

Fifty years ago, Colorado Ballet began as the vision of Lillian Covillo and the late Freidann Parker, Denver natives who shared a love of dance. They started with a dance school, and developed the performing company to provide a performance opportunity for their aspiring dancers. From those humble beginnings, Colorado Ballet has grown to a multi-faceted institution, encompassing a thirty member professional performing company, a studio company for advanced dance students who aspire to professional careers in dance (15 each season), an Academy with two locations instructing the next generation of dancers (550 enrolled students), and an amazing education and outreach department that enables thousands to experience the magic of dance.

Under the leadership of Artistic Director Gil Boggs and his artistic team, Colorado Ballet's reputation is rising – we have received some of the best reviews in our history, and remain committed to producing the highest quality dance. Mr. Boggs recently renewed his commitment to Colorado Ballet by signing a five year contract extension.

Over the past year, as the national recession's impact was felt in both reductions in donor contributions and ticket buyers seeking lower priced tickets, our revenues were significantly impacted. We needed to take a hard look at all aspects of our operations, and determine where we could make corresponding expense reductions. In the last six months of our fiscal year, we reduced our administrative costs by 14% and expect further savings to be realized in the next six months. Our commitment is to do more with less.

In recent months, the Board of Trustees has worked with a consultant to reaffirm our strategic vision and to clarify the roles of the Artistic Director and the Executive Director, and launched a search for our next Executive Director.* We are committed to restructuring our Development Department and tasking it with significantly increasing the levels of contributed revenues over the next five years.

Colorado Ballet has joined the Tessitura network, to provide improved ticketing services and donor management tools. We are working with a nationally recognized consulting firm to implement this system and to outsource a number of administrative services, including finance, human resources, and computer tech support. We anticipate significant savings as these improvements come on line.

During the 2009-2010 season (FY10), we paid off more than \$600,000 of 2008-2009 payables and were able to cut current expenses by 14%, but still ended the fiscal year with a substantially lower, but still significant operating loss (less than \$400,000). With this in mind, we have reduced our 2010-2011 50th Anniversary Season (FY11) budget by \$1 million and eliminated one production from our schedule. We anticipate further expense reductions of 15% and anticipate finishing FY11 with a surplus. This will allow us to repay outstanding creditors and rebuild our performance schedule in FY12.

It is important to note that our Education and Outreach programming continues to thrive and adds new programs as opportunities arise. We have also hired a new Academy director with a proven track record of growing ballet academies into higher revenue producing assets.

Our 2010-2011 50th Anniversary Season will begin with a triple bill at The Newman Center in September, featuring a new work choreographed by Matthew Neenan, a rising star in the ballet world, and two contemporary works. The season will include a return of *Dracula*, the crowd favorite; the holiday tradition of *The Nutcracker*; and the classic, *Romeo and Juliet*.

With an excellent artistic product established, and an appropriate business model being put into place, we believe Colorado Ballet is poised to celebrate its 50th Anniversary and launch the company into its next half century a healthier organization than we were a year ago.

*In late August, Colorado Ballet announced the hiring of Marie Belew Wheatley as its Executive Director. Ms. Wheatley has over 22 years of management experience in the non-profit sector and a life-long appreciation of the arts.