



# Chicago Philharmonic



## *Annual Report*

**FOR THE FISCAL YEAR ENDED  
JUNE 30, 2013**

September 3, 2013

To Our Patrons, Friends, Musicians, and Other Stakeholders:

We are pleased to submit this Annual Report of the Society's musical and financial activities during the fiscal year ended June 30, 2013.

Particularly reflecting our new Joffrey affiliation, the number of orchestral performances in fiscal 2013 was about triple the level of fiscal 2012. This increased activity excited our musicians while challenging our modest staff resources. However, everyone came through with shining colors.

Our other contracted orchestra services – provided to such sponsors as Ravinia, Music Paradigm, Salute to Vienna, and the Lyric Opera – also expanded and included a first time public performance in the Harris Theater.

Last but not least, each of our four self-presented concerts in Pick-Staiger Hall was memorable and garnered standing applause and favorable critical comment. Audience count for our concerts increased and a survey informs us that our audience feels our programming is engaging and dependable.

The foundation of our organization is our community of over two hundred musicians dedicated to the highest level of performance. One of our tasks is to develop work opportunities for this group and we are pleased to have dramatically expanded our musicians' opportunities over the last few years.

For the fiscal year, we also experienced success in the financial and funding area. We were especially gratified by the growth in foundation support received during the year. Toward year end, over \$55,000 was raised to exceed the challenge match of two anonymous grantees of \$25,000 each. As reported below in more detail, we finished the year with a surplus of \$39,653 on revenues of \$1,443,172. This was the third year in a row of achieving an operating surplus, which however modest has resulted in a positive equity account.

We couldn't have completed such an enlarged set of activities, audience growth, and positive financial results without the support of all our patrons, contributors, volunteers, dedicated musicians, and hardworking staff. Special thanks and congratulations to everyone involved!



Paul R. Judy  
*Chairman*



Donna Milanovich  
*Executive Director*



# Chicago Philharmonic

## Annual Report cont'd

### Our 2012-2013 Season

Opening our symphonic subscription season was the Brazilian consulate-sponsored program Bravo Brazil! which was held on Sunday, September 30, 2012, at 7:00 p.m. Patrons were greeted as they entered Pick-Staiger Hall with the exciting experience of costumed dancers and the thrilling rhythmic beat of the Evanston Escola de Samba, the ensemble-in-residence at the Music Institute of Chicago. EEDS team leaders were Avo Randruut and Chris Hasselbring, Brazilian percussion; Diane Berrios, samba dance; Marcos Oliveria, voice; and John Beard, cavaquinho. Alex Klein, a native Brazilian and well-known former principal oboist with the Chicago Symphony Orchestra (1995-2004) now making his musical career as a conductor, performed in a dual role as conductor and oboe soloist. The program opened with Gomes' *Overture to the Opera Il Guarany*, followed by the Lacerda *Oboe Concerto* and Pitombeira's *Seresta No. 7* on the first half; then we experienced the masterful performance of Arnaldo Cohen on piano in the Tchaikovsky *Piano Concerto*.

We had the good fortune to have Liduino Pitombeira present in the audience and available for any questions concerning his work. The Chicago Classical Review wrote that Cohen's performance of the Tchaikovsky "conveyed its full romantic sweep from the thunderous chords of the first all-encompassing first movement to the delicate, almost dreamy passagework of the second to the driving momentum of the finale. Klein and the orchestra provided solid accompaniment, with some notable touches like Jean Berkenstock's striking flute solo at the beginning of the slow movement." (MacMillan, Chicago Classical Review). On behalf of the concert and the orchestra Klein performed on and was interviewed by WGN, WTTW, WFMT, and taught master classes at Roosevelt University and Music Institute of Chicago. Brazil's Consul General, Ambassador Paulo Camargo, was present along with Vice Consul Camila Mandel Burros and members of their staff. A festive dinner for the board and artists complete with the Brazilian dessert "quindim" was graciously sponsored by the Brazilian consulate. A lively evening was had by all.

Sunday, November 4, 2012, at 7:00 p.m., our *Beethoven and Mozart* concert brought our many-season favorite, Joel Smirnoff, back to the Chicago Philharmonic Society as conductor. Smirnoff, formerly the Juilliard string quartet principal violin and now Cleveland Institute of Music President, led the orchestra in a warmly received program of Mozart's *Overture "The Impresario," K. 486*, Beethoven's *Concerto in D Major for Violin and Orchestra, Opus 61* with a fascinating interpretation by violinist Joan Kwon, and Mozart's *Symphony No. 40 in G Minor, K. 550*. This concert was sponsored by the German Consulate General in Chicago. Foyer music before the concert and during intermission echoed the concert's string-rich theme by showcasing an exceptional student string quartet from DePaul University: Azusa Tashiro, violin I;

Julia Gicha, violin II; Helen Hess, viola; and Bill Meyer, cello.

*Nordic Romance* was the concept behind the conductorless program with Chicago Philharmonic's own Concertmaster and virtuoso violinist David Perry as soloist and leader on Sunday, April 21, 2013, at 7:00 p.m. at Pick-Staiger Hall in Evanston. Scott Speck, whose appointment as Artistic Director had just been announced, graciously served as the commentator for the program which included: Edvard Grieg's *Two Lyrical Pieces* and *Holberg Suite from Holberg's Time*; Jean Sibelius' *"En Saga": A Recreation of Original Version*; Johann Svendsen's *Romance for Solo Violin and Strings, Opus 26* and Sinding's *Suite for Violin and Orchestra in A Minor, Opus 10*. Speck was also featured on Chicago Tonight on WTTW with CPS musicians promoting the concert.

Critic Gerald Fisher wrote, "Technically assured and impressively cohesive, a conductorless Chicago Philharmonic served up a program of Scandinavian sweets in their Spring outing at Pick-Staiger Concert Hall Sunday night. Surprising in much of this music was the technical and emotional range presented by these short pieces, so seemingly simple and understated. This Scandinavian music beguiles the ear and satisfies the intellect at the same time." (Fisher, Chicago Classical Review). Award-winning Quartet Lumiere (Rebecca Benjamin, violin; Gallia Kastner, violin; Mira Williams, viola; and Josiah Yoo, cello) from the Academy of the Music Institute of Chicago was our Next! program in the foyer which showcases new and upcoming musical talent. A silent auction also enlivened the atmosphere at the concert. For a thematic treat, we passed out Swedish Fish to concert-goers!

We said farewell to our esteemed conductor of 23 years, Larry Rachleff, in the last subscription program of the season entitled *Rachleff's Finale: Bernstein and Schubert* specially chosen by Larry for his last concert as our Music Director on Friday, May 24, 2013, at 7:30 p.m. at Pick-Staiger Hall. Susan Lorette Dunn, soprano was the vocal soloist in Leonard Bernstein's *Symphony No. 1 "Jeremiah."* The foyer music for this concert which echoed this symphony's theme was provided by the Chicago Klezmer Ensemble, a five-member kapelye starring the versatile talents of Director Kurt Bjorling, clarinet; Joshua Huppert, violin; Eve Monzingo, tsimb; and Joseph Spilberg, contrabass. Intermission was followed by the powerful *Symphony No. 9 "The Great"* by Franz Schubert.

A specially crafted collected book of memories including Rachleff's first and last Chicago Philharmonic programs was presented from members of the orchestra by Board member and CPS musician Rex Martin. The rarely-heard performance of a "tuschk," a musical flourish and honor which was spontaneously performed as a tribute by our musicians occurred at Larry's last bow. Larry was then given the title of Music Director Emeritus. John von Rhein of the Chicago Tribune gave a

written tribute to Larry in his review stating, "Rachleff deserves immense credit for having transformed a rather nondescript orchestra into the cohesive, well-blended, fully engaged ensemble one heard Friday night. Von Rhein also complemented "the orchestra's athletic strings and deftly blended woodwinds in particular," and commented that "Robert Morgan was a model of articulate elegance in the solo oboe passages of the second movement." (von Rhein, Chicago Tribune). A celebratory dinner in Rachleff's honor was held at Quince restaurant in Evanston. The guest list also included his wife Susan Lorette Dunn and son Sam.

A total of 102 Society musicians were involved in these 2012-2013 subscription concerts.

Lastly, planning for the pending season was of course a major activity during fiscal 2013. The details of the season, with three concerts at Pick-Staiger and two at Nichols Hall, were announced a few months ago. Ticket sales are well underway. The season's overarching theme – The Romantic Impulse – will carry through all programming. The Society is developing innovations for our programs, and each concert will include another art form serving as an educational enhancement to the music. These and other details are laid out in our new Program Book, produced by Performance Media, which includes the publication of this Annual Report.

### Chicago Philharmonic Chamber Players

The Chicago Philharmonic Chamber Players presented a series of three concerts at Union Church in Hinsdale and three concerts at St. Luke's Lutheran Church in Park Ridge.

### Park Ridge Series

Park Ridge featured "Russian Masterworks" all extraordinary but lesser known piano and string chamber compositions on Sunday, November 18, 2012, at 3:00 p.m. Works performed were Anton Arensky's *Piano Trio in D minor, Opus 32*; Paul Juon's *Rhapsody for Piano Quartet, Opus 37* and Sergei Tanevsky's *Piano Quartet in E Major*. Performers included Ann Palen, violin; Karl Davies, viola; Margaret Daly, cello; John Goodwin, piano; and Wagner Campos, clarinet.

The next concert, "Cafe Music," took place on Sunday, January 20, 2013, at 3:00 p.m. It featured Paul Schoenfield's *Cafe Music for Piano Trio*, Gabriel Fauré's *Piano Quartet No. 1 in C minor, Opus 15*, and a sizzling set of cabaret selections arranged by Benton Wedge, Chicago Philharmonic board member and violist. Performers included Sarah Hibbard, soprano; John Goodwin, piano; Ann Palen, violin; Stephen Boe, viola; and Judy Stone, cello.

Park Ridge's season closed with "Brahms, Beethoven, and Bartók" on Sunday, April 14, 2013, at 3:00 pm. Johannes Brahms' *Trio for Clarinet, Cello and Piano in A minor, Opus 114*, Béla Bartók's *Contrasts for Clarinet, Violin and Piano* and Ludwig van Beethoven's *Piano Trio in E-flat Major, Opus 70, No. 2* were the substantial offerings. Performers included Karl Davies, viola; Margaret Daly,



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cello; John Goodwin, piano; and Wagner Campos, clarinet.

### Hinsdale Series

The series at Hinsdale started with "Labor of Love: Schumann and More" held on Sunday, February 3, 2013, at 3:00 p.m. It featured a uniquely conceived program of all women composers. Pieces performed were Germaine Tailleferre's *Berceuse for Violin and Piano*; Lili Boulanger's *Nocturne for Cello and Piano* and *Cortege for Violin and Piano*; Amy Beach's *Piano Trio in A minor, Opus 150*; Clara Schumann's *Piano Trio, Opus 17*; and Maria Theresia Von Paradis' *Sicilienne for Cello and Piano*. Performers included Mathias Tacke, violin; Andrew Snow, cello; and Beatriz Helguera, piano.

It was followed by "Along the Danube" on Sunday, March 17, 2013, at 3:00 p.m. All the works were created by composers who lived in countries touched by the Danube River. Ann Palen and Irene Radetsky, violins; Benton Wedge, viola; and Mathew Agnew, cello performed Béla Bartók's *Duos for Two Violins*; Franz Schubert's *String Trio in Bb Major, D. 471* and the Ludwig van Beethoven *String Quartet Op. 59 No. 1*.

We closed this series with "Springtime with Mozart" on Sunday, April 7, 2013, at 3:00 p.m., featuring a beautiful collection of Mozart's chamber works. Kathryn Pirtle, clarinet; Florentina Ramniceanu, violin; Stephen Boe, viola; Judy Stone, cello; and Diana Schmuck, piano performed Wolfgang Amadeus Mozart's *Quartet in G Minor for Piano, Violin, Viola and Cello, K. 478*, *Duo in G Major for Violin and Viola, K. 423*, and *Quartet in B Flat Major for Clarinet, Violin, Viola and Cello, K. 378*.

### New for CPCP in 2013-2014 season

The Society has completed a collaborative arrangement with the North Shore Senior Center (in Northfield) to perform a three-concert chamber music series in the NSSC auditorium on Sunday afternoons in January, February and March. These concerts will be open to the public, will be of one hour duration, and followed by a "meet and greet" reception with the musicians. In the planning stages is another chamber music series in a downtown Chicago location which we hope will be our first daytime/weekday series. All chamber concerts will tie into the season theme of *The Romantic Impulse*.

### Joffrey

Our relationship with the Joffrey Ballet commenced in a wonderful way with glowing reviews of the collaboration as we started the season with the *Human Landscapes* series, featuring Bohuslav Martinu's *Pretty BALLETT*, Benjamin Britten's *Forgotten Land*, and Frederick Cohen's *The Green Table*. The Chicago Sun-Times commented, "High-flying dynamism and pure technical power are essential qualities in James Kudelka's 'Pretty BALLETT', which was created for the company in 2010 and is set to Bohuslav Martinu's rather bombastic but driving Symphony No. 2. The dancers charged into it with all the unbridled relish it demands. So did the Chicago Philharmonic (conducted by Scott Speck), which, incidentally, is a sensational

partner for the company." (Weiss, Chicago Sun-Times.) Following the success of *Human Landscapes*, we progressed on to the timeless classic Tchaikovsky's *The Nutcracker*. Walters notes, "the impeccable cast and sharp sound of the Chicago Philharmonic steal the attention [...] and coalesce as a beloved ballet that will remain beloved for years to come." (Walters, Centerstage Chicago). In the new year, we embarked on a journey through Joffrey's series *American Legends*, featuring Gould's *Interplay*, Ravel's *Sea Shadow*, Twyla Tharp's *Nine Sinatra Songs*, and John Adams' *Son of Chamber Symphony*. The ballet, "accompanied by the splendid Chicago Philharmonic under Scott Speck," was a great success (Weiss, Chicago Sun-Times). Finally, the season concluded with Elliot B. Goldenthal's *Othello*, a majestic interpretation of Shakespeare's dark drama. Weiss recommended the performance, "played by the impeccable Chicago Philharmonic" (Weiss, Chicago Sun-Times).

The Chicago Philharmonic Society sponsored a party for the end of the first and last productions for our orchestra and for Joffrey dancers and management. The *Othello* cakes designed for the celebration of the last performance of the season echoed the design of the famed handkerchief of Desdemona! In addition, we showed our appreciation for this wonderful collaboration by performing holiday carols at the stage door for the Christmas Eve performance of *Nutcracker* and we also provided two musicians as soloists for the Joffrey Gala: Katherine Brauer, violin, and Barbara Haffner, cello.

### Other Contracted Services

Other contracted services this year included an October chamber orchestra performance led by Scott Speck for the international board meeting of the Sidney Frank Corporation held at the Art Institute on October 18, 2012. We also performed with Salute to Vienna in Symphony Center on December 30, 2012, a gala event patterned after the famed televised version broadcast worldwide from Vienna Austria on New Year's Day. We again provided special operating services to the Lyric Opera in support of the Lyric Opera's Rising Stars program on April 13, 2013. In April and May, we rehearsed and then performed as an orchestra before the management groups of two large corporate clients of Music Paradigm with Maestro Nierenberg illustrating the similarity of effective leadership patterns as between business organizations and orchestras. We also performed at Harris Theatre for a UIC medical school benefit on June 14, 2013. Our Mather concert was on June 26, 2013 and dedicated to the memory of Joan Hallet, mother of our board member Polly Kawalek.

### Outreach Programs

#### Families to the Philharmonic

Live music experiences can play a crucial role in inspiring a child to develop an abiding love for the art form of classical music. The Chicago Philharmonic's *Families to the Philharmonic* program provides young people from diverse ethnic and socio-economic

backgrounds the opportunity to share the powerful and inspirational experience of a live, fully professional symphonic concert with their parents and other family members.

For each of our subscription concerts, we underwrite up to 200 tickets for students and family members from a list of Chicago area schools, most of which are public elementary and high schools, such as Chicago Math and Science Charter School, Senn High School, Evanston Township High School, and Old Orchard Junior High School in Skokie. Almost all of the public schools we reach have a significant low-income population. We also reach a number of community music schools, many of which serve low-income students, such as Music Institute of Chicago, the People's Music School, and Sherwood Community Music School at Columbia College. Pick-Staiger Hall is easily accessible by public transportation, and offers free parking, so it is very convenient for families traveling from the City and surrounding communities to attend. Participation in the program opens doors to new musical and cultural worlds for these young people, planting the seeds for a lifelong appreciation and enjoyment of the art form.

### Side by Side

*Side by Side* is a mentoring program geared toward exceptional high school students. The program provides an opportunity for outstanding students to perform with orchestra mentors in rehearsal sessions, followed by a professional performance of a major classical work. Past participants have been drawn from throughout the Chicago metropolitan area and have included students from New Trier High School, Protégé Philharmonic, Music Institute of Chicago, and Chicago Youth Symphony Orchestra, among other sources.

### NEXT!

The Chicago Philharmonic established its *NEXT!* initiative to give extraordinary young musicians the opportunity to be heard by Chicago Philharmonic patrons, musicians and conductors. These fresh young talents of merit are showcased in the Pick-Staiger foyer before Chicago Philharmonic concerts. This season we welcomed Evanston Escola de Samba, music students from DePaul University, award-winning Quartet Lumiere from the Music Institute of Chicago, and the Chicago Klezmer Ensemble.

### Artistic Leadership in Transition

The year witnessed the retirement of Larry Rachleff – the Society's Music Director since 1995. As mentioned earlier, at the end of the May concert, Maestro Rachleff received a glorious "tussh" as final thanks and regard for many years of superlative conducting.

In September, further advancing the Society as a musician-centric and -governed organization, the Board established two committees – Artistic Programming and Policy, and Musician Personnel and Procedures. These committees will plan and oversee our musical performances and





musician resources. The Artistic Committee is co-chaired by musicians Jim Berkenstock and Neil Kimel, and the Personnel Committee by concertmistress Ann Palen. Each committee has additional musicians and community persons as members. Plans, policies, and procedures developed by the committees are implemented by the Executive Director.

To enhance the work of the Artistic Committee, the Board retained Scott Speck as Artistic Director; his resume is posted on the Society's website. Scott will conduct three of the coming season's concerts, and in addition, as Music Director of the Joffrey Ballet, will conduct the Philharmonic in over fifty other performances. The Committee-Maestro collaboration has already produced an excellent set of concert programs for the pending season.

### Community of Musicians and Musician Governance

The Society draws on a community of over 200 professional musicians to perform in various ensembles, and to provide an elected group of musicians to be highly involved in central organizational governance. This combination of organizational features is unique in America if not the world. As noted in the brief historical review, the Society has had a long culture of musician leadership and participation.

As a way to encourage and develop musician leadership and participatory skills, and to help in two-way communications between the broader musician community and central management and governance, the Musician Advisory Council was created consisting of twenty-eight of the Society's performing members each committed to organizational participation and support. The early activities of this group are described in more detail on our website.

### Board of Directors

As provided in Illinois law, "the affairs of the Corporation shall be managed by the Board of Directors." An expansion of the Board took place in September when four musicians and four community members were added, bringing the total to eighteen, consisting of nine performing musicians, eight community members, and the Executive Director. In its first meeting in November, the expanded Board got off to a running start by exploring longer range planning issues through the facilitation of Nancy Osgood as a final step in our organizational development program initiated in late 2011. This Board was reelected in the January Annual Meeting (with one community member retiring) for one-year terms, providing mutual flexibility in contemplation that one-, two- and three-year terms will be utilized starting in January, 2014. During fiscal 2013, the Board met five times. Names and titles of Board Members—and in the case of musicians, their primary instruments – are shown below. Brief biographies of Board members are given on the Society's website and elsewhere in the Program Book.

### Management and Staff

Donna Milanovich completed her 17<sup>th</sup> year as a member of the Society having been appointed Executive Director in 2010. Donna is responsible for the organization's general operation with special emphasis on concert planning, performances and coordination; audience and personal contributor development; community service activities; and Board committee support.

Donna oversees a staff of three persons - Molly Kramer in office operations and accounting, Terrell Pierce in musician coordination and concert management, and Adrienne Giorgolo in institutional development. With such a lean staff, however, everyone does whatever is necessary to ensure a maximum level of patron and musician service and satisfaction.

Paul Judy, as Chairman and Treasurer; coordinates the work of the Board, oversees the general management, manages the Society's financial operations, and participates in the development of institutional funding.

### Professional Services

Special thanks to Nick Sachs and Marc Jacobs of Seyfarth & Shaw for their legal advice and to Amy Altman, John Harlan, and Chuck Naterelli of BrookWeiner LLC for their timely review of our accounts.

### Volunteers

No not-for-profit musical arts organization can function without the assistance of volunteers. Warmest thanks for the assistance of Keith Kremer and Shelly Kimel in various concert-related services. Our move from Evanston to our new downtown offices could not have happened with such ease without the physical and financial help of Paul Kawalek and his contribution of some much needed office furnishings.

### Financial and Funding Results

The Society completed fiscal 2013 with a surplus for the third year in a row, adding to working capital in steady increments. As noted below in the summary financial report, revenues rose to \$1,443,179, up from \$779,976 in fiscal 2012, an increase of 85%, and about triple fiscal 2011 revenues. Although the new affiliation with the Joffrey Ballet was the primary factor in our recent growth, other contracted orchestra service revenue (on a comparable basis) grew by 25%, admissions by 50%, and total contributions by 44%.

The Society's financial position improved over the year, reflecting the year's operating surplus. The Society's net worth moved up to a positive level, and cash and equivalents well exceeded liabilities. Special thanks go to those foundations that initiated support of the Society particularly to encourage the ongoing development of the unique alternative organizational structure being pursued.

## Summary Financial Statements

Below are Summary Financial Statements for The Chicago Philharmonic Society for the Fiscal Year Ended June 30, 2013, as compared with the prior fiscal year, as drawn from the review of the Society's accounts for both years by the CPA firm BrookWeiner LLC. The complete financial statements of the Society as reviewed by BrookWeiner LLC are available on the Society's website (from which they may be downloaded and printed), or by email request.

FISCAL YEARS ENDED	6/30/2013	6/30/2012
<b>STATEMENT OF ACTIVITIES</b>		
<b>SUPPORT FROM OPERATIONS</b>		
Contracted services	\$1,076,159	\$505,217
Admissions revenue	\$62,972	\$40,238
Miscellaneous income	\$3,045	\$482
Total support from operations	\$1,142,176	\$545,937
<b>CONTRIBUTIONS</b>		
Individuals	\$149,083	\$161,714
Foundations and corporations	\$122,500	\$64,500
Other sources	\$29,420	\$7,825
Total contributions	\$301,003	\$234,039
<b>TOTAL REVENUE</b>	<b>\$1,443,179</b>	<b>\$779,976</b>
<b>PROGRAM SERVICES</b>		
Artistic expenses	\$1,124,903	\$628,287
Productions costs	\$47,958	\$44,278
Total program services	\$1,172,861	\$672,565
<b>SUPPORTING SERVICES</b>		
Marketing expenses	\$69,189	\$27,280
General and administrative expenses	\$161,475	\$70,212
Total supporting services	\$230,664	\$97,492
<b>TOTAL EXPENSE</b>	<b>\$1,403,525</b>	<b>\$770,057</b>
<b>CHANGE IN NET ASSETS</b>	<b>\$39,654</b>	<b>\$9,919</b>
<b>NET DEFICIENCY AT BEGINNING OF YEAR</b>	<b>-\$4,414</b>	<b>-\$14,333</b>
<b>SURPLUS (DEFICIENCY) AT END OF YEAR</b>	<b>\$35,240</b>	<b>-\$4,414</b>
<b>STATEMENT OF FINANCIAL POSITION</b>		
<b>CURRENT ASSETS</b>		
Cash	\$91,549	\$29,117
Contributions Receivable	\$5,000	\$5,529
Prepaid expenses	\$983	\$0
Contracted services receivable	\$0	\$34,781
Total Current Assets	\$97,532	\$69,427
Other assets	\$834	\$0
<b>TOTAL ASSETS</b>	<b>\$98,366</b>	<b>\$69,427</b>
<b>CURRENT LIABILITIES</b>		
Accounts payable	\$5,698	\$37,574
Unearned revenue	\$12,225	\$14,267
Accrued expenses	\$45,203	\$22,000
Total current liabilities	\$63,126	\$73,841
<b>EQUITY</b>	<b>\$35,240</b>	<b>-\$4,414</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>\$98,366</b>	<b>\$69,427</b>