



Annual Report 2011

Overview:

With the help of a hands-on board of directors, a dedicated staff, a loyal volunteer force and a great audience, the Blissfest continued to move forward in enhancing its position as a local and regional cultural arts and roots music resource. This past year has again focused on further development of the Blissfest Arts Recreation Center which will allow for new programming and infrastructure at the Blissfest Festival Farm. The 31st annual festival gathering continued the success of previous festivals as our primary program service and fund raising activity allowing the organization to sponsor many community outreach and education programs year round in our local and regional service area as well as providing funding for our infrastructure improvements and organization management. In addition, some limited capital funding has been realized from the Blissfest Capital Campaign that began in earnest in the past year. The following review of the organization is based on an analysis of the standing committees which provide some insight into the workings of the organization for 2011 and the organization's strengths and challenges over the past year.

Programming, Education and Outreach, Festival operations, Marketing

The 31st annual Blissfest was the second best festival monetarily to date. It was difficult to top the record setting 30th annual festival and although income was down 6% and expenses were up 7% the net result was still the second best festival on record. The festival operations committee continues to act on festival feedback to improve the quality of our primary program service and fund raiser.

The organization's additional program service of edutainment and outreach continues on a year- round basis. The 21st season concert series was again held at the Crooked Tree Arts Center in Petoskey as well as some additional shows at the Harbor Spring Performing Arts Center and a few summer dance shows at the Legs Inn in Cross Village. Blissfest's monthly square dances continue at the Carnegie Building in Petoskey although there is some discussion of exploring other venues. Blissfest has also started to expand programming at the farm and sponsored a first annual 5K Blissterfoot race and fun run. The monthly Swing Dance series in conjunction with The Up North Big Band moved back to the North Central Community College and continues on a monthly basis. The Harbor Street Musique program was handed over to the Harbor Chamber and completed their 8th season. Funding challenges for this program may require some creative solutions for it to continue. Music and scholarship sponsorships for community groups continued this year including Mackinaw Historic Society, Goodhart Mini Fair, Charlotte Ross Lee Concert Series, Crooked Tree Art Center First Night, Harbor Street Musique, Island Institute, SOBO Arts in Boyne City and others. Blissfest works closely with the Robert Emmet Society to help raise funds and awareness sponsoring music for their Night to Remember, spring Hoolie and recent Rotary International movie. A new scholarship program is also being developed with the Robert Emmet Society to promote Celtic music in the schools. Collaborations and sponsorships with community organizations include the Grain Train BlissTrain Coffeehouse, CMU Public Radio's Our Front Porch, Springfed Arts Lamb's Retreat for Songwriters as well as Wheatland Music Organization's Elyce Fishman Scholarship program. Blissfest also underwrites a number of folk and roots music programs aired by CMU Public Radio.

We continue to offer local school assembly programs with touring artists. Our Ukes For Youth programming is in need of some rebuilding with new teacher recruitment and outreach to schools.

Blissfest is affiliated with regional and national folk arts networking organizations such as the Folk Alliance International that provide development through conferences and continue to help connect the folk and roots music community regionally and nationally. A group attended the 25th annual OCFE(Ontario Conference of Folk Festivals) and Blissfest helped sponsor the Region Midwest Conference(FARM) in Chicago this year.

The new Blissfestradio.org site has become a tool for promotion, brand recognition and audience development and the new marketing committee using social media and Constant Contact is developing more tools and a better network for promoting the Blissfest.

Human Resources: Personnel, Volunteer, & Membership Development

The organization is developing a staffing plan for implementation in 2012 to eventually move Jim into a position to focus his talents on artist direction and organization development shifting operations management to Rebeca Otto. Blissfest volunteer program continues to be an important component and Melissa Dragicevich will focus on this area. Mark Rosalik was hired as the caretaker for the festival farm this past year and HR is also working on hiring another office staff person who will start in

the new year and help with office management and festival operations. We will also explore summer internships for 2012 and continue to utilizing community service and school volunteers.

The Blissfest Festival volunteer force reduced somewhat from 508 in 2010 to 436 in 2011. Probably this change is due to better bookkeeping . Total memberships income increased by 33% with much of that increase coming from increases in Lifetime Memberships. Some membership increase has been the result of concert incentives for members.

An operations and procedure manual for the festival and organization will still be a goal in 2012 as the organization continues the process of institutionalizing the festival and organization operation.

Organization Governance & Strategic Planning

The board continues to meet monthly and consists of 10 members. Most standing committees are meeting regularly and providing input and direction for the board. Standing committees include festival operations, site, finance, programming, human resources, policy and a new marketing committee in 2011. Broadening the base of the organization and continuing to expand our community partnerships is an ongoing goal.

The Blissfest Arts Recreation Plan and Capital Campaign have been the focus of our strategic planning process in 2011. Although a great amount of work and resources went into the planning process with a great plan including concept designs and good promotional materials, the results have been minimal so far. We are still looking to collect on a Frey Foundation matching grant and presented a revised(lower) budget to a USDA loan application. We were able to bring in some support from Petoskey Harbor Sprigs Area Community Foundation and Splash to help with our first cabin construction project. Although the capital campaign has yet to meet expectations, we are hopeful for funding support from constituents and foundations. We are committed to building the Blissfest Arts Recreation Center and began phase 1 with the construction of a timber frame cabin this fall and the development of our permanent rustic campground to be constructed in the spring of 2012. Succession planning, broadening the organizations base and creating more revenue streams are priorities for 2012.

Site Management

In 2011 the site committee focused festival improvements on upgrading the woods lighting and electric, rebuilding the second stage and upgrading the solar shower. Recreation center facility improvements, construction and additional planning were also undertaken. A timber frame cabin is currently being constructed and a campground plan is in the process of being finished so campground construction can begin in 2012. Additional cabins are also scheduled for construction in 2012. Festival improvements being considered for 2012 include: a new solar power center for third stage, a new walk-in cooler and consideration of a pole building for the Blissfest Store.

The site committee is also active in developing the festival farm agriculture component this year. Agriculture plantings included 50 mixed fruit trees in Pluckers Camp and inoculating 200 shitake mushroom logs. We are continuing to develop living fences and plan plantings of hops and mint next year.

Finance

The finance committee has continued its activity this year and the director has been consulting as needed with our CPA. Additional cash controls were developed for the festival accounting. The organization has again shown financial solvency this past year due to another successful festival. The 2011 festival net was down from the record 2010 festival by 13% but still well above the 2009 festival. The festival fund raising continues to offset the expenses associated with all other programming including concerts, dances, community education, outreach, recreation center and administration. Overall, the organization should end the year with about \$60,000 in net earnings. Plans are to invest these earnings in the Arts Recreation Center Project in 2012. The farm guest house created a new modest revenue stream in 2011 with a good outlook for camping and rental fee income stream for 2012. Online merchandising still needs to be developed for 2012 and could provide some additional revenues. The organization will continue to work to increase individual and foundation grant sources of revenue as we seek funding support for the Blissfest Arts Recreation Center.

Challenges and Opportunities for 2012

The organization's main fiscal challenge for 2012 will be to adapt to the changing economy, generate enough income to fund the BARC project, expanded staffing and seek efficiencies to reduce expenditures. Developing the BARC infrastructure and programming will provide additional revenue stream potential in 2012. Audience, volunteer and member development and maintaining a positive brand recognition will be important components for our continued success. The web site and social media will also be a crucial element in the success of audience and fund development for the Blissfest Music Organization in 2012. New Festival Farm Facilities in 2011 should add new revenue streams and more opportunities for cultural, agricultural and ecological experiences and programming for 2012.

Financial Statements

Profit and Loss Comparison 1/01/10-11/12/11 and 1/01/10-11/12/10

Income	1/1/2011-11/12/2011				Income	1/1/2010-11/12/2010		
Festival Income	\$ 444,029				Festival Income	\$463,192		
Merchandise Sales	\$ 76,847				Merchandise Sales	\$ 85,131		
Concerts & Events	\$ 19,660				Concerts & Events	\$ 15,173		
Community Education	\$ 100				Community Education	\$ 827		
Management	\$ 24,107				Management	\$ 24,327		
BARC	\$ 13,187				BARC	\$ 18,884		
Total Income	\$577,930				Total Income	\$607,534		
Expenses					Expenses			
Festival Expenses		\$257,835			Festival Expenses		\$ 239,580	
Cost of Goods Sold		\$ 66,299			Cost of Goods Sold		\$ 62,112	
Concerts & Events		\$ 26,055			Concerts & Events		\$ 27,837	
Community Education		\$ 3,560			Community Education		\$ 1,851	
Management		\$124,008			Management		\$ 119,573	
BARC		\$ 9,331			BARC		\$ 51,264	
Total Expenses		\$487,088			Total Expenses		\$ 502,217	
Net Income				\$ 90,842	Net Income			\$105,317

Balance Sheet comparison 11/12/11 and 11/12/10

Assets 11/12/11			Assets 11/12/10	
Cash & Savings	\$265,774		Cash & Savings	\$ 244,155
Inventory & Prepaid Ins.	\$ 11,221		Inventory & Prepaid Ins.	\$ 14,112
Land, Buildings & Equip.	\$436,348		Land, Buildings & Equip.	\$371,137
Total Assets	\$714,343		Total Assets	\$629,404
Liabilities	\$ 1,349		Liabilities	\$ 1,506
Total Equity	\$711,994		Total Equity	\$ 627,898