

Nov 19, 2024

Emilie Cote - Director, City of Burlington

Re: SOM Recap 2024

Emilie:

2024 marked an extraordinary milestone for the **Sound of Music Festival (SOM)** as we welcomed a record-breaking **437,000 attendees** to Burlington's downtown core and Spencer Smith Park. This remarkable turnout surpassed our previous high of 417,000, demonstrating the festival's continued growing appeal.

This surge in attendance translated into a **monumental \$32 million in community impact**, almost 3X from \$12 million achieved in 2019.

But the influence of SOM extends far beyond these numbers. Rooted in core pillars, SOM's impact continues to resonate across the community:

### **Boosting the Economy**

- Drives local tax revenue and employment opportunities.
- Draws tourists from across the region.
- Supports **136 full-time equivalent (FTE) jobs** in Burlington.
- Provides summer student opportunities

### **Fostering Mental Health, Well-Being, and Inclusivity**

- Provides **barrier-free access** to live music experiences.
- Creates opportunities for performers with special needs.
- Offers **low-sensory activities** for youth.

### **Bolstering Community Pride**

- Engages **1,500+ volunteers**
- Contributing over **6,000 hours** of service
- New and continued relationships with BPAC, Tourism Burlington, Burlington Chamber of Commerce, Art Gallery of Burlington, Drury Lane Theatre
- New community partnerships with local business

## Who are we?

**Sound of Music Inc. (SOM)** has been uniting millions of residents, visitors, and tourists through live music at Burlington's iconic waterfront for over four decades. As Burlington's premier non-profit live music organization, SOM proudly hosts the last 'free' live music festival event in Canada. Powered by the passion of sponsors and volunteers, SOM not only delivers unparalleled cultural and community value but also drives a significant economic impact for the region.

## What We Do

Each June, SOM transforms downtown Burlington into a vibrant hub of music and celebration. With performances by local and internationally acclaimed artists, there's something for everyone.

Festival highlights include:

- **Three Mainstages** showcasing diverse musical genres.
- A lively **parade** winding through local streets.
- A **family zone, midway**, and the bustling **StreetFest**.
- A vibrant **club series** and a platform for **emerging local artists** – ending with the Battle of the Bands at BPAC for a chance to play the big stage at SOM!

This dynamic lineup ensures that audiences of all ages and tastes can celebrate the joy of live music together.

## Why We Do It

Music has an unparalleled ability to connect people from all walks of life, inspiring unity, compassion, and a sense of community. It strengthens mental health, transcends barriers, and brings joy—regardless of race, creed, color, gender, orientation, ability or socio-economic background.

For over 45 years, SOM has been dedicated to ensuring that music remains a **barrier-free and inclusive experience**, allowing everyone in our community to come together and celebrate the transformative power of music.

- **Volunteer Engagement at New Heights:**
  - Over **1,600 volunteer opportunities**, with more than **600 new volunteers** joining.
  - Volunteers contributed **6,000+ hours** to the festival's success.

- **Social Media and Media Reach:**
  - A stunning **18,500,000+ social media engagements**,
  - More than **20 million traditional media impressions**, extending SOM's visibility far beyond Burlington.

### **A Cornerstone of Summer in Burlington**

These achievements highlight SOM's undeniable role as a catalyst for economic growth, cultural enrichment, and community pride. While it's difficult to measure the deep emotional connection so many feel toward this iconic event, **2024 underscored SOM's status as a cornerstone of Burlington summers**—a celebration of music, community, and the city we love.

### **Financial Challenges and Strategic Adjustments at the 2024 Festival**

The 2024 Sound of Music Festival achieved remarkable success in terms of attendance and economic impact. However, it also faced significant financial challenges due to unprecedented cost increases, which hindered the ability to reinvest in the festival's future. The BOD in May of 2024 took over operational control of the festival to ensure the event continued.

#### **Governance:**

The BOD has made extensive changes, went from governance to operational, and prepared a skills matrix to ensure new directors were brought on with the correct skills and acumen needed to be successful. Sub committees are effective, and the BOD have made relationships work with all volunteers.

The mandate is transparency and fiscal responsibility.

We are stable, and all directors are engaged with the future and current state.

#### **Impact of Rising Costs**

Supply chain and supplier cost increases resulted in inflation for many expenditures. These rising costs posed significant obstacles to maintaining the festival's operational and financial stability.

#### **Strategic Budget Adjustments**

In response to these challenges, careful budgetary decisions were made to mitigate costs for 2025 while preserving SOM's core values and community impact. Adjustments include:

- **Budget Reductions of over \$0.35M from 2024:** Focused on cost savings for key components including **Parade** and **StreetFest**
- **Operational Cost Reductions:** Streamlining infrastructure by reducing the number of summer students and reducing to **zero full time employee's year round.**
- **Maximizing Internal Resources:** Leveraging more of the contributions of **year-round volunteers, and more capital donations from local business**

### **Financial Outcome and Next Steps**

Our financial shortfall underscores the need for immediate action to safeguard the festival's momentum for 2025. SOM is committed to being a stand alone organization. We do not want to be a financial burden on the city or the community.

We plan to continue to run the festival in a surplus cash position for the next 2 years, with 2026 becoming financially sound with no legacy debt. With a mandate to explore a stronger partnership with BPAC.

### **The need/ the ask:**

- Carry on with continued support financially, from the City and BPAC each Jan 1. This is needed for the festival to continue to operate.
- We are asking that the current loan from the COB to SOM of \$125K, have new repayment terms, of \$7500 per month, from Jan 2025 to July 2025. Our intent will be a full repayment completed by September 1, 2025.
- We are asking for relief on the ~92k in City Payables from 2022 and 2023/24. This accounts for almost 25% of our legacy debt in total.

Thanks for your time and thank you for your continued support each year. This truly is a community run event!

Sincerely:



Dave Shepherd, CHRE, ICD

Chairperson, Sound of Music Festival

Encl. Draft Budget, 2024 Fulfillment