



Report to: General Committee

Date Report Authored: March 26, 2012

SUBJECT: Markham Arts Council
PREPARED BY: John Ryerson, Director of Culture x3596

RECOMMENDATION:

1. That the report titled Markham Arts Council (MAC) be received; and
2. THAT Council approve a 10 year unsecured, interest free loan of \$66,000 to the Markham Arts Council, repayable in ten (10) equal installments commencing November 1, 2013; and
3. That Council authorize the execution of a loan agreement to the satisfaction of the Chief Administrative Officer and the Town Solicitor based on the terms outlined in the report including that no liability be incurred to any of the Board Members or staff of the Markham Arts Council.
4. That Council authorize the Commissioner of Community and Fire Service to enter into a Partnership Agreement that would outline roles, expectations and accountabilities between the Markham Arts Council and the Town of Markham under the stewardship of the Department of Culture.
5. AND THAT staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

An arts council that is well integrated and representative of the community is integral to Markham's capacity to deliver cultural services. Achieving a sustainable level of funding from which to build its programming is critical to its success in Markham.

This report is to:

- Provide the Markham Arts Council with sustainable and accountable funding through a partnership agreement.
- Enables MAC to deliver community arts programs and cultural services as defined in their strategic plan – see Appendix A Strategic Plan Goals.
- Provide an unsecured loan to transition MAC through 2012.

BACKGROUND:

MAC was created as a charitable non-profit organization in 2004 with the following mission:

“The Markham Arts Council serves and enriches the lives of people living and working in our community by educating, developing and supporting a

vibrant cultural community that champions the arts, while promoting the work of professional and emerging literary, visual and performing artists.”

MAC is still a young arts council having gone through its birthing years doing a large amount of activity and leveraging start-up grants. It is a combination of service oriented provider and producer of programs. The service side is the offering of promotion, training for Markham's artists, performers and writers and supporting the growing Markham Teen Arts Council (MTAC). The producing side develops new products like the very successful Markham at The Movies and the International Festival of Authors (IFOA) event.

MAC's new Strategic Plan 2012 (See Appendix A) builds on the values and strengths of a community arts council for Markham. The value and benefits of a vibrant Arts Council to Markham include:

- **Leveraging Volunteers and Partnerships:**
MAC's ability to attract grants and donations and volunteers not available to Markham thereby leveraging dollars e.g. ArtsVest support for Markham's application and Markham Group of Artists and Markham at the Movies were able to benefit and participate in the program by partnering with MAC. MAC has demonstrated an ability to build a community organization to deliver programs e.g.
 - MTAC (170 members)
 - Markham at the Movies (180 subscribers)
 - IFOA Markham Ontario authors event
 - YorkSlam (inaugural monthly event Jan 25)
 - **Creative Program Development:**
MAC has demonstrated an ability to deliver high quality programs e.g. International Festival of Authors (IFOA) Ontario author event in 2011.
 - **Engaging Cultural Community:**
MAC membership is comparable or better than most cities. They provide promotional value to community artists (485 members, 97 organizations) to reach the residents and businesses of Markham.
 - **Aligning Culture to Economic Development:**
MAC is demonstrating an ability to work with partners like the BIA's and Markville Mall to expand opportunities for artists and performers. The arts council's partnerships lever funds that individually they could not get e.g. developing the project for a weekend World Music & Dance Festival with the two BIAs. MAC has a track record of providing training and skills opportunities in partnerships with Small Business Enterprises and York Region Arts Council e.g. sponsorship, social media marketing
- Attracting Grants:**

MAC provides organizational, grant opportunities and tax receipting support for community arts initiatives like Markham at the Movies and the developing project of Diaspora Dialogues

Ontario Arts Council:

There are 39 arts councils funded by the Ontario Arts Council (OAC). OAC provided \$13,500.00 in 2011 to MAC plus a project grant for their strategic plan. OAC affirmed, in a recent report on all 39 arts councils, the importance of arts councils to creating a thriving cultural community and that it will work towards more strategic support in the years ahead. The OAC report demonstrates that municipalities across Ontario provide annual funding support to their local arts councils as a means of ensuring their sustainability by covering the costs of staffing and space. Municipal support allows the local arts councils to attract grants and leverage sponsorships for cultural programming.

Current Financial Situation:

In 2011, Trillium Foundation advised that only program grants are now possible commencing in 2013. Previously, Trillium provided 3 grants over 6 years to support MAC's early years of development which had provided funding to cover their staffing costs. At this time, those critical funds are no longer available to sustain the core operational/staffing costs. In an effort to achieve sustainability, MAC renewed and strengthened its board and hired a new Executive Director. The operation needs the ongoing stability of a full time staff member and a part time administrator to secure funds and grants that will support their programs for the benefit of Markham residents and businesses.

MAC has approached the Town to communicate their need for sustainable funding and to seek the Town's support for its new Strategic Plan. Financial statements and forecasts were provided to staff that indicate a need in 2012 of an additional \$66,000 is required to ensure their viability over the next year.

The Town of Markham provided MAC with their 2012 annual (\$19,000) Celebrate Markham allocation in December 2011 to assist with their financial situation in the first quarter of 2012.

MAC's Fundraising Strategy

In order to regain its sustainability MAC will be undertaking an aggressive fundraising strategy that will include delivering a major fundraising event at the Markham Theatre building on the 2011 success of the IFOA event. A larger event will be developed with the support of the Mayor for 2013.

Outreach to the Markham business community with the support of their Board, Markham Council and its volunteers will be undertaken to broaden the base of their membership and sponsorship opportunities.

The Mayor and Regional Councillor Landon have offered to assist MAC in building their fundraising capacity to ensure a long term sustainable operation.

FINANCIAL RECOMMENDATION

It is recommended that the Town provide an unsecured and interest free loan to MAC in the amount of \$66,000 repayable in 10 equal instalments commencing November 1, 2013. In addition, no liability will be incurred to any of the Board Members or Staff of MAC.

2012 Budget

Revenues:

Town of Markham – Celebrate Markham (Council approved)	\$19,000
Town of Markham – Loan	\$66,000
Other Revenues (see Appendix C for details)	\$74,083
Total Revenues	\$159,083

Expenses:

Administration & Operating Costs	\$13,470
Salary & Benefits – Executive Director	\$62,467
Salary – Part-Time Arts Administrator	\$21,000
Audit Fees	\$1,500
Other Expenses (See Appendix C for details)	\$60,646
Total Expenses	\$159,083

Net Surplus/(Deficit)	\$0
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See Appendix B for full 2012 budget

MAC will undertake a funding raising event at Markham Theatre using the strong and positive relationship with IFOA and featuring a major Canadian author Vincent Lam to build their capacity. The Mayor and Regional Councillor Landon will assist in fundraising.

PARTNERSHIP AGREEMENT:

It is recommended that Markham use the method undertaken by other cities to provide a program based accountability framework to align services provided

with municipal expectations for funds invested in MAC. Oakville and Waterloo were consulted on their models.

The Commissioner of Community and Fire Services will undertake to develop a Partnership agreement that will outline roles, expectations, and accountabilities. Elements will include: Operating Support – in-kind and financial, reporting on progress – financial, and program results, joint program opportunities, fundraising strategies and alignment to the culture plan. The Agreement is to initially cover a one year term.

It is expected that MAC will maintain a clear communication with the Town of Markham on their progress in achieving their new Strategic Plan and undertaking their fundraising strategies. Oversight would continue with the representation of Regional Councillor Gord Landon and Director of Culture, John Ryerson who both attend their Board Meetings. Staff will report back progress in the fall of 2012 following the IFOA event.

Governance:

- Board of Directors – Regional Councillor Gordon Landon is on the board
- John Ryerson as Director of Culture is ex officio on the board.
- The new Executive Director, Helen Argiro is a film producer, writer and spent 4 years raising funds for TVO. She assumed her duties April 2011.
- Current board members are:
Nirmala Armstrong, Mona Babin, Mary Pan, Regional Councillor Gordon Landon, Earlene Worrall, Samantha Rodin, David Ward, Tim Armstrong, Peter Still C.A., Julie Savoy; Glenn Savoy
- Capacity building in the strategic plan focuses on strengthening the board recruitment further for people who can add resource support strength to the Board.

HUMAN RESOURCES CONSIDERATIONS

n/a

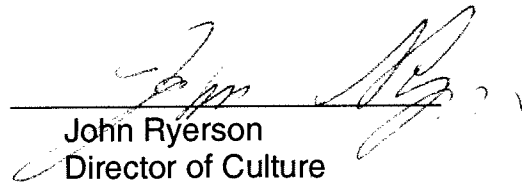
ALIGNMENT WITH STRATEGIC PRIORITIES:

ILMP and Greenprint cultural recommendations for a culturally vibrant Markham


BUSINESS UNITS CONSULTED AND AFFECTED:

Finance

**RECOMMENDED
BY:**



John Ryerson
Director of Culture



Brenda Librecz
Commissioner of Community
Fire Services

ATTACHMENTS:**Appendix A 2012-14 MAC Strategic Goals****Strategic Goal: Implement Strategic Planning Framework**

- The 2012 Business Plan will guide Fiscal and Operating decisions.
- Progress will be monitored and evaluated, and form the basis for the 5 year Strategic Plan.

Strategic Goal: Capacity Building

- MAC will source and pursue a diversity of new funding opportunities including:
 - Implementation of a cost recovery formula for programs and services.
 - Launch a membership drive and fundraising campaign.
 - Launch revenue generating Visual & Literary Arts Interactive Online Journal.
 - Raise revenue through sponsorship fundraising opportunities by attaching major sponsors to MAC's existing and new programming initiatives.
 - Formalize programs for effective fundraising and donor campaigns.
 - Continue to share program funding costs through partnerships with other arts and culture and community organizations.

Strategic Goal: Deliver Exciting, Inspiring & Engaging Programming Professional Development

- Continue to present professional development workshops, seminars and conferences in partnership with the York Region Arts Council (i.e. Arts Exposed Conference 2012).
- Partner with Markham Libraries to create a Writers in Residence program
- Build on the success of IFOA Markham and expand to a larger venue in 2012.
- MAC & Diaspora Dialogues – partnership between MAC & DD for a visual arts festival to take place on Main Street, Unionville.
 - Film
 - Continue Markham at the Movies.
 - Promote York Film and workshops with young people.
 - Teen arts Council
 - Build Markham Teen arts council program and linkages to other youth organizations.
- Visual Arts Focus
 - MAC & York University Fine Arts – partnership between MAC & York Fine Arts to execute a Markham wide Artist Intervention Installation Project that will take place in prime Thornhill, Unionville and East Markham locations.

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- The Markham Review – revenue generating interactive visual and literary arts online journal.

Strategic Goal: Implement Outreach and Effective Communications

- MAC will continue its communications strategy with the South Asian Social Services Network (SASSN) and mybindi.com and other ethnic media organizations to ensure their members are continually updated and invited to participate in MAC programming, events and activities.
- Build upon evolving partnerships with the Varley Art Gallery, Markham Museum and Markham Theatre in presenting and cross promoting arts and cultural programming.
- Initiate an “animator program” in public parks and civic centre to provide engaging and participatory cultural programming.
- MAC’s communication strategy includes:
 - Launching a new interactive and community responsive MAC website.
 - Continued improvements to MAC’s Enews and email distribution system.
 - Building upon our Facebook, Twitter and social media presence.
 - Continuing collaboration with the Town of Markham’s Corporate Communications Department and Department of Culture.
 - Build upon YRAC relationship and access to YorkScene.com website for promoting MAC’s profile, special events and programming initiatives.

Strategic Goal: Expand and Engage Membership

- Launch MAC’s first ever major membership drive campaign.
- Reconnect with existing members and increase membership by 15%+ annually.
- Review MAC’s membership fee structure and benefits.
- Actively seek member feedback on existing and new services.
- Develop an adult volunteer base from which to draw upon.

Strategic Goal: Enhance Board Capacity and Expertise

- Establish a Nominating Committee in order to identify Board members based on areas of expertise with special attention to attracting Board Members with fundraising expertise.
- Encourage Board member engagement as committee Chairs, committee members and volunteers for special event and community committees

Appendix B 2012 Budget

MAC 2012 Budget

	<u>TOTAL</u>
	<u>Jan - Dec 2012</u>
<u>INCOME</u>	
Art Show Registrations	2,400
Membership Campaign Drive for New Members	5,000
Donations	1,500
 <u>Grant Funding for Programming:</u>	
Canada Council (Markham Review)	5,000
Ontario Arts Council	18,500
Ont Trillium Foundation	3,723
Town of Markham	66,000
Celebrate Markham	19,000
YRAC	0
Membership Renewals	8,400
 <u>Professional Programming Revenue & Sponsorship:</u>	
IFOA Markham	12,500
The Markham Review	2,000
MAC/Diaspora Dialogues Event	
Artist Intervention Project/York University	
 <u>Community Committees/Activities Revenue & Sponsorship:</u>	
Literary Activities Committee Revenue	400
Photo Contest Revenue	750
Markham at the Movies Revenue	13,510
Markam Teen Arts Council Revenue	400
Total Income	159,083
 <u>EXPENSES</u>	
Administration	
Bank Charges	1,615
Internet server and service costs	4,070
Meeting Expenses	510
Other	5,575
Telephone	1,700
Total Administration	13,470

Admin-Audit fee	1,500
Contract Labour for Arts Administrator	21,000
Exec Director (salary and benefits)	62,467
Business Plan Facilitator	2,500
Art Show Expense	2,400
Business Promotion	500
Membership Campaign Expense	750
Computer (fundraising software/required by OTF)	500
Conferences & Industry related Events	2,000
Dues & Subscriptions	420
Insurance	1,900
Membership promotion write-offs	2,120
Miscellaneous Expense	720
Professional Fees	1,100
<u>Professional Programming Costs:</u>	
IFOA Markham	10,500
The Markham Review	7,000
MAC/Diaspora Dialogues Event (subject to funding)	0
Artist Intervention Project/York University	
 <u>Community Committees/Activities:</u>	
Literary Activities Committee Expenses	600
Markham at the Movies Expenses	13,510
Markham Teen Arts Council Expenses	2,800
Photo Contest Expenses	700
Workshops	500
Publications - Directory	3,000
Newsletter	2,700
Uncategorized Expenses	500
Community Outreach	1,500
Marketing & Advertising	517
Website	1,909
Total Expense	159,083
Net Income	0
