

McMichael

CANADIAN ART COLLECTION D'ART CANADIEN

An Agency of the Government of Ontario
Un organisme du gouvernement de l'Ontario

BUSINESS PLAN

For the Fiscal Year Ending March 31, 2018



FISCAL 2018 BUSINESS PLAN

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Note: This report was prepared in accordance with the Ontario Government Management Board Secretariat Guide to Developing Business Plans for Provincial Agencies, June 2016.

EXECUTIVE SUMMARY

Fiscal 2017 - A Year in Review - 50th Anniversary, a Year for Renewal

- Established and unveiled a new artistic vision: The Art of Canada - This new aspirational Artistic Vision entitled 'The Art of Canada' is intended to position McMichael as a unique museum on the national stage, dedicated to celebrating all art of Canada, including Indigenous, modern and contemporary art.
- In fiscal 2017, the McMichael developed a three (3) year exhibition and programming schedule that embraces its creative and proprietary artistic vision entitled 'The Art of Canada'.
- Created outstanding exhibition schedule: The curatorial team mounted high quality curatorial initiatives such as the reinstallation of the permanent collection, *Re-framing The Art of Canada*, and the presentation of a number of special exhibitions such as, *A Foundation for Fifty Years: McMichael Masterworks, On Paper*, including *Maria Chapdeleine*, and *Field Trip: Sarah Anne Johnson (CONTACT)*. To celebrate the 50th anniversary of the McMichael, a robust special exhibition program, titled *50/50/50* to signal 50-year leaps through historical, modern, and contemporary Canadian art launched 3 exhibitions: Tom Thomson & AY Jackson: *Wounds of War* (guest curated by esteemed former curator of the Canadian War Museum Laura Brandon); Jack Bush: *In Studio* (curated by our own Chief Curator Dr. Sarah Stanners); and Colleen Heslin: *Needles and Pins* (organized and curated by Esker Foundation's Director/Curator Naomi Potter).
- The McMichael curatorial team published two exhibition catalogues: *Field Trip: Sarah Anne Johnson*; and *Jack Bush: In Studio*, the latter of which was authored by our Chief Curator, Dr. Sarah Stanners, with full financial backing from Esker Foundation. With our guest curators Dr. Roald Nasgaard and Gwendolyn Owens, and organized by Dr. Sarah Stanners, we are also set to release in February 2017 yet another fine scholarly publication, *Higher States: Lawren Harris and His American Contemporaries*, co-published between the McMichael and Goose Lane Editions.
- Delivered 50th Anniversary projects:
 - Most successful Gala yet. Fifth consecutive increase in dollars raised, from \$50,000 of net proceeds in fiscal 2013 to \$350,000 of net proceeds in fiscal 2017.
 - Signature Gala 50th anniversary book produced and on sale at the gift shop.
 - In addition, to celebrate our 50th anniversary, we held a number of activities and events that strengthened our brand and our culture. In particular, we launched our 50th anniversary McMichael wine collection for sale through the LCBO, held a citizenship ceremony at the McMichael, named our driveway as part of a special ceremony; had a three-day celebration in July for the 50th of the opening of the gallery to the public with free admission and exciting programming activities; held concert and speaker series and had free family days throughout the year.
- Renovated the Meeting House to make it more accessible and provide greater studio spaces for learning and creating.
- Promoted a cohesive performing leadership team and culture under the leadership of experienced Interim Executive Director, Nathalie Mercure.
- In support of a collaborative and supportive workforce, delivered companywide training in

team building and respectful communication.

- Instilled greater fiscal discipline:
 - Increased fiscal discipline and strong fiscal management to achieve a balanced budget in a foreseeable future has been the focus for fiscal 2017 to set the stage for a sustainable future.
 - To achieve this goal, in addition to streamlining operational activities to be strategically directed and complementary to each other, the leadership team focused on revenue generating activities and some restructuring.
 - Investment in additional renovated rental space such as the Founders' Lounge, more visitor targeted merchandising in the shop, online shopping, opening longer hours on Thursday evenings, renewed partnership with the in gallery restaurant operator, offering of the McMichael labelled wine and a greater focus on improving visitor experience is expected to increase revenues and sales.
 - In addition, a special focus on our signature fundraising event 'The Moonlight Gala' for the 50th anniversary along with a signature 50th Gala Book have generated the most successful gala to date, with the fifth consecutive increase in dollars raised.
 - Organization restructure undertaken for improved financial efficiencies.
 - The board approved budget for fiscal 2017 with an originally projected operating deficit of \$455,000 has now been reduced by more than 90% to a projected operating deficit of approximately \$45,000, as a result of the foregoing efforts.
- Renewed Marketing efforts targeting new audiences, through initiatives such as bus transportation from the Gladstone hotel to the McMichael, social media campaigns, community engagement have refreshed the brand and attracted new visitors.
- Grew membership to its highest recorded level (more than 5,000 members) through continued communications, enhanced offering to members and better stewardship with members-only events around popular exhibitions.
- Received significant donations of Indigenous art work from Norman Hallendy and Chris Bredt and Jamie Cameron (Annie Pootoogook) to bring the Indigenous part of the Collection to more than a third of the McMichael art collection.
- Accepted selection of female Inuit artists' work from the Museum of Inuit Art.
- Finalized the terms of reference for the Aboriginal Art Curatorial Fund.
- Obtained grant from the Virtual Museum of Canada for the Cape Dorset Collection, housed by the McMichael.
- Redesigned the McMichael website to improve visitor experience and engagement.
- Developed a more donor-centric fundraising strategy under the leadership of Dianne Lister, Acting Development Director.
- Invested in staff professional development by offering some management courses.
- Completed Wetland project on our land.
- Acquired a cataloguing software for the library and archives.
- Continued engagement by McMichael Volunteers.
- Re-energized Foundation Board under the leadership of new chair, Doug McDonald, and focused Board of Trustee under the leadership of new chair, Andrew W. Dunn.
- Focused on risk management, both as from an operating perspective and governance perspective.
- Hired Image expert to focus on actions and plans to make digital images profitable.

Fiscal 2018 - A Year to Celebrate the 150th Anniversary and the bright future of the McMichael under the leadership of the new permanent Executive Director, Ian DeJardin

In fiscal 2018, we will have the following key priorities for the McMichael:

- Celebrate the 150th anniversary of Canada with community *Oh Canada! Art & Music Festival* and other programming offerings. The McMichael will leverage regional and national celebrations to improve its brand awareness and increase its market share of cultural tourism and regional visitors.
- Celebrate the arrival of the permanent Executive Director, Ian DeJardin.
- Focus on the artistic vision 'The Art of Canada', with a strategically developed and engaging exhibition schedule and related programming activities and an integration of Indigenous and Contemporary exhibitions and programs.
- Focus on expanding audiences generally, with Indigenous and youth audiences being a particular target. New social media campaigns and redesigned website with new content will contribute to expand audiences as well as bus transportation from downtown on certain evenings and weekends.
- Share knowledge and promote Indigenous art, by continuing to digitize the Cape Dorset collection, and continuing the development of the Virtual Museum project through which the Cape Dorset digitized collection will be shared with the Cape Dorset community electronically and will engage the community to curate and contribute to the content of the Virtual Museum.
- Hire of Indigenous curator specializing in Indigenous Art.
- Share knowledge by hosting greater number of school students and art campers.
- Publish a book to complement our 150th exhibition Thomson/Wieland: Passion over Reason.
- Nurture inclusivity through diversified school and public programming developed in collaboration with various advocacy and community groups.
- Offer an opportunity to artists of various art disciplines such as musicians, luthiers and visual artists to share their stories through public conversation events, performances and on-site art engagements.
- Increase self-generated revenue with a focus on exhibition inspired merchandise at the gallery gift shop and on-line, exhibition inspired menus at the restaurant and facilities rental with the newly renovated Meeting House and Founders Lounge.
- Exercise fiscal discipline to deliver a balanced budget in a foreseeable future. In addition, the focus will be on growing contributed revenue and self-generated such as programs, facilities rental, gift shop, and restaurant, and merchandising opportunities, like the McMichael wine series and other licensing opportunities.
- Continue to work with volunteers to improve the visitor experience and provide an enriching and friendly experience to its volunteers, who are an integral part of the McMichael's success.
- Continue to grow the collection of art works primarily through engagement with patrons, artists and art lovers.
- Set the stage to develop a long-term plan to reimagine McMichael for the next 50 years, in terms of Vision, Mission, facilities development, program enhancement, and profile.

MANDATE, MISSION & VISION

Ministry Goals and Principles

In fiscal 2017, the Ontario Ministry of Tourism, Culture and Sports issued the province's first Culture Strategy entitled 'Telling our stories, Growing our economy'.

The four overarching goals for the Province over the next five years are:

1. Promote cultural engagement and inclusion;
2. Strengthen culture in communities;
3. Fuel the creative economy; and
4. Promote the value of the arts throughout government.

Such goals are based on 6 key principles to guide government support for culture:

1. Creativity and innovation;
2. Quality of life and economic development;
3. Diversity and inclusion;
4. Respect of Indigenous people;
5. Collaboration and partnerships;
6. Public value and accountability.

In developing its exhibition and programming schedule as well as its marketing plans to reach new audiences in fiscal 2018, the McMichael has taken into consideration and embraced the goals and principles set out by the Ontario government. The McMichael's new artistic vision, 'The Art of Canada' is a corner stone of the F2018 plans and is aligned with the foregoing goals and principles.

McMichael Mandate

The McMichael Canadian Art Collection is an agency of the Province of Ontario, an operational enterprise agency of the Government of Ontario. The governing legislation is the McMichael Canadian Art Collection Act, R.S.O. 1990, C.M. 4 as amended from time to time. The most recent amendment of the Act received Royal Assent on June 1, 2011, affecting clauses 7 (1) (a) and (b). In the language of the McMichael Canadian Art Collection Amendment Act, 2011, the acquisition and exhibition mandate of the McMichael is to:

- *Acquire and preserve art works, objects and related documentary materials for the collection, by or about artists who have made or are making a contribution to the development of Canadian art, with a focus on the Group of Seven and their contemporaries and on the Indigenous peoples of Canada; and to*
- *Exhibit art works, objects and documentary materials, including but not limited to the collection.*

A Board of Trustees, appointed according to the Act, oversees the affairs of the corporation. The Board reports to the Legislature through the Minister of Culture, Tourism & Sport.

The objectives of the McMichael are to:

- *Acquire works of art, objects and documentary material for the collection;*
- *Preserve and exhibit the collection;*
- *Conduct research on and provide documentation for the collection;*
- *Stimulate interest in the collection;*
- *Conduct activities in order to enhance and complement the collection; and to*
- *Hold, maintain and use the land described in the Schedule to the McMichael Canadian Art Collection Act.*

McMichael Mission, General Vision and Artistic Vision

Mission

To interpret and promote Canadian and Indigenous art to attract local, national and international audiences.

General Vision

To be recognized as an extraordinary place to visit and explore Canadian culture and identity. The McMichael offers a unique experience that engages people with their identity and with their understanding of what it means to be Canadian and how Indigenous culture is an integral part of our identity as a whole. This reinforcement contributes to long term relevance and sustainability and continued recognition of the McMichael as one of Canada's iconic institutions.

Inspire to commune with the art and nature of Canada. The McMichael is nothing without its special location. Our grounds are integral to our identity. No other public art gallery in the country stands as custodian to 100 acres of river valley and woodlands. The connectivity to nature while in the viewing galleries is also unparalleled. The McMichael can offer the public the very thing that inspired so many artists in our collection – a chance to commune with nature. The McMichael is coordinating efforts to combine art and nature for visitor enjoyment and engagement and as a forum to extend opportunities to commune with art. We stand in a perfect position to help our community feel restored, rested and inspired to enjoy life.

Artistic Vision

The McMichael's artistic vision developed in 2016 by its Chief Curator, Dr. Sarah Stanners, is an expansive and inclusive concept entitled '***The Art of Canada***'.

The McMichael stands alone as the only publicly funded fine art gallery in the nation that focuses exclusively on Canadian art and the Indigenous art of the country, both historical and

contemporary. The McMichael is also the gallery of record for works on paper from the Inuit community of Cape Dorset, as it is the custodian for the Cape Dorset archive, totalling more than 100,000 artworks. This fact is an asset, making the McMichael the most authentic voice for Canadian and Indigenous art and also a go-to destination for anyone desiring an understanding the art of Canada under one roof.

The McMichael's vision that celebrates "the art of Canada" (as opposed to "Canadian art"), allows the creative curatorial and programming teams to explore a vast array of exhibition opportunities that include big international names, while underlining the significant impact that Canada has made and is a much more inclusive of the indigenous artists that are represented in our collection. The McMichael strives to innovate in how it both frames and integrates indigenous art on the walls of the galleries, and into the fine art history of Canada and the world. With two key approaches – showing Canadian art in a global context AND international art that has been integrally shaped by Canada and Canadians – the McMichael is enabled to mount name-recognized popular artist exhibitions, but there must be an on-going greater goal: to build meaningful stories about the art of Canada. A clear story of an artist allows people to connect and relate. The McMichael must invest in building these stories and the legacies of the artists it represents. The McMichael stands to make a great impact upon the world's understanding of Inuit art and must engage its public and world scholars more actively with our Cape Dorset collection, especially with the recently awarded Virtual Museum Grant.

Strategic Plan – Current and Future

Currently, the McMichael is governed by the Strategic Plan of 2012 which is being implemented in the spirit of the Artistic Vision of 2016.

The four strategic objectives from the 2012 Strategic Plan are:

1. Deliver an engaging and exceptional visitor experience – each and every time,
2. Become a centre for knowledge creation and sharing,
3. Build a sustainable organization delivering outstanding performance, and
4. Improve organizational capacity and performance.

The Board of Trustees is committed to re-evaluate the McMichael's strategic plan and vision. The new Chair of the Board, Andrew W. Dunn, who began his term as Chair in March 2016 has made the re-evaluation of the strategic plan a priority for fiscal 2018. The McMichael is looking internationally at different business models for museums and is determined to adapt, as needed, to the changing museum world and environment. In fact, one of the McMichael's strength is the fact that it is nimble and can adapt rapidly to changing environments.

OVERVIEW OF CURRENT & FUTURE PROGRAMS & ACTIVITIES

Currently, at the McMichael, there is an alignment around creating a sense of vibrancy and relevance, a renewed focus on visitor experience in every dimension. In fiscal 2018, the McMichael intends to implement the following initiatives in pursuit of its four strategic objectives:

1. Visitor Experience

To enhance Visitor Experience and drive increased repeat attendance, based on the result of the surveys and qualitative study conducted, the McMichael will target its exhibitions and marketing efforts and will deliver to its members and visitors strategically developed exhibitions, and engaging programs, tours, grounds activities, restaurant and overall service experiences.

Exhibitions

In fiscal 2018, McMichael is exceptionally placed to capitalize on the interest in and support for Canada's 150th, particularly with its artistic vision centred on 'The Art of Canada', and its unique site features including the Group of Seven cemetery and Tom Thomson Shack. The planned exhibition schedule is strategically designed to expand our audiences as well as celebrate 'The Art of Canada' through a wide cultural lens of Acoustic Space with our community, including donors and patrons. Longer running exhibition times permits targeted marketing campaigns and strategic planning and development of exhibitions.

Our major special exhibition for spring 2017: *Higher States: Lawren Harris and His American Contemporaries*, aims at capitalizing on the audience that has been built by the recent exhibition curated by Steve Martin and organized by LA's Hammer Museum and the AGO. *Higher States* will be the first major Harris exhibition to concentrate on the artist's abstract works alongside the work of his American peers. This exhibition continues our mandate to show Canadian artists within a global context.

Fiscal 2018 Exhibition Schedule:

- *A Foundation for Fifty Years: McMichael Masterworks* (Curator: Sarah Stanners), November 18, 2016 – June 11, 2017
- *Tom Thomson and the Group of Seven: Destinations* (Curator: Chris Finn), September 12, 2016 – April 17, 2017
- *Once Upon A Time, Deep in the Dark Forest* (Curator: Sharona Adamowicz-Clements), September 21, 2016 – April 17, 2017
- A special 150th anniversary summer/fall exhibition program titled *Acoustic Space* including:
 - A special celebration of the McMichael's Inuit collections relating to the oral culture and music (curated by Chris Finn), and
 - Three banner exhibitions:
 - *Higher States: Lawren Harris and His American Contemporaries* (Guest curated by Roald Nasgaard and Gwendolyn Owens)
 - *Group of Seven Guitar Project* (curated by Sarah Stanners) with related documentary

- *Passion Over Reason: Tom Thomson & Joyce Wieland* (curated by Sarah Stanners)

As well as:

- *Av Isaacs and the Artists Jazz Band* (working title, curated by Chris Finn), February – August 2017
- *Steve Driscoll and Finn O’Hara: A Dialogue Between Media* (working title, curated by Sharona Adamowicz-Clements), March 11 – August 7, 2017, in partnership with Scotiabank CONTACT Photography Festival

Customer Acquisition and Retention

For fiscal 2018, the McMichael will continue with its brand building awareness activities including newspaper advertising, ads in niche art publication, online search and digital campaigns. Specific campaigns and events are also being created to focus on building the Millennial and tourism markets. For Millennials, the McMichael has been promoting contemporary exhibitions and associated events, such as *Field Trip: Sarah Anne Johnson*, through targeted, non-traditional media for the gallery, such as NOW Magazine and Facebook. The focus on the tourist market is being done in conjunction with the Ontario Tourism Marketing Partnership Corporation (OTMPC) and their campaign to build the Group of Seven into a tourism destination product for the province. The McMichael is on the steering committee for this working group and will be participating in joint advertising with OTMPC to help target provincial, national and international tourists.

To better capture customer data, the acquisition of new customer relationship management and transaction software is being explored. This software will capture visitor data that will help the gallery develop more targeted campaigns and build lasting customer relationships. Greater focus will also be placed on growing the McMichael’s e-newsletters, Art Flash and Ed Flash, for members and subscribers and teachers respectively, as they continue to be an effective customer retention tool and attendance driver.

Web and Digital Presence

The McMichael has made its social media channels and the re-design of its website a top priority in fiscal 2017. With the redevelopment of an existing position, a new digital and social media manager was hired in March 2016. This position’s sole focus has been building a strong social media presence for the McMichael and working with the Director of Communications, Marketing and Sales on the re-design of mcmichael.com. The new website will incorporate the latest in UX design and feature improved transactional capability, provide greater access to content and the integration of social media content. The focus of this project will be the development of special content and social media projects that will engage new audiences about exhibitions, events and programs to help build brand awareness and drive revenue through increased visitation.

2. Knowledge Creation and Sharing

The McMichael will continue collaborative research and digitization projects, self-publishing and co-publishing of new books; and will extend the reach of its collection beyond the gallery walls, and especially to remote Indigenous communities, by way of virtual/online exhibitions and access to our collections.

Creative and Learning & Programs

The McMichael's Creative Learning & Programs Department will celebrate the 150th Anniversary of Canada by launching two school programs: *Stories of Our Land* (grade 1 to 6) and *Stories from Canada* (grade 7 to 12). Following the expectations of Ontario curriculum, these programs invite students to discuss various aspects of Canadian history through the analysis of the artworks on view at the McMichael. Art is a powerful expression of cultural diversity, histories, identity, and important traditions that have shaped and continue to shape our Nation. Our visiting students will have an opportunity to explore such important national issues as the Assimilation Policy and residential schools' legacy, the impact of the Great War on the national sense of identity, the cultural and intellectual connections between Canada and America and the rise of the feminism and the cultural revolution of the 1960s.

At the McMichael, the Creative Learning department works in collaboration with many Indigenous artists and Elders to create programming that integrates the knowledge these professionals share, thus creating an inclusive environment. To present the stories properly, the department offers an on-going training that encourage a deeper understanding of Indigenous perspective on Canadian history and the awareness of appropriate protocols in sharing of traditional Indigenous knowledge.

One of the current initiatives involving Aboriginal Services at Humber College is the McMichael Wetland. The Creative Department is hoping to continue this collaboration in F2018 to develop Indigenous Garden Project. Growing Indigenous and endemic plants helps extend remnant patches of native fauna, attracts native wildlife to your garden and conserves biodiversity. Once established, the garden could be used in the future as a teaching tool, a place of inspiration for artwork, and a community project for many groups.

Another very important aspect of the department's current school programming is inclusivity. In collaboration with Human Resources, the Creative Learning department offers regular training facilitated by various partnering organizations (Alzheimer Society, Autism Ontario etc.) that allow our team to smoothly adapt any currently offered program and/or studio to various accessibility requirements. In F2018, in conjunction with *Group of Seven Guitar* project, the department plan to develop a *Soundscape Art*, a new gallery workshop that will allow a multi-sensory experience able to effectively engage students living with exceptionalities. The department will also offer an iPad gallery workshop: *Style Detectives*, based on the previous success of Woodland Legends workshop and specifically designed to address accessibility needs.

To nurture the inclusivity, in F2018 the McMichael's Programs will offer a new bilingual drop-in tots storytelling program: *Il etait une fois...* This program will expand the gallery current

francophone programming that includes all school programs and regular *Matinées francophones* that offer tours of the special exhibitions in French.

Another opportunity to grow our audience will be provided by the *Group of Seven Guitar Project*. This unique exhibition will allow the integration of music in various aspects of the McMichael's programming to engage the most various audiences including young children, youth and older adults. Several blocks of programming will be presented ranging from community festivals: *Oh Canada! Art & Music Festival* on July 1 & 2, 2017 and *The World on the String* offered in conjunction with Planet IndigenUS Festival. An innovative series of *Acoustic Conversations* based on an exchange between the project's seven luthiers and their favorite guitar players, will tell a relatively unknown story within Canadian music of an artistic relationship between the instrument makers and the musicians. The series will also as well as offer intimate performances by some of the best Canadian musicians.

One of the most important objectives of the F2018 programming will be to present the most diversified reflection of the Art of Canada, by including artists from various age and cultural groups. The 2017 Artist in Residence project that will respond to the exhibition *Passion Over Reason: Tom Thomson & Joyce Wieland* and the commemoration of the 100th anniversary of Tom Thomson's death, is planned to engage a young artist that would work with the iconic site of the Tom Thomson's Shack. The objective of this project will be to encourage multigenerational dialogue through a participatory character of the presentation.

VMC

We have received a grant in fiscal 2017 from Virtual Museums of Canada in connection with key partners in the Inuit art community which will allow the McMichael to effectively activate the Cape Dorset archive on paper that we have been digitizing since June 2014. Our aim is to share the works of art back with communities in the North. The grant will enable us to build a database interface on our website where we would invite young Inuit peoples and artists to access and curate virtual exhibitions online, as well as to enable them to explore and better understand the art of their own heritage which is not often exhibited or made accessible in the North. The project is now in development and plans to launch in July 2019, in time for Nunavut's 20th birthday.

Research

Our acquisition strategy, established in fiscal 2014, required supplemental curatorial capacity, partially filled by a program of planned paid internships (majority grant-supported). These term internships permitted research and treatment of the recently acquired Lismer Archives and First Nations regalia. Interns for the 2017 summer will be aimed at supporting research for our summer 2018 exhibition program, as well as adding data to The Museum System database on an on-going basis. Interns will also be set to task on preliminary research for a JEH MacDonald retrospective.

Mobilizing Inuit Cultural Heritage

Federal funding for a 12-month Aboriginal internship supplemented ongoing support from the MOBILIZING INUIT CULTURAL HERITAGE: A Multi-media/Multi-platform Re-engagement of Voice in Visual Art and Performance SSHRC Partnership Grant held at York University. For the last three years MICH has hired students and specialists to assist in the digitization of drawings from the Cape Dorset Art Archive. Through MICH York University will continue to provide funding into fiscal 2018 with a student employee at 10 hours/week who digitizes the Cape Dorset collection on an on-going basis.

Publications

For fiscal 2018, McMichael will publish, in contract with a major Canadian publisher and distributor (Goose Lane Editions), a book to complement our 2017 exhibition *Higher States: Lawren Harris and His American Contemporaries*. The Ontario 150th fund will also support the publication of a book to accompany the *Passion Over Reason: Tom Thomson & Joyce Wieland* exhibition to open July 1st, 2017.

Our publications for the fiscal 2018 will therefore appeal to a wide audience – those who love historical abstract art and those who love a youthful new feminist vision of Canada and its most iconic artist, Tom Thomson.

3. Sustainable Organization

The McMichael will seek long-term sustainability by executing in a fiscally disciplined manner on a budget projected to be balanced in a foreseeable future, by further growing its contributed revenue and by setting the stage to develop a long-term plan to reimagine McMichael for the next 50 years, in terms of Vision, Mission, site and building development, program augmentation, and national profile.

In keeping with our mandate from the Province, the McMichael is planning for a nearly balanced budget for fiscal 2018 with a forecast to deliver a balanced budget by fiscal 2019. The McMichael has undertaken active measures towards achieving fiscal discipline in fiscal 2017 and is planning to continue on that path for the foreseeable future to achieve fiscal sustainability. By fiscal 2018, the McMichael will have achieved economic stability and it will be positioned for an exciting new chapter.

Key to sustainability is cost control and revenue generation. Many cost control measures have already been implemented. For fiscal 2018, the focus will be on additional revenue generation through activities such as:

- Enhanced cultivation and stewardship of patrons and donor community,
- Increased the number of staff in the Development Department,
- Longer operating hours to expand audiences,
- Broader merchandise and more exhibition focused merchandise at the gift shop and on

line,

- Increased marketing to adult groups and greater offering of programming for group tours,
- Improved restaurant ambiance, menu and service,
- Bus transportation from downtown to reach new audiences,
- Improved outreach programs for seniors, at risk youth, and underprivileged communities,

4. Organizational Capacity

The McMichael aims to respond on a timely basis to opportunities through flexible Organizational Capacity by leveraging existing staff and volunteer resources and developing new collaborations that prepare to be a significant site for celebrating Canada's cultural heritage in 2017 – Ontario and Canada's 150th.

In partnership with McMichael Volunteer Committee, which includes the McMichael Youth Team (MYT) and the Docent group, the McMichael will continue to clarify opportunities for volunteerism with value added integration with McMichael staff and greater recognition. An additional effort will be made to engage the youth volunteerism by the reassessment and further development of the McMichael Youth Team program. Currently, Creative Learning and Programs offers also a co-op experience to the local high school students. The increased engagement with volunteers will support the local community and reach an audience of varied ages and abilities.

The McMichael will also continue to foster working relationships with high schools, colleges and Universities in Ontario and in Canada. Engaging internships and coops reaffirms the importance of culture in Canada and gives opportunities for the youth to expand their core base for future employment. New in 2018 will be the focus to develop partnership(s) with schools in indigenous communities and to engage students to work on projects remotely with McMichael; research for any corresponding granting opportunities will also be undertaken to support this objective. The organization will benefit in fiscal 2018 with all staff and volunteers having been trained on the standard training programs.

In recognition of Canada's upcoming sesquicentennial, training will also be provided on the McMichael story, its place in Canada and the various facets of the Art of Canada. A continued focus for sharing organizational and human resource strategies with other leaders and drivers of the cultural community will be undertaken. This collaboration will help pool knowledge and resources to grow opportunities throughout all cultural organizations for staff, volunteers and interns.

COMMUNICATION PLAN

In fiscal 2018, the McMichael communication plan will focus on two important milestones: Ontario's 150th anniversary and the centenary of Tom Thomson's death. Due to the fact that many galleries and museums will be focusing on similar themes, the challenge will be to differentiate the gallery's special exhibitions and its natural setting. The ultimate goal is to strengthen the McMichael's national and international reputation as a must-see, unique Canadian destination experience.

The McMichael's new strategic vision and positioning statement, *Celebrating The Art of Canada*, will be integrated across all marketing and communication platforms in fiscal 2018. The new vision is meant to inspire each member of the local, national and international community to commune with the art and nature of Canada in meaningful ways. Through digital and social media, stories about the art of Canada will be told that will allow people to connect and relate to the works and the artists.

The McMichael will also continue to invest and grow its digital and social media platforms. Starting with the relaunch of the gallery's website, www.mcmichael.com, and the continued focus on growing its social media engagement, the McMichael plans on becoming an influential, digital cultural brand that will engage people in conversations about Canadian identity as expressed through art. It will be an opportunity for people to become involved, interact with the art in a virtual space, and ultimately inspire them to visit the physical gallery.

Through social and digital media, as well as targeted marketing, the McMichael will continue to focus on building its millennial audience. From the Art Bus partnership with the Gladstone Hotel, to Thursday Night Lates and other special events, the McMichael has managed to attract this younger audience and will continue to build on this success.

RESOURCES NEEDED TO MEET GOALS & OBJECTIVES

To meet its goals and objectives, the McMichael is dependent on financial resources and human resources.

On the financial side, assuming that the provincial base level funding remains the same, additional financial resources will be required to deliver the goals and objectives set out herein from contributed revenue and self-generated revenue. As a result, the McMichael will need to grow its development department and focus on fundraising efforts and will need to ensure that it creates a culture internally where revenue generation is embraced and valued by all staff and stakeholders.

Management staff numbers anticipated to meet the goals and objectives are similar to previous years' levels. The fiscal 2018 staff structure assumes we continue in a similar work environment, with the following work force:

Classification	FTEs
Senior Management (5)	5
Full-time staff (39)	35.5
Part-time staff (59)	24.5
Full-time seasonal (15)	2.8
Total:	67.8
Note: Security Services Out-sourced	9
Volunteers (145)	13.7

HUMAN RESOURCES

In fiscal 2017, the McMichael senior leadership team was in the early stages of a new team working together. Going into fiscal 2018, the senior leadership team is in a strong position to move forward. Nathalie Mercure, a seasoned executive leader and business lawyer, who joined the organization as the Interim Executive Director has already begun to transition the leadership role to Ian Dejardin, currently the Executive Director from the Dulwich Picture Gallery, who will be joining the McMichael as permanent Executive Director on April 1, 2017.

Following the excellent work produced by Dianne Lister, as Acting Development Director, the McMichael has recently hired a new Director, Development and Donor Relations and a new Associate Director, Individual Giving both starting in December 2016.

The amalgamation of all volunteers at the McMichael into the McMichael Volunteer Committee (MVC) is expected to bear fruit in fiscal 2018 with involvement of volunteers within McMichael departments for mutually supportive engagement opportunities. The support of volunteerism is important to a public institution and the McMichael is committed to providing a rewarding and enriching volunteer experience. As such the gallery will continue to explore a dedicated location within an area or department of the building that will give volunteers an added sense of belonging and where they can meet as a group to discuss any initiatives they may be working on in support of the galleries' goals.

A focus of Human Resources in fiscal 2018 will be to define clearly organization policies and procedures for staff and volunteers. The progression to clear organization procedures should encourage all departments to have written procedures in place for their own succession, transition or emergency coverage planning.

The McMichael has supported internships in various areas of the gallery, namely Education, IT, and summer placements, and will formally continue to promote these education opportunities. In fiscal 2017 management defined where co-op or internship opportunities are value added to the

student's learning and to McMichael's place in providing a learning environment. New in 2018 will be the focus to develop co-op partnership(s) with schools in indigenous communities and to engage students to work on projects remotely with McMichael; research for any corresponding granting opportunities will also be undertaken to support this objective.

Additional opportunities for diversity and inclusion of youth within the workforce will be researched in fiscal 2018 in the development of a longer-term plan on promoting employment and volunteer opportunities for a diverse range of individuals, particularly youth, indigenous and individuals with disabilities.

An additional effort will be made to engage the youth volunteerism by the reassessment and further development of the McMichael Youth Team program. Currently, Creative Learning and Programs offers also a co-op experience to the local high school students.

To support our commitment to learning internally amongst the staff, professional development within each department will be a forecasted budget line with appropriate supervision. In addition to supporting professional development within each department, Human Resources will continue in providing third party management and leadership training that began in late fiscal 2015. Internal resources and Human Resource will continue training all staff and volunteers in core programs of Accessibility, Customer Service, Health & Safety, Respect in the Workplace, the McMichael story, and its place in promoting the Art of Canada.

An Employee survey will be conducted in the spring of 2018 to assess the current state compared to the fiscal 2015 survey conducted. The McMichael is committed to ensuring that all staff and volunteers are engaged in their work and proud of the impact they have on the overall success of the organization.

ORGANIZATIONAL CHART BY DEPARTMENTAL FUNCTION

All staff members report, directly or indirectly to the Executive Director who reports to the McMichael Board of Trustees, who are all appointed by the Premier's Office Appointments Secretariat and approved by the Lieutenant Governor-in-Council.

See *McMichael Functional Organizational Chart*, appendix B.

External Factors

Changing Audience Expectations

Culture Track 2014, a major study of audiences for the performing and visual arts in the United States by LaPlaca Cohen, notes that while audiences are increasing, they are visiting less frequently, and they are defining cultural opportunities more broadly. They seek both entertainment and enlightenment, and particularly for younger cohorts, visiting is a very social experience. The “millennials” in particular see participation in culture as a means of escaping the stress of connected and interconnected social and business activities. What drives participation? Content, value, and being social.

While McMichael attracts a traditional audience of art lovers, McMichael is also well-positioned to welcome those seeking a broader cultural experience, which includes multisensory enrichment as well as opportunities for sociability, through integration of grounds, buildings, exhibitions, programs and amenities, and on-line as well as on-site engagement opportunities.

Changing Demographics

Cultural agencies are affected by numerous factors related to changes in the Canadian population, particularly evident in the GTA, where 52% of the population is born outside Canada. In Vaughan itself there are over 99 different languages spoken, with a majority Italian culture grouping, but increasing in-migration from adjacent communities with high concentrations of South Asian and Asian populations. Young families and new immigrants, who are not necessarily traditional art museums goers, fuel this local population growth. Attracting this group will require investment in specialized target marketing and program development.

The growth of Vaughan and York Region, and the limited number of cultural agencies, make McMichael a key partner in the cultural and economic development of the area. The intensely diverse population presents an important opportunity to attract new audiences through collaboration with school boards and positioning of McMichael as a significant Canadian experience relevant to newly arrived families.

Demographics

With baby boomers reaching the age of retirement, that segment should have more leisure time to attend galleries such as the McMichael or to volunteer with the organization.

The ‘baby boom’ cohort, from whom most art institutions draw a substantial portion of the audience, is moving into retirement years, offering potential for increased leisure time use of cultural facilities, but at the same time demanding improved accessibility. Recent studies highlighted in the news have shown that the growing communities in the Vaughan region are in need of artistic and cultural venues to entertain and enrich the lives of their residents. Encouraging recreation and restorative activities is a service that the McMichael is primed to provide to its community.

Accessibility

The growth in seniors noted above and the additional increase in defining and servicing individuals with disabilities, as well as the related AODA compliance poses the need to provide information and services in various accessible formats to our visitors. While McMichael trains staff on serving individuals with disabilities and develops partnerships with organizations that provide service to individuals with disabilities, the need to modify our content digitally and visually is an additional cost that is required to be incurred for appropriate delivery of our content.

Changing Climate

Climate change is impacting grounds management and vegetation. Severe weather has had major impact on the site with deterioration of trails, flooding, loss of tree canopy, increased fire hazards, and building systems. Invasive species endanger the 'boreal' canopy for which McMichael is celebrated and threaten slope stability. Maintaining an iconic and aging building and extensive grounds with enhanced accessibility standards is a challenge.

Changing Tastes

Increasingly diverse population plus limited access to art education about Canadian art within schools is changing the interests and appetite for traditional Canadian art. Global interest is focused on contemporary art, though there has been increasing international interest in Indigenous original artists and traditional knowledge. Making Canadian art accessible to a global audience presents interesting challenges. With few exceptions, Canadian artists do not have high name recognition outside Canada, so that finding global partners to both develop exhibitions and share costs is important to ensure visibility and lower risks. Developing more content-rich web resources will also engage audiences outside of Canada with our art as will linkages to gallerists showing Canadian artists abroad. Further commitment to digitizing our collection and treating our images as assets is important to extend our impact beyond the local and into the global.

Economic Situation

Fluctuating stock markets are affecting the level of spending for recreational activities as well as the level of donation contributions to the arts. The failing Canadian dollar may limit our abilities to send or receive exhibitions and/or loans to and from the US, since shipping and traveling costs, (including gas prices) makes costs prohibitive. The low Canadian dollar may, however, encourage US tourists to travel to Canada and therefore visit the McMichael.

Transportation and Regional appeal

Although the absence of public transportation option to get younger, economically challenged, or ecologically concerned members of the public or international visitors to the Gallery remains a real challenge for the McMichael, the risk of a location remote from GTA has diminished with the growth of York Region, and the understanding of McMichael as a significant cultural destination that can "pull" visitors, including tourists. Increasing McMichael's national presence should contribute to growing market share in this area. Better understanding of regional markets, particularly recently arrived residents, can reinforce McMichael's positioning as a special Canadian destination.

National

The current federal Government made promises to be a greater supporter for the arts and indigenous culture than its predecessor. The McMichael being a national icon for Canadians should attract increasing federal funding levels for its exhibitions, programs and its grounds. Of particular appeal should be the McMichael's dedication to Indigenous art as well as contemporary art. Our curatorial partnership with Esker Foundation in Calgary for the exhibitions *Jack Bush: In Studio* and *Colleen Heslin: Needles and Pins* allowed for a greater exposure to nation-wide audiences and potential new patrons and sponsors. Costs and staffing were shared and each institution benefitted from greater reach without competition.

Internal Factors

Staffing

The increased audience expectations with respect to exhibitions and programming, while the organization is limited by fixed levels of funding, means that from a human resources perspective, McMichael is at maximum capacity. Any additional increase in the level of activities or projects is unsustainable, given the current staffing complement.

Facilities

Conflicting needs of exhibitions, collections conservation and preservation, visitor amenities (accessible washrooms, food services, children's spaces), and revenue generation have increased as McMichael has augmented its level of activity and visitation. High visitor peaking issues that result in poor visitor experience, inadequate service, and threats to collections and assets must be addressed. These impact McMichael's ability to serve current visitors and users and severely limit the capacity for growth. Without improved and expanded facilities, the McMichael will be forced to restrict its service and limit growth.

The McMichael's facilities are in need of expansion. Given the increasing number of activities and multi-purpose demands on the existing space, and in keeping in line with great museums of the world, the McMichael would benefit from additional meeting space, a high-end restaurant, accessible archive to the public and a room for multiple retail areas.

Sustainability

While pricing does not appear to be a barrier to visitation, visitor expectation for high quality experience does require increased expenditure on exhibition and program development, maintenance, services, and amenities. Facility improvements and service training have contributed to improved experiences and increased accessibility; responding to new requirements for intellectual and physical access means new expenditures on accessible design and media.

Costs and Flexibility Constraints due to Designation by TRCA

McMichael is a partner in the integrated planning being undertaken by the Toronto Region Conservation Authority and the City that incorporates Indigenous heritage, native vegetation, accessibility and cultural interpretation. While the site is deemed to be of national cultural significance by TRCA, its maintenance and improvement are the responsibility of the McMichael.

Increasing fixed costs related to managing the gallery function constrains participation in planning and jeopardizes site maintenance and critical improvements, particularly in the areas of accessibility and usability for visitors.

Aging Infrastructure

The last major investment in capital expansion at McMichael was 1982. In the last four years, McMichael has improved its visibility and profile, and increased attendance and use, resulting in greater demands on current infrastructure. While of considerable heritage value and integral to the visit experience, the current facilities constrain audience and user growth. Making grounds accessible, adding new program spaces to free up exhibition space, and increasing back-of-house capacity for receiving larger exhibitions, new acquisitions and gifts of important Canadian art are three areas that demand critical attention. Of particular note, the McMichael must also face the maintenance issues associated with maintaining a large treed site (over 70% of the trees on the McMichael grounds were damaged during last year's ice storm, with clean-up continuing); collaboration with the TRCA and local authorities will facilitate planning but investment must be made not only to repair storm damage but also to ensure future forest coverage, which is integral to the McMichael experience and identity.

Rising Fixed Costs

Capped public funding, increasing non-discretionary costs and limited opportunity for revenue generation from government sources means greater reliance on contributions from private sources, underlining the importance of growing the visitor and donor base in a highly competitive market where similar competing attractions are larger, better funded, and better known. We are also challenged in this competitive market of attracting attendance by the nature of our 'destination location' which is only reasonably accessible by car.

Rising User Expectations Means Higher Costs of Exhibitions and Programs

Attracting higher visitation and engaging sponsor and partner interest means investing in significant exhibitions with increased costs associated with security, insurance, promotion, and fees, only partially offset by private support, which must be sourced in a highly competitive market.

FINANCIALS

Key Planning Assumptions

McMichael bases its planning on the following assumptions:

- *McMichael's success is dependent on long term planning of exhibitions and programs that can be marketed strategically to targeted audiences and to potential private supporters –for fiscal 2018, the McMichael's curatorial and programming departments have developed such a long term schedule which is expected to help the Marketing and Development departments meet their objectives;*
- *The new artistic vision, 'The Art of Canada', provides the McMichael with a unique opportunity in fiscal 2018 to embrace its expanded mandate by marrying contemporary and modern Canadian art, Indigenous art and Group of Seven art throughout its exhibition and programming schedules;*
- *The focus on attracting and reaching new audiences, through robust and varied exhibition and programming schedules, increased social media presence, new bus transportation, more flexible hours of operations, newly redesigned website, refreshed advertising and media campaigns aim at increasing attendance levels in fiscal 2018;*
- *Increased spaces for studio and corporate rental with the newly renovated Meeting House and recently renovated Founders Lounge should improve self-generated revenue;*
- *Renewed Development team and the enthusiasm generated by the arrival of the new permanent Executive Director, at a time when the McMichael is well prepared to inspire donors and sponsors with an amazing exhibition schedule and a strong leadership team, should generate higher contributed revenue;*
- *With a focus on fiscal discipline, revenue generation and targeted marketing efforts, the McMichael should be able to successfully deliver its fiscal 2018 plans within a balanced budget.*

Underlying Assumptions for the Fiscal 2018 Budget

We have developed our budget projections based on the operating grant remaining consistent with fiscal 2017. The flat-lined provincial base funding represents 40% of the fiscal 2018 operating budget. The decreased purchasing power of flat-lined funding is evident in the decrease of percentage this amount represents of our operating budget (56% in fiscal 2012; 50% in fiscal 2013; 50 % in fiscal 2014; 47% in fiscal 2015; 46% in fiscal 2016; 43% in fiscal 2017). Increasing costs in all

areas of operations make it increasingly difficult to balance the budget.

We have set attendance targets that are realistically achievable with the program plan for fiscal 2018.

Admission Revenue

Admission revenue is based on attracting 39,500 paid visits compared to 36,400 anticipated paid visitors for fiscal 2017. Parking fee will be increased from \$5 to \$7 effective April 1, 2017. Parking fee was last increased in 2001.

Gallery Shop

The gallery shop physical transformation in F2014 to provide accessibility and more visibility from the main entrance, the improved in-store and on-line Point of Sale System, and exhibition related merchandise developed in F2017 has seen gallery shop sales increase from \$10.51 per general visitor in fiscal 2015, to \$11.35 per general visitor in F2016, and is projected to reach \$12.10 per general visitor in fiscal 2017.

Gallery Shop revenue targets for fiscal 2018 has been based on the increased spend per general visitor and reaching the attendance targets.

Facility Rentals and Catered Events Commission

We are currently undertaking the revitalization and renovation of the Meeting House to create an accessible art making studio and a meeting space that can be used together or mutually separate. The renovation will increase the art making studio capacity from 15 people to 30 people and increase the meeting space from the current 19 people to 30 people. This project will be completed and available for revenue generating purpose September 2017.

We have also reconfigured a gallery that leads to our “Founders’ Lounge” to enable the safe transportation of food and beverages through the gallery by trained professionals. This permits the rental of the Founders’ Lounge for corporate meetings and social functions to a maximum of 50 people.

The increased spaces will see our facility rental revenue increase slightly in fiscal 2018 to \$190,000. A higher increase is foreseen in F2019 as time will permit promotion of the new Meeting House spaces.

Development Revenue

While the past year was challenging in achieving the aggressive target in contributed revenue, there will be a continued focus on increasing contributed revenue with a fiscal 2018 goal of \$940,000 from individuals, corporate support and fundraising events. Individual Giving and Fundraising Events have increased results over the past year, with more effort on securing larger gifts, but Corporate Sponsorships have decreased over the past year due to a more challenging corporate giving environment. Better leveraging of programming and exhibitions will be undertaken through longer term planning in order to attract increased private support from corporations.

Membership growth in fiscal 2016 was significant and more moderate growth continued in fiscal 2017 with an all-time record number of members at McMichael. Tactics to increase member retention will continue with improved communication and member-only programming. This growth is also generating increased giving by members, helping to form a larger community of loyal supporters.

The essential work of building strong fundraising leadership will continue with extensive efforts to recruit, orient and train new volunteers who will support crucial growth in individual and corporate fundraising.

Building on already enhanced legacy/estate giving activities will provide further increases in gift expectancies and the establishment of new endowed and restricted funds for future sustainability.

Improved stewardship and communication for supporters, stakeholders and prospects through targeted communications and unique events will be continued, with a focus on engaging new donors and re-engaging former leadership volunteers and their connections.

Education, Group Tours and Public Programs Revenue

Strong education attendance is expected to continue in fiscal 2018. New, innovative and heavily curriculum-related art engagement activities and studios designed in 2016, along with continued creative and focused marketing will affect revenue positively. Redesigning the program schedule enables us to increase the number of students we are able to accommodate on any given day through staggered use of spaces.

We have scaled back on the number of public programs and number of participants per program, in particular for the children programs, to ensure we can run all programs at full capacity, resulting in a higher bottom line from this revenue stream.

Sales Manager's focus on travel/trade and consumer shows and packaging with other providers will also provide opportunity for increased marketing to new audiences.

Current restrictions of limited physical space and facilities continue to impact opportunities for future growth.

Investment Revenue

Investment rates are not expected to rise significantly in the coming year, and coupled with the limited use of cash reserves to cover operating shortfall, funds available for investing decrease; resulting in decreased return.

Staffing Costs

In order to work towards achieving a balanced budget in a foreseeable future, we have reduced the staffing complement from 70.5 FTE to 67.7 FTEs. The elimination of 4 full time positions in the later part of fiscal 2016 and in fiscal 2017, coupled with two senior positions being vacant for the most part of the current fiscal year, will result in lower than budgeted staffing costs by 9.5%.

However, this reduced cost is unsustainable as CEO position and senior Development function positions must be hired to achieve the ambitious contributed revenue targets. Staffing costs for fiscal 2018 will return to 97% of fiscal 2017 Budget. Staffing costs represents 50% of total operating budget.

We have budgeted for a 1.5% increase for all salaried and hourly positions effective April 2017.

McMichael participates in the OMERS Pension Plan and has seen contribution rates increase by approximately 33% in recent years. The current annual cost to McMichael for its employees' pension plan is approximately \$296,000. As an employer participating in the OMERS plan, McMichael is at risk of contribution increases until the plan returns to a fully-funded position; however, no further increases have been communicated by OMERS at this time.

Exhibitions and Collection Management

Costs of cataloguing, storing and maintaining the cultural assets are expected to increase year over year due to rising costs of insurance premiums, asset management system licenses and maintenance fees, off site storage fees etc.

Producing robust exhibitions requires early financial commitments for the project planning and development stages while the revenue generation for such projects, either from ticket sales, grants, loans or donations, are uncertain and only determined after a significant portion of the exhibition related costs have been incurred.

We have a robust exhibition plan for F2018 with three in-house produced exhibitions which requires a significant investment. Grants from Museum Assistance Program and *Ontario 150* will mitigate the high cost to produce these exhibitions. Furthermore, we will tour Higher States: Lawren Harris and His American Contemporaries to the Glenbow Museum to generate revenue.

Other Operating Costs

Analysis of operating budgets shows that 33% of non-salary expenses are related to essential fixed costs (some of which continue to rise) such as insurance, security, utilities, software licenses, etc., most of which we have little discretion or control over.

Actively Managing the Bottom Line on an Ongoing Basis

In addition to monitoring and controlling all non-necessary program spending, we will assess the financial forecast at the end of each quarter and make expeditious decisions about how to decrease expenses, including reviewing product offerings.

See *McMichael Fiscal 2018 Business Plan Financials*, appendix A.

CAPITAL ASSET MANAGEMENT PLAN

In fiscal 2018, McMichael will complete renovations on the Meeting House, thanks to special fiscal 2014 provincial capital funding and 2016 federal capital funding.

According to the VFA asset assessment, approximately \$7million of capital assets should be replaced or repaired by end of fiscal 2018 as assets have reached their life expectancy. Understanding that this is an unachievable task both financially as well as operationally, McMichael facility management staff have undertaken a risk analysis of all assets recommended for renewal to identify true condition of assets.

Our F2018 capital plan will address the renewal of equipment and building component identified by VFA as requiring replacement and also identified by facilities management as a risk to visitors, staff or cultural assets if not renewed.

VFA assessment did not include non-fixed assets such as grounds equipment and vehicles. As these assets are required to maintain the grounds, this equipment/machinery has been included in management's review of capital assets requested.

Please see attached *Capital Asset Management Plan*, appendix C.

Master Plan

In fiscal 2014, the McMichael conducted significant studies towards a long-term Master Plan to transform the McMichael into a nationally-significant institution and a unique destination for local, regional, national and international visitors. The objective of the Master Plan is long-term sustainability, based on a medium-term strategy, which leverages existing resources, adds new capacities and increases usability and take-up to grow earned revenues as well as private contributions.

The master planning process is based on the following principles, which will guide directions for development and offer opportunities for specific collaborations and fundraising to realize the projects:

1. **Cultural Landscape:** The McMichael is basing the Master Plan on the integration of structures, grounds and programs into a cultural landscape perspective. In this perspective, the Master Plan is perceived as an evolving program to enhance all aspects of the landscape and its use.
2. **Environmental Sustainability:** McMichael is complying in principle with its former LEED Silver designation. All developments in facilities and grounds, as well as programs and services, should aim to reduce the McMichael's environmental footprint, and to follow best practices for environmental sustainability.
3. **Accessibility:** McMichael is subject to AODA Guidelines, but is committed to a 'design for all' approach in its buildings, grounds, programs and services, to ensure inclusive access for

visitors, clients and staff. Accessibility extends to the online visitor experience on the McMichael website and related features of the website.

4. **Indigenous:** The McMichael is situated in a heritage river valley and respects Indigenous peoples and culture. It respects the principles of land use and sustainability.

The McMichael Board and Management share a strong desire to move ahead with McMichael's Vision, and to build on the efforts to date to study and articulate a strategy that will balance maintenance and growth of ongoing operations with a well thought out plan for capital expansion that will not only answer the current issues of use conflict and peaking but also respond to the needs of growing collections and expanding audiences.

The McMichael is also exploring options to renovate the old restaurant area to provide additional student and meeting space, to expand the potential capacity of a learning center in the existing building.

Proof of Concept: Special Capital Project, Fiscal 2018

Based on the master planning principles, McMichael will complete in fiscal 2018 the redesign and enhancement of its existing infrastructure (Meeting House) to create accessible flexible spaces for art studio, learning and rental. This project will be an invaluable 'proof of concept' for issues that will arise in larger-scale capital projects including heritage identification and evaluation, accessibility, conservation and adaptive reuse of heritage structures, siting and soil stability, and design for flexibility and optimal functionality, while at the same time offering much needed public activity space to ease current crowding and conflicts.

INFORMATION TECHNOLOGY (IT) & ELECTRONIC SERVICE DELIVERY (ESD) PLAN

Over the last few years, McMichael has upgraded and expanded its IT networks and storage, and has rolled out improved enterprise software. IT staff are currently evaluating and inventorying the entire infrastructure for aging components and potential sources of network failure. Priority should be focused on the following items,

- Domain Controller replacement. This system manages the user data and logins to ensure reliable computer use.
- Off-Site File Backups. We currently have two back up sources, however best practice recommends having a third source of backup. Staff are considering various options to achieve this goal.
- Legacy Switch replacements. While most of the server room equipment and software is new, the routing of the network devices is being transferred through some older infrastructure.

- Router replacement. The existing router is over 10 years old and best practice states a lifespan of 7-8 years.
- Camera and Security upgrades. CCTV equipment and analytics to meet modern best practice standards.

Funding for these projects is in place or included in the F2018 budget.

INITIATIVES INVOLVING THIRD PARTIES

McMichael is in Year 4 of a five-year contract for food service with Cashew and Clive, with relocated café services in Grand Hall.

McMichael is in Year 3 as a Partner with *MOBILIZING INUIT CULTURAL HERITAGE: A Multi-media/Multi-platform Re-engagement of Voice in Visual Art and Performance*, a six-year SSHRC Partnership Grant held at York University that focuses on the contribution of Inuit visual culture, art, and performance to Inuit language preservation, social well-being, and cultural identity. MICH supports research, creation, and curatorial activities related to sculpture, gaming, storytelling, music, craftwork, prints, performance, digital connectivity, archival work, database compilation, and audio-visual knowledge preservation. All activities are undertaken with the intention of improving and/or advancing: 1) **Access** for Northern communities to digital information and communication technologies, 2) **Connection** of Inuit voice to objects of cultural heritage, and 3) **Creation** of Inuit-centric cultural capacity. In addition to the McMichael Canadian Art Collection, MICH partners include the West Baffin Eskimo Cooperative (and its marketing arm, Dorset Fine Arts), Nunavut Arctic College, Nunavut Department of Education, Pinnguaq (pinnguaq.com), and Qaggiavuut! (www.qaggiavuut.ca).

In F2018, the McMichael Creative Learning & Programs will continue programming partnerships with Toronto Region Conservation Authority, Ontario Parks, Autism Ontario, Aboriginal Services at Humber College, Peel Aboriginal Network and Planet IndigenUS. Some new partnerships were formed in the last few months and will grow during the 150th celebrations with organizations such as Ashkenaz Foundation and Black Creek Pioneer Village. The programs have also received a financial support from the US Embassy Small Grants program to support a concert by Buffalo Chamber Players presented within the programming around Higher States: Lawren Harris and his Contemporaries presentation.

In fiscal 2017, McMichael established formal partnerships with *CONTACT* for a third consecutive year. **McMichael has also established formal partnerships with both JazzFM (performance and media sponsorship) and WNED (promotion and program support).** McMichael also started a curatorial partnership with Esker Foundation in Calgary, which is a non-commercial, privately-funded gallery that does not collect or fundraise. This relationship provides us with opportunities to create brand recognition across western Canada, engage with new potential patrons and to exchange exhibitions with no additional professional costs.

LIST OF APPENDICES

- A. *McMichael Fiscal 2018 Business Plan Financials*
- B. *McMichael Functional Organizational Chart*
- C. *McMichael Capital Asset Management Plan*

AGENCY:	FINANCIAL FORECAST SUMMARY						
	2014-15	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20
	ACTUAL	ACTUAL	BUDGET	PROJECTED ACTUAL	BUDGET	FORECAST	
PROVINCE OF ONTARIO							
MTCS Operating (including maintenance)	3,578,800	3,928,800	3,328,800	3,328,800	3,328,800	3,328,800	3,328,800
MTCS (SEP Program)	26,551	25,875	25,000	25,875	22,600	22,600	22,600
MTCS (one-time funding -License Imaging, Cape Dorset Evaluation-funds on hand from deferred grants)	0		55,000	50,000	50,000		
MTCS - Ontario 150					366,000		
Other (Ministry of Community Service - Enabling Change)	20,000		0	0	0		
OCAF	62,500		62,500	50,000	50,000		
Canada-Ontario French language Services	52,000	94,700	22,200	22,200	17,200		
1> TOTAL PROVINCIAL FUNDING	3,739,851	4,049,375	3,493,500	3,476,875	3,834,600	3,351,400	3,351,400
OTHER GOVERNMENT							
(specify program name, government & funding period)							
Heritage Canada - Young Canada Works Heritage	20,967	24,231	32,300	11,000	28,800	28,800	28,800
Canada -Museum Assistance Program	45,000	44,495	200,000	171,400	171,400	50,000	150,000
Heritage Canada - Canada Culture On-Line/Virtual Museum			235,750	75,000	100,000	60,750	
HRDC - Canada Summer Jobs	1,155	1,320	800	0	0	0	
2> TOTAL OTHER GOV'T FUNDING	67,122	70,046	468,850	257,400	300,200	139,550	178,800
SELF GENERATED REVENUES							
Membership Fees	242,602	217,271	225,000	225,000	230,000	230,000	233,000
Individual Donations & Gifts (with book value)	373,855	0	0	0	0	0	0
Corporate Sponsorships	329,626	0	0	0	0	0	0
Admissions	540,894	453,567	512,000	485,000	540,000	518,000	523,000
Special Events	400,475	369,962	400,000	495,000	425,000	425,000	425,000
Facilities Rental	153,255	209,442	180,000	180,000	190,000	200,000	210,000
Education/Program fees	486,510	430,642	450,000	445,000	467,000	449,000	452,000
Sales of Programs/Products/Expertise	27,707	40,403	50,000	50,000	185,000	135,000	80,000
Restaurant/Food Service	11,716	23,659	25,000	27,000	30,000	27,000	26,000
Gift Shop/Retail	710,944	652,906	680,000	680,000	765,000	680,000	710,000
Parking	113,755	91,765	100,000	100,000	120,000	110,000	100,000
Investment Income	58,743	46,751	20,000	26,000	20,000	15,000	12,000
Non-Government Grants				7,500	7,500	0	0
Other (specify source e.g. fund transfers, reserve/restricted funds):		32,477	0				
Support from McMichael Foundation	120,000	577,156	700,000	675,000	985,000	995,000	1,000,000
Support from McMichael Volunteer Committee	15,000	15,000	15,000	20,000	20,000	20,000	20,000
3> TOTAL SELF GENERATED	3,585,082	3,161,001	3,357,000	3,415,500	3,984,500	3,804,000	3,791,000
4> TOTAL REVENUE: 1+2+3	7,392,055	7,280,422	7,319,350	7,149,775	8,119,300	7,294,950	7,321,200

	2014-15	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20
	ACTUAL	ACTUAL	BUDGET	PROJECTED ACTUAL	BUDGET	FORECAST	
EXPENDITURES							
Salaries & Benefits	4,060,180	4,092,833	4,148,000	3,752,400	4,051,000	4,051,000	4,091,830
Grants	89,608	110,568	312,950	147,200	167,200	50,000	0
Program Delivery	947,105	527,893	881,750	876,500	1,427,100	753,000	808,000
Administration	282,262	505,179	328,000	318,600	324,700	324,500	324,500
Restaurant/Food Service	0	0	0	0	0	0	0
Gift Shop/Retail	432,574	404,061	415,800	417,500	451,500	417,200	435,900
Occupancy/Lease	52,420	47,668	52,000	42,000	48,000	48,000	48,000
Maintenance/Utilities	398,449	386,890	419,000	419,000	440,700	452,400	465,400
Fleet & Security	391,647	392,992	400,000	400,000	400,000	410,000	410,000
Fundraising & membership development	309,284	258,450	287,000	305,900	260,000	265,000	275,000
Marketing & Communications	549,796	467,540	450,500	435,500	564,500	465,000	465,000
Other (specify): Web redesign and CRM Solution			70,000	70,000	0	0	
Art Acquisition	10,000		10,000	10,000	15,000	15,000	15,000
One-time non reoccurring expenses				195,000	40,000	0	0
Contingency				50,000	100,000	50,000	50,000
5> TOTAL EXPENDITURES	7,523,325	7,194,074	7,775,000	7,439,600	8,289,700	7,301,100	7,388,630
Net Income Surplus/(Deficit): 4-5	-131,270	86,348	-455,650	-289,825	-170,400	-6,150	-67,430
Amortization of deferred capital contributions	1,984,248	1,675,267	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
Amortization of capital assets	1,984,248	1,675,267	1,700,000	1,700,000	1,700,000	1,700,000	1,700,000
	0	0	0	0	0	0	0
Net Income Surplus/(Deficit) After Amortization	-131,270	86,348	-455,650	-289,825	-170,400	-6,150	-67,430
Net assets (deficit), beginning of year	1,123,128	991,858	1,078,206	1,078,206	788,381	617,981	611,831
Net assets (deficit), end of year	991,858	1,078,206	622,556	788,381	617,981	611,831	544,401

Notes:

Name the funds that comprise the Net Assets (Deficit)

Prepared by: Mary Benvenuto & Nathalie Mercure

Approved by:

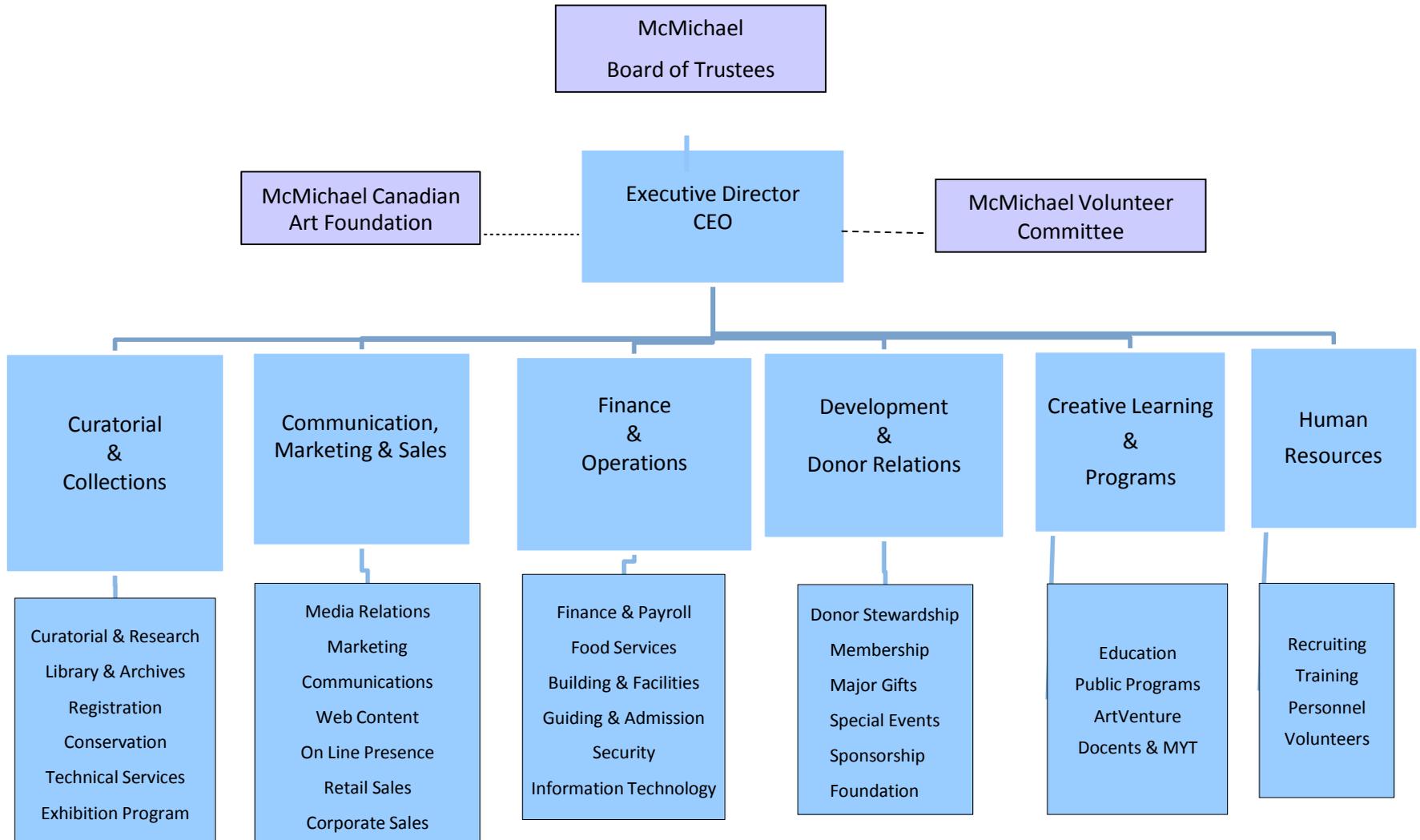
AGENCY:	ATTENDANCE						
	2014-15	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20
	ACTUAL	ACTUAL	FORECAST	REFORECAST	FORECAST		
ATTENDANCE:							
Paid	44,214	33,143	36,400	35,300	39,500	38,000	38,500
Member	10,445	8,481	8,700	8,300	9,200	8,500	8,700
Group tours	35,683	29,514	34,000	34,000	34,400	34,400	35,000
Free	10,639	9,896	12,700	10,000	11,800	11,000	11,100
Other: (Specify e.g. paid programs, camps, overnights, etc.)	15,878	15,599	14,500	12,100	14,500	14,500	14,500
Total	116,859	96,633		99,700	109,400	106,400	107,800

	2014-15	2015-16	2016-17	2016-17	2017-18	2018-19	2019-20
	ACTUAL	ACTUAL	FORECAST	REFORECAST	FORECAST		
FTEs	71	70	72	64	68	68	68
Total FTEs							

Prepared by:
 Approved by:

Functional Organizational Chart

As of October 2016



No.	Project Name	Project Description	New Project? Y/N	Total Cost \$	Capital funding provided by self-generated or operating funds \$	Partner (Private Sector) or Foundation funding \$	Expected contribution by MTCS \$	Expected contribution by other government partner \$	2015-16 Actual Cost \$	2016-17 Cost \$	2017-18 Cost \$	2018-19 Cost \$	Project Cost to be Expensed or Amortized?	Expected Start Date	Expected End Date	Project Rationale
01	Insert Project Name	High-level description of project underway or planned.		Cost to complete entire project over planning horizon, as applicable.	Capital funds internally budgeted by agency.	Private sector or agency foundation funding contribution.	MTCS contribution requested or received.	Funding contribution anticipated from federal or municipal government.	Reporting on cost of prior fiscal-year's completed/ongoing projects.	Total cost of current fiscal year's ongoing projects.	Total Cost of future fiscal year's planned projects.	Total Cost of future fiscal year's planned projects.	Is or will the cost of the project be amortized or expensed?	When is the project expected to begin?	When is the entire project expected to be completed?	Please describe the significance of this project, including the following elements: a) alignment with asset renewal priorities identified in the Ministry's Asset Management Information System (AMIS); b) alignment with other components of the Business Plan (e.g. mandate, strategic directions); c) economic/financial impact (i.e. estimates of jobs created and revenue generated/savings achieved); and d) impact of (and contingency plan for) project delays.
	Heat Pumps and Humidifiers Replacements	ongoing replacement of heat pumps and humidifiers that are reaching or beyond their useful life	N	435,000			435,000	15,000	50,000	128,000	70,000	187,000	Amortized	ongoing		
	Fire System -- Increased Water Flow	Water pressure to fire suppression systems (sprinklers and hydrants) is low. Resolution involves piping a new line to direct water supply at Islington Avenue.	N	337,000			337,000		112,000	225,000			Amortized	underway	Jan-17	
	Interior Environmental Systems Study	study of building HVAC and control systems to ensure efficiency	N	50,000			50,000		50,000				Amortized	complete		
	Branch Wiring Repairs	miscellaneous repairs identified as required by VFA: open junction boxes; fire stopping at penetrations; GFCI installations	N	60,000			60,000		60,000				Amortized			
	Electrical Drawings	identified by VFA as critical maintenance: electrical drawings need updating; existing drawings to be digitized; thermal scans to be conducted	N	8,000			8,000		8,000				Amortized			
	Emergency Lighting	identified by VFA as critical: emergency battery pack light installation and exit light upgrade	N	70,000			70,000	10,000	70,000				Amortized	underway		
	Backflow Prevention Study	study to investigate requirements for backflow prevention on various water supplies, which were recommended in AMIS	N	40,000			40,000		40,000				completed			
	Grounds Rehabilitation	plantings to replace trees lost due to 2013 ice storm and disease; removal and subsequent replacement of ash trees due to emerald ash borer	N	184,000			184,000		30,000			154,000	Expensed	underway	2019	
	Emergency Generator	two emergency generators are beyond their useful life; it is prudent to increase the generator capacity to cover all sensitive art areas in a power failure (currently no vaults or galleries are serviced by the generators)	N	1,200,000			1,200,000			250,000	600,000	350,000	Amortized			
	Exhaust Systems	equipment is aged beyond useful life	N	6,000			6,000		6,000				Amortized			
	Hot water heating pumps - duplex circulating pump	Duplex circulating pump system - proactive replacement	N	67,000			67,000		67,000				Amortized			
	Fixed seating renewal - theatre	fixed seating in theatre is beyond useful life	N	33,000			33,000			33,000			Amortized			
	water coolers -- wall mount renewal	water fountains are beyond useful life	N	11,000			11,000			11,000			Amortized			
	Custodial/Utility sinks renewal	custodial and utility sinks require renewal	N	10,000			10,000		10,000				Amortized			
	Grounds Maintenance Machinery/Vehicle Replacement	replacement of aging machinery for maintaining grounds safety	N	51,000			51,000		7,000			44,000	Amortized			
	Pine Cottage Doors	Swinging glazed aluminum doors require renewal	N	60,000			60,000		60,000				Amortized			
	Gallery Climate Control	Indoor environmental study recommended improvements to climate control systems to address climate changes in galleries and vaults	N	50,000			50,000			50,000			Amortized			
	Security System -- intrusion alarm system renewal	intrusion system is beyond useful life	N	143,000			143,000			143,000			Amortized			

No.	Project Name	Project Description	New Project? Y/N	Total Cost \$	Capital funding provided by self-generated or operating funds \$	Partner (Private Sector) or Foundation funding \$	Expected contribution by MTCS \$	Expected contribution by other government partner \$	2015-16 Actual Cost \$	2016-17 Cost \$	2017-18 Cost \$	2018-19 Cost \$	Project Cost to be Expensed or Amortized?	Expected Start Date	Expected End Date	Project Rationale
	Swinging Doors - 3x7 - older renewal	miscellaneous interior doors identified by VFA as beyond their useful life	Y	110,000			110,000					110,000	Amortized			
	Fire Protection - sprinkler head replacement	Most sprinkler heads are original 1980s installation; proactive replacement required	Y	33,000			33,000					33,000	Amortized			
	Wood Deck renewal (C-Ramp loading)	identified by VFA as beyond useful life	Y	3,300			3,300					3,300	Amortized			
	Security System - CCTV Renewal	identified by VFA as beyond useful life; upgrade cameras	Y	236,500			236,500					236,500	Amortized			
	Central Air Handling Unit Replacement	identified by VFA as beyond useful life; consultant study recommends replacement	Y	224,400			224,400					224,400	Amortized			
	DDC System Upgrade	identified by VFA as obsolete; consultant study indicates replacements/upgrades required	Y	36,300			36,300					36,300	Amortized			
	Gift Shop Stair Lift	upper level of Gift Shop, used for offices and storage, is accessible by stair only. Installation of lift addresses AODA requirements for accessibility, and health and safety concerns due to carrying heavy weight up the stairs	Y	77,000			77,000					77,000	Amortized			
	DX Condensing Unit Renewal - workshop/PC	identified by VFA as beyond useful life	Y	29,700			29,700					29,700	Amortized			
	Radiant Tube Ceiling Mounted Heaters	identified by VFA as beyond useful life	Y	9,900			9,900					9,900	Amortized			
	Stone Entry Wall - Repoint	identified by VFA as requiring repair; bond between mortar and stone is compromised	Y	27,500			27,500					27,500	Amortized			
				3,602,600	-	-	3,602,600	25,000	570,000	840,000	670,000	1,522,600				