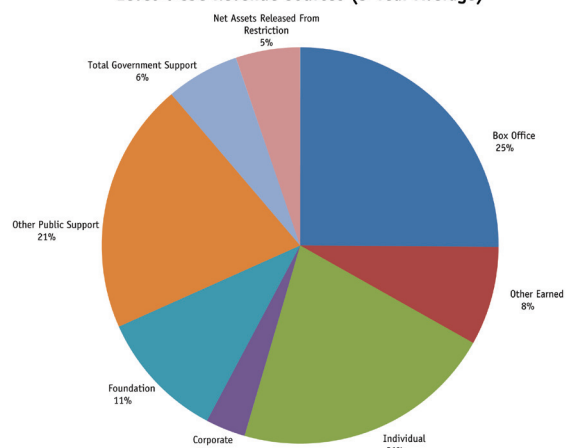
Unrestricted Revenue and Expense Summary
US Constant Sample Group of (18) Level 4 Companies

	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

Level 4 CSG Revenue Sources (5-Year Average)



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**US Constant Sample Group of (18) Level 4 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	3.5	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	Opera Atelier
Calgary Opera	Pacific Opera Victoria
Canadian Opera Company	Tapestry New Opera Works
Edmonton Opera	Queens of Puddings Music Theater Company
Manitoba Opera	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

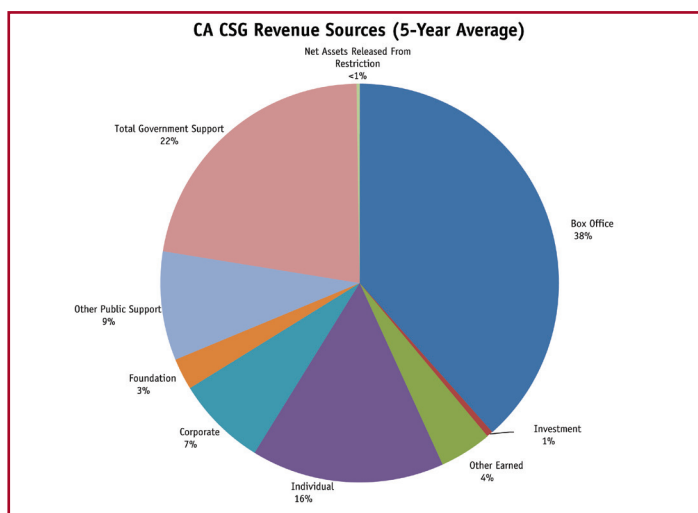
	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						1-yr	4-yr	Actual	Infl. Adj.
Total Unrestricted Revenue	\$3,981,448	\$4,635,854	\$5,964,129	\$5,666,204	\$5,942,205	4.9%	49.2%	10.5%	8.7%
Total Expense	\$3,925,443	\$4,600,004	\$5,877,840	\$5,584,324	\$5,908,548	5.8%	50.5%	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	36.8%	\$1,709,680	36.9%	\$2,602,049	43.6%	\$2,118,729	37.4%	\$2,165,644	36.4%	2.2%	47.7%	10.2%	8.5%
Investment	\$31,976	0.8%	\$54,143	1.2%	(\$17,335)	-0.3%	\$26,618	0.5%	\$37,452	0.6%	40.7%	17.1%	4.0%	2.3%
Other Earned	\$117,831	3.0%	\$124,897	2.7%	\$190,345	3.2%	\$175,515	3.1%	\$505,549	8.5%	188.0%	329.0%	43.9%	42.1%
Total Earned Revenue	\$1,616,108	40.6%	\$1,888,720	40.7%	\$2,775,059	46.5%	\$2,320,862	41.0%	\$2,708,646	45.6%	16.7%	67.6%	13.8%	12.0%
Contributed Revenue														
Private Support														
Individual	\$599,364	15.1%	\$732,998	15.8%	\$823,308	13.8%	\$1,022,132	18.0%	\$918,110	15.5%	-10.2%	53.2%	11.3%	9.5%
Corporate	\$293,371	7.4%	\$312,279	6.7%	\$617,516	10.4%	\$373,542	6.6%	\$329,104	5.5%	-11.9%	12.2%	2.9%	1.1%
Foundation	\$101,022	2.5%	\$90,491	2.0%	\$94,452	1.6%	\$101,711	1.8%	\$278,784	4.7%	174.1%	176.0%	28.9%	27.1%
Other Private Support	\$407,073	10.2%	\$566,364	12.2%	\$465,903	7.8%	\$416,703	7.4%	\$461,637	7.8%	10.8%	13.4%	3.2%	1.4%
Total Private Support	\$1,400,830	35.2%	\$1,702,131	36.7%	\$2,001,180	33.6%	\$1,914,088	33.8%	\$1,987,634	33.4%	3.8%	41.9%	9.1%	7.4%
Total Government Support	\$964,510	24.2%	\$1,045,002	22.5%	\$1,187,890	19.9%	\$1,386,997	24.5%	\$1,223,945	20.6%	-11.8%	26.9%	6.1%	4.4%
Total Contributed Revenue	\$2,365,340	59.4%	\$2,747,134	59.3%	\$3,189,070	53.5%	\$3,301,085	58.3%	\$3,211,579	54.0%	-2.7%	35.8%	7.9%	6.2%
Net Assets Released From Restriction	\$0	0.0%	\$0	0.0%	\$0	0.0%	\$44,257	0.8%	\$21,981	0.4%	-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%

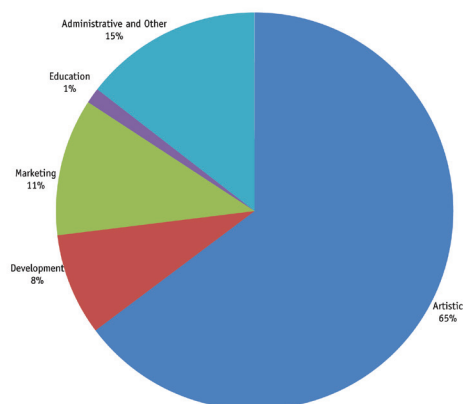
* As a % of Total Unrestricted Revenue



Expenses											Percentage Change		4-yr Annualized Growth Rate	
Canadian Constant Sample Group of (10) Companies											1-yr	4-yr	Actual	Infl. Adj.
Personnel	2005	*	2006	*	2007	*	2008	*	2009	*				
Artistic	\$1,254,365	32.0%	\$1,478,595	32.1%	\$2,023,553	34.4%	\$1,727,372	30.9%	\$1,685,949	28.5%	-2.4%	34.4%	7.7%	5.9%
Production & Technical	\$591,200	15.1%	\$730,465	15.9%	\$1,047,849	17.8%	\$919,058	16.5%	\$1,179,099	20.0%	28.3%	99.4%	18.8%	17.1%
Singer Training	\$3,195	0.1%	\$3,412	0.1%	\$10,776	0.2%	\$72,260	1.3%	\$122,109	2.1%	69.0%	--	--	--
Marketing/PR/Box Office	\$136,108	3.5%	\$173,149	3.8%	\$201,434	3.4%	\$214,011	3.8%	\$227,802	3.9%	6.4%	67.4%	13.7%	12.0%
Development	\$130,033	3.3%	\$131,705	2.9%	\$180,557	3.1%	\$214,858	3.8%	\$212,949	3.6%	-0.9%	63.8%	13.1%	11.3%
Education	\$31,751	0.8%	\$40,645	0.9%	\$47,162	0.8%	\$60,441	1.1%	\$63,603	1.1%	5.2%	100.3%	19.0%	17.2%
Administrative	\$288,485	7.3%	\$272,373	5.9%	\$286,699	4.9%	\$301,477	5.4%	\$395,067	6.7%	31.0%	36.9%	8.2%	6.4%
Total Personnel Expense	\$2,435,138	62.0%	\$2,830,344	61.5%	\$3,798,031	64.6%	\$3,509,477	62.8%	\$3,886,577	65.8%	10.7%	59.6%	12.4%	10.6%
Non-Personnel														
Production	\$637,623	16.2%	\$731,830	15.9%	\$938,201	16.0%	\$830,581	14.9%	\$842,178	14.3%	1.4%	32.1%	7.2%	5.4%
Broadcasting, Recording & Internet Expense	\$528	0.0%	\$147	0.0%	\$547	0.0%	\$343	0.0%	\$137	0.0%	--	--	--	--
Singer Training	\$34,893	0.9%	\$43,329	0.9%	\$35,460	0.6%	\$37,026	0.7%	\$43,618	0.7%	17.8%	25.0%	5.7%	4.0%
Marketing/PR/Box Office	\$302,837	7.7%	\$344,904	7.5%	\$421,817	7.2%	\$406,627	7.2%	\$463,184	7.8%	14.5%	52.9%	11.2%	9.4%
Development	\$196,877	5.0%	\$266,508	5.8%	\$293,307	5.0%	\$292,639	5.2%	\$233,314	3.9%	-20.3%	18.5%	4.3%	2.6%
Education	\$11,202	0.3%	\$20,563	0.4%	\$13,329	0.2%	\$19,788	0.4%	\$21,430	0.4%	8.3%	91.3%	17.6%	15.8%
Administrative	\$266,216	6.8%	\$326,149	7.1%	\$323,555	5.5%	\$421,394	7.5%	\$366,242	6.2%	-13.1%	37.6%	8.3%	6.5%
Other Earned Income Expenses	\$40,130	1.0%	\$36,231	0.8%	\$53,594	0.9%	\$68,450	1.2%	\$51,868	0.9%	-24.2%	29.3%	6.6%	4.8%
Total Non-Personnel Expense	\$1,490,306	38.0%	\$1,769,660	38.5%	\$2,079,809	35.4%	\$2,074,847	37.2%	\$2,021,970	34.2%	-2.5%	35.7%	7.9%	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

CA CSG Expense Allocation by Department (5-Year Average)



Productivity Measures

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.
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

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						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

	2005	2006	2007	2008	2009	Percentage Change		4-yr Annualized Growth Rate	
						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.

Acknowledgements

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Photo Credits

Cover: Elizabeth Futral and Sébastien Guèze in Kentucky Opera's 2009 production of Verdi's *La traviata*. Photo by O'Neil Arnold. • Robert Orth as Richard Nixon and Sally Dibblee as Pat Nixon in Vancouver Opera's 2010 production of Adams's *Nixon in China*. Photo by Tim Matheson. • Kendall Gladen and Adam Diegel in Florida Grand Opera's 2009-2010 production of Bizet's *Carmen*. Photo by Gaston De Cardenas. • Katherine Whyte and David Daniels in The Atlanta Opera's 2009 production of Gluck's *Orfeo and Euridice*. Photo by Tim Wilkerson. | Page 2: Chorus members as Furies in Opera Memphis's 2009-2010 production of Gluck's *Orfeo ed Euridice*. Photo by Angela Canestrari. | Page 3: Todd Palmer as Orpheus, Elizabeth Futral as Euridice/Narrator and H. Andrew Wascher as Orpheus's double in Long Beach Opera's 2010 production of Gordon's *Orpheus and Euridice*. Photo by Alan E. Muraoka. • Marco di Felice in the title role and Francesca Patane as Abigaille in Michigan Opera Theatre's 2009 production of Verdi's *Nabucco*. Photo by John Grigaitis. • Leslie Mauldin as Clorinda and Michele Detwiler as Tisbe in Opera Idaho's 2010 production of Rossini's *La Cenerentola*. Photo by Pamela Benham, Benham Photography. | Page 4: Neema Bickersteth and Peter McGillivray in Staniland's *Dark Star Requiem*, a 2010 world premiere from Tapestry New Opera Works and Luminato, Toronto Festival of Arts & Creativity. Photo by Brian Mosoff. | Page 5: Anton Belov in the title role, Veronika Mitna as Tatyana and Todd Robinson as Prince Gremin in Anchorage Opera's 2010 production of Tchaikovsky's *Eugene Onegin*. Photo by Bob Hallinen. | Page 6: John Marcus Bindel as Olin Blitch in Des Moines Metro Opera's 2010 production of Floyd's *Susannah*. 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Photo by Trudie Lee. • Paul Groves as Faust, John Relyea as Mephistopheles, Christian Van Horn as the Brander and members of Lyric Opera of Chicago's chorus in Lyric Opera of Chicago's 2009-2010 production of Berlioz's *Damnation of Faust*. Photo by Robert Kusel/Lyric Opera of Chicago. | Page 22: Marco Nisticò in Gotham Chamber Opera's production (in partnership with the American Museum of Natural History, and in association with American Repertory Theater) of Haydn's *Il Mondo Della Luna* at The Hayden Planetarium Rose Center for Earth and Space at the American Museum of Natural History. Photo by Richard Termine. | Page 23: Los Angeles Opera's 2010 production of Wagner's *Siegfried*. Photo by Monika Rittershaus. | Page 24: Karen Vuong as Trang, David Won as Huy, Lisel Perrine (supernumerary) and William Burden as Dodge in Seattle Opera's 2010 world premiere production of Hagen's *Amelia*. Photo by Rozarii Lynch. | Page 30: Kirstin Chávez as the title role in Opera Carolina's 2010 production of Bizet's *Carmen*. Photo by Greg Cable. • Matthew Worth as Jupiter surrounded by Gods and Goddesses in Central City Opera's 2010 production of Offenbach's *Orpheus in the Underworld*. Photo by Mark Kiryuk. | Page 51: Washington National Opera's 2009 Target Free Opera in the Outfield simulcast of Rossini's *The Barber of Seville*. Pictured on the screen are Lawrence Brownlee and Donato DiStefano (front row), and Eric Owens, Cynthia Hanna, Silvia Tro Santafe and Simone Alberghini (back row). Photo by Tony Brown for Washington National Opera. • Stephanie Blythe in the title role of Opera Boston's 2010 production of Offenbach's *La Grande-Duchesse de Gérolstein*. Other performers from left to right: David Smith Larsen, Angela Gooch, Kimberly Soby, Megan Roth, Emily Marvosh, Frank Kelley and Scott Ramsay. Photo by Clive Grainger.





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