Roundtable #1 – Tapping into the 3rd Rail

JEREMIAH MARKS
CHIEF FINANCIAL OFFICER
OPERA PHILADELPHIA
3rd Rail Analogy

Organization a train

There are two rails that keep us on mission, ticket sales and contributions

The 3rd rail is the rail that allows the organization to take risks, provides stability and gives the organization financial flexibility

We have to make sure that focusing on the 3rd rail does not take the organization off mission.
Popular 3rd Rails

Endowment
Building
Theater
Rentals
Concessions
Parking Garage
Musical Theater
Components of Earned Revenue

OA Survey - https://app.powerbi.com/groups/me/reports/92610dda-66b4-445c-a646-0ef78be44061/ReportSection431d46ef9e4904271dea
Components of Earned Revenue
Questions for the group

What are the 3rd rails that organizations have?
What are the successes and failures with the 3rd rail?
What 3rd rails are organizations working on?
What should we watch out for when trying to develop the 3rd rail?