

BUSINESS PLAN

For the Fiscal Year Ending March 31, 2017



Celebrating Fifty Years in 2016

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Note: This report was prepared in accordance with the Ontario Government Management Board Secretariat Guide to Developing Business Plans for Classified Agencies, July 2011.

EXECUTIVE SUMMARY

Fiscal 2016 – A Year of Positive Change and Momentum

The McMichael is an unparalleled institution that stands as a voice for our nation's art, as well as our national tradition of being culturally connected to nature. The uniqueness of its location in a stunning natural setting and the strength of its distinct collection, which celebrates *The Art of Canada* by combining the Group of Seven, Aboriginal art and Canadian contemporary art, make it an important attraction and cultural pilgrimage site for the local community and national and international tourists.

Since its inception, the McMichael has been fortunate to receive several significant art collections from generous donors. This legacy of giving is integral to the foundation of this institution and to solidifying its presence on the national stage as Canada's art gallery. In fiscal 2016, the McMichael proudly celebrated one of the most significant donations in its history—a gift of 49 incomparable works by First Nations artists of the Northwest Coast, donated to the Collection by noted Toronto-based collectors Jamie Cameron and Christopher Bredt. Our exhibition, *Transforming Spirit: The Cameron/Bredt Collection of Contemporary Northwest Coast Art*, which ran from September 19, 2015 to February 15, 2016, received great reviews and praise. The McMichael independently published a *Transforming Spirit* catalogue to complement the exhibition and to promote research dissemination.

Concurrently with the Cameron/Bredt exhibition, the McMichael created an Aboriginal Art Curatorial Fund to attract donations to promote the development of exhibitions of Aboriginal art. Contributions to the Aboriginal Art Curatorial Fund help the McMichael support curatorial and research initiatives that are important to the preservation and conservation of the works of Canada's Aboriginal artists.

The funds will be used to:

- Increase research and interpretation of the McMichael's holdings and potential acquisitions of works by Aboriginal artists;
- Strengthen Aboriginal art exhibition research and development;
- Produce publications and other materials that enhance the McMichael's holdings of works by Aboriginal artists;
- Develop curatorial initiatives that showcase the McMichael's long-standing position of exhibiting artworks and sharing the stories of Aboriginal artists.

In addition, in fiscal 2016, the McMichael had the honour of receiving a fifth donation from photographer/ethnographer Norman Hallendy, which completed our holdings of *The Norman E. Hallendy Archives*. *The Hallendy Archives* is an invaluable ethnographic research collection on Inuit culture and the Arctic, and contributes to the preservation of a unique segment of cultural heritage in Canada. Consisting of both primary and secondary ethnographic research material, the highlights of this donation are the original video archives documenting people

and their culture, and the Inuktitut language semantic field database. Along with our strong Inuit art collection, the complete *Hallendy Archives* is a special resource that has already proven to be a critical resource to prominent international scholars.

The hiring of Sarah Stanners as Chief Curator in March 2015 provided strong leadership following the departure of the previous Chief Curator who joined the National Gallery in 2014. Through a great deal of effort and commitment, the curatorial team was able to mount high-quality curatorial initiatives such as the reinstallation of the Permanent Collection, and the presentation of a number of special exhibitions that include *The Photographs of Frank (Franz) Johnston (CONTACT)*; *Transforming Spirit: The Cameron/Bredt Collection of Contemporary Northwest Coast Art*; *This House Was Made for Christmas*; *For Every Season*; *A Foundation for Fifty Years: The McMichael Masterworks*; *On Paper*, including *Maria Chapdelaine*; and *Field Trip: Sarah Anne Johnson (CONTACT)*. The opening of *A Foundation for Fifty Years* received great press coverage, and with the arrival of our new Marketing Director, we expect to continue receiving greater coverage from the media.

In November 2015, we formally celebrated the 50th anniversary of the signing of the agreement by which the McMichaels' generously gave their art collection to the Province of Ontario in 1966. The elegant reception was held at the Lieutenant-Governor's residence, where founders' family members, patrons, donors, Group of Seven descendants, and current and former decision-makers gathered in commemoration of this landmark date for Canadian art.

At the same time, we took an important step toward engaging with the public beyond our gallery walls by launching the interactive timeline *The McMichael Milestones* on our corporate website, highlighting special historic moments and events in the McMichael's 50-year history. On this occasion, we also reopened the redesigned Founders' Lounge in the gallery, where the public can enjoy beautiful views surrounding the McMichael in the comfort of the original house's family room. This spacious area with natural light is also a perfect setting for corporate meetings, retreats or teambuilding days. With its magnificent Grand Hall, the McMichael continues to market its facilities for corporate or private events, such as weddings, birthday parties or corporate dinners. In fiscal 2016, the McMichael launched the new eShop on its website. Most products found in the gift shop can now be purchased online.

Our dynamic Volunteer Committee celebrated its 30th anniversary this year and held its most successful Annual Autumn Art Sale fundraising event, which was attended by more than 2,000 visitors and generated the highest sales since 1991. In addition to the yearly contribution that the Volunteer Committee makes to the McMichael, this year it collaborated with the gallery to develop a unique commemorative outdoor bench program for donors to purchase newly designed benches that pay tribute to a family member or friend who had an affiliation with or love of the McMichael. The benches are installed throughout the property for visitors to enjoy along our trails and grounds.

This year, the McMichael was honoured to receive the Vaughan Chamber of Commerce 2015 Business Achievement Award in the Accessibility category. This award recognized the work that

the McMichael has done and continues to do to become an inclusive and welcoming place for all.

The Creative Learning & Programs team developed significant projects to expand our programming mandate and reach. The *Birch Bark Canoe* project with Thom Sokoloski's *Colour of the River Running Through Us* installation received excellent reviews from the press, as well as our project that celebrated 400 years of francophone presence in Ontario entitled *Le Sentier Partagé/The Shared Path*.

Memberships are at the highest recorded level (more than 5,000 members) due to aggressive communications, improved sales training for front-of-house staff, and strong stewardship with members-only events around popular exhibitions.

In assessing the future long-term requirements of the McMichael and the leadership essential to achieve the strategic priorities of the gallery, the Board of Trustees decided not to renew the contract of the Executive Director & CEO, effective in September, and appointed Nathalie Mercure, a capable and experienced senior executive as Interim Executive Director. A search committee of the Board of Trustees was formed and the search is underway for a new permanent CEO, which we expect will be appointed in the second quarter of 2016.

However, a confluence of unexpected and unknown factors, some specific to the McMichael and some more generally applicable, contributed to making the fiscal year a challenging one.

Attendance declined from the previous year and was much lower than expectations due to three factors. (1) The Pan Am games in the summer of 2015 materially impacted attendance negatively as residents stayed home or left town and tourists had a panoply of arts and culture alternatives to choose from, many of which did not require travel to Kleinburg. (2) Although student visits were expected to improve due to the introduction of new curriculum-based studios and tour programs promoted with targeted marketing, sales and promotional efforts to all audiences, the Work to Rule teachers' action in Ontario negatively impacted the number of student visits in the third quarter of fiscal 2016. (3) Although the quality of the exhibitions was stellar and brought in new audiences, some of the exhibitions did not have as much name recognition as those in previous years when exhibitions with more well-known artists such as Morrice, Lyman, and Matisse drew stronger attendance.

To alleviate the decline in attendance and the related impact on revenue (ticket sales, parking, gift shop, food) as well as the more challenging environment for corporate and third-party contributions and increasing uncontrollable fixed costs, strong fiscal management of expenses was required. We actively reduced discretionary spending, including some salaries and benefits through position eliminations, and continue to evaluate ways to minimize other expenditures to reduce the projected operating deficit for the current year. Management has revised the projection for fiscal 2016 to reflect the shortfall of revenues and adjustments in expenses. There are also some unbudgeted, one-time expenditures related to legal costs, severance costs and associated expected executive search costs for the recruitment of a new

CEO that are outside of our projected operating results for the fiscal 2016. The combined impact of this will be to increase our projected deficit, which will be financed from our cumulative surplus.

In addition, as the McMichael tried to adapt its organization to better deal with the changing short-term and long-term fiscal and operating realities, organizational leadership, culture and performance issues came to light that resulted in staff changes and additional short-term pressures on the organization, especially given the gallery's small staff complement. In fiscal 2016, the Director, Marketing & Visitor Services, left in March and the Director, Development & Donor Relations, left in December. A new Director, Communications, Marketing & Sales Promotion, Nick Foglia, joined the McMichael leadership team in October. We also expect to have a new Director of Development in place by mid-2016.

One of the greatest strengths of the McMichael is its nimbleness. Due to its size, when faced with challenging situations, it can adapt rapidly to changing environments to ensure a sustainable future. In fiscal 2016, the McMichael has adapted to changes and its staff has, once more, demonstrated its resilience and passion for the McMichael and has risen to the occasion. The McMichael is setting the stage for a great 50th anniversary year in 2017, and looks forward to impressing its audiences and patrons with inspiring exhibitions and programming.

Fiscal 2017 – A Year to Celebrate the McMichael's 50th Anniversary

In fiscal 2017, we will have the following key priorities for the McMichael:

- Development of a new strategic plan
- Development of a long-term artistic vision to guide curatorial direction
- Delivery of 50th Anniversary projects
- Enhanced self-generated revenues through donations, sponsors, capital providers
- Appointment of a permanent Executive Director & CEO

In fiscal 2017, the 50th anniversary of the McMichael, we intend to leverage our celebrations to improve brand awareness and increase market share of cultural tourism and regional visitors. The focus of 2017 on themes of Canadian history and identity offers a significant opportunity for the McMichael to reinforce its unique position as a singular Canadian institution of national significance, differentiated from local and regional art galleries. The McMichael has an exceptional opportunity in fiscal 2017 to focus attention on donors and stakeholders of the future as it looks to the next 50 years of its development.

In particular, to celebrate our 50th anniversary in the spirit of gratitude to our many contributors and stakeholders, we have planned a robust exhibition schedule and a number of activities and events.

These include:

- A special 50th anniversary summer/fall exhibition program titled *50/50/50* consisting of three banner exhibitions that look backwards and forwards in time from the McMichael's founding year:
 - *A.Y. Jackson and Tom Thomson: Wounds of War* (Guest-curated by Laura Brandon)
 - *Jack Bush: In Studio* (Curated by Sarah Stanners)
 - *Colleen Heslin: Needles and Pins* (Guest-curated by Naomi Potter) - a proposed exhibition still in development as of the date of this report).
- A special exhibition, *Higher States: Lawren Harris and His American Contemporaries* (Guest-curated by Roald Nasgaard and Gwendolyn Owens), to open in February 2017
- A Canadian Citizenship Ceremony held at the McMichael on February 8, 2016 and one planned for November 2016;
- A naming ceremony for our driveway in collaboration with the City of Vaughan on April 12, 2016;
- A celebration of the 50th over three days of events and activities on July 8, 9 and 10, 2016
- The launch of the 50th anniversary The McMichael Wine Collection for sale through the LCBO in May 2016;
- Other ongoing activities such as a concert series and a speakers' series complementing our exhibitions, and free Family Days on Sundays throughout the year.

The budget for fiscal 2017 is anticipating improved financial performance and our goal is to achieve a balanced budget within a foreseeable future. We are strategically developing exhibitions, programs and activities in line with a common vision, and keeping in mind potential sources of funding, whether publicly or privately.

In addition, in fiscal 2017, we will focus on organizational design and development to encourage greater employee engagement, agility, and a vibrant and rewarding culture.

In fiscal 2018, the McMichael is exceptionally placed to capitalize on the interest in and support of Canada's 150th, particularly with its mandate centred on Canadian art, and its unique site features that include the Group of Seven cemetery and the Tom Thomson Shack. The McMichael offers a unique experience that engages people with their identity and with their understanding of what it means to be Canadian.

Ongoing Challenges

Aging Infrastructure

The last major capital expansion at the McMichael was in 1982. In the last four years, the McMichael has improved its visibility and profile, increased visitation and use, and expanded its offerings to include accessible art programs, resulting in greater demands on current infrastructure. While of considerable heritage value and integral to the visitor experience, the current facilities constrain audience and user growth. Making the grounds accessible, adding

new program spaces to free up exhibition space, and increasing back-of-house capacity for receiving new acquisitions and gifts of important Canadian art are three areas that demand critical attention. Of particular note, the McMichael must also face maintenance issues associated with maintaining a large treed site (over 70% of the trees on the McMichael grounds were damaged during the December 2013 ice storm, with cleanup continuing).

Collaboration with the Toronto and Region Conservation Authority and local authorities will facilitate planning, however 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 mean 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 have a stronger presence in the Greater Toronto Area (GTA).

Rising User Expectations

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.

MANDATE, MISSION & VISION

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 artworks, 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 Aboriginal peoples of Canada; and to*
- *Exhibit artworks, 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 objects 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.*

Mission & Vision

Mission

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

Vision

To be recognized as an extraordinary place to visit and explore Canadian culture and identity, and the connections between art and nature.

STRATEGIC DIRECTIONS

Strategic Objectives & Initiatives

Currently, the McMichael is governed by its 2012 *Strategic Plan*, which clearly articulated its vision, mission and strategic initiatives. The vision identifies the McMichael as an extraordinary place. This place-based vision has informed the McMichael's re-aligned strategies to increase visitation, private contributions, and community relevance.

The four strategic objectives from the 2012 Strategic Plan are:

- *Deliver an engaging and exceptional visitor experience—each and every time;*
- *Build a sustainable organization delivering outstanding performance;*
- *Become a centre for knowledge creation and sharing; and*
- *Improve organizational capacity and performance.*

In fiscal 2017, the McMichael will implement the following initiatives in pursuit of its four strategic objectives:

- To enhance visitor experience and drive increased repeat attendance. Based on the results of surveys and a qualitative study conducted, the McMichael will better target its exhibitions and marketing efforts to deliver to its members and visitors strategically developed exhibitions and engaging programs, tours, grounds activities, restaurant, and overall service experiences.
- Seek long-term sustainability by executing in a fiscally disciplined manner on a budget projected to be balanced in the foreseeable future. We expect to grow our contributed revenue and set the stage to develop a long-term plan to re-imagine the McMichael for the next 50 years in terms of vision, mission, site and building development, program augmentation, and national profile.
- Make the McMichael a national resource for knowledge creation and sharing through continuing collaborative research and digitization projects, and co-publishing of new books.
- Respond to timely opportunities through flexible organizational capacity by re-evaluating existing organizational structures, leveraging existing staff and volunteer resources, and developing new collaborations that focus on the 50th anniversary in 2016, and prepare to be a significant site for celebrating Canada's art heritage in 2017 during Canada's 150th.

In March 2016, the current Chair will be stepping down upon completion of his term to make way for a new incoming Chair as per the succession planning process created by the current Chair and approved by the Board in October 2013. With the benefit of a new incoming Chair of the Board (who shall start in April 2016) and a new CEO (expected to start mid-2016), the Board and management intend to review the McMichael's strategic vision. A standing committee of the Board has been formed and the McMichael is looking at different business models for galleries and museums throughout the world to develop a strategic plan that will ensure its long-term sustainability, vibrancy, and relevance in a rapidly changing external environment. One of the McMichael's strengths is the fact that it is nimble and can adapt rapidly to changing environments.

Central to that review will be re-examining the McMichael's artistic vision and expanding its scope to capture broader audiences, as well as more opportunities for grant-based funding. The McMichael offers a unique experience that engages people with their identity and with their understanding of what it means to be Canadian. A new aspirational Artistic Vision will expand the public's perception of the McMichael beyond Kleinburg and the Group of Seven, and position the McMichael as a unique museum on the national stage, dedicated to celebrating Aboriginal art and culture, Canadian art, Canadian artists, and the growth and evolution of what it means to be Canadian and live in Canada. This reinforcement of the historical brand identity with a national focus will prepare the McMichael to meet the opportunities offered through the 50th anniversary in 2016, and the 150th of Canada in 2017, and to foster wider support at the national and international level. In addition, it will be the foundation that will contribute to long-term relevance and sustainability, and continued recognition of the McMichael as one of Canada's iconic institutions.

Master Plan

In fiscal 2014, the McMichael conducted significant studies to create 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:

- **Cultural Landscape:** The McMichael is basing the Master Plan on the integration of its grounds, structures, and programs to provide a complete cultural experience to its visitors. In this perspective, the Master Plan is perceived as an evolving program to enhance all aspects of the landscape and its use.
- **Accessibility:** The 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.
- **Aboriginal:** The McMichael is situated in a heritage river valley and respects Aboriginal perspectives on principles of land use and sustainability.

The strategic planning process above will leverage the work done to date on the master-planning exercise described below to 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 Board and management are cognizant of the constraints of public funding, but at the same time must underline the need for adequate public support to ensure successful and professional ongoing protection of assets and community service.

Special Capital Project, Fiscal 2017

Based on the master-planning principles, the McMichael will redesign and enhance existing infrastructure (Meeting House) to create accessible and flexible spaces for art, learning, rental, and short-term accommodation. 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, LEED®, and design for flexibility and optimal functionality, while at the same time offering a much-needed public activity space to ease current crowding and conflicts.

Key Planning Assumptions

The McMichael bases its planning on the following assumptions:

- The McMichael is in a ‘category of one’ with a unique asset mix of national significance;
- The McMichael’s expanded mandate to include contemporary Canadian artists provides the McMichael with unique opportunities to marry the old and the new in a magnificent natural setting;
- The McMichael’s unique positioning with Aboriginal art provides an opportunity to distinguish the McMichael and attract more diverse audiences;
- The McMichael has a strong local and regional identity but has limited penetration in the national and international markets;
- The McMichael benefits from collaboration with regional and national partners;
- Long-term sustainability is dependent on increasing private contributions and maximizing revenue potential;
- Achieving a balanced budget in a foreseeable future is dependent on a strong fiscal discipline and a clear strategy and implementation plan executed by a stable leadership team;
- The 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.

Environmental Influences and Risks

There are significant factors in the local, regional, and national environment that influence our planning. Sector-wide factors are discussed under the Environmental Scan (see below).

Economic Situation

Fluctuating stock markets are affecting the level of spending for recreational activities as well as the level of donations/contributions to the arts. The instability of the Canadian dollar may limit our abilities to send or receive exhibitions and/or loans to and from the US, since shipping and travelling 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.

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 growth of Vaughan and York Region, and the limited number of cultural agencies make the 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 the positioning of the McMichael as a significant Canadian experience relevant to newly arrived families.

Costs and Flexibility Constraints Due to Designation by the TRCA

The McMichael is a partner in the integrated planning being undertaken by the Toronto and Region Conservation Authority (TRCA) and the City of Vaughan that incorporates Aboriginal heritage, native vegetation, accessibility, and cultural interpretation. While the site is deemed to be of national cultural significance by the TRCA, its maintenance and improvement are the responsibility of the McMichael. Increasing fixed costs related to managing the gallery function constrain participation in planning and jeopardize site maintenance and critical improvements, particularly in the areas of accessibility and usability for visitors.

Regional

The impact of a location remote from the GTA has diminished with the growth of York Region, and the understanding of the McMichael as a significant cultural destination that can “pull” visitors, including tourists. Increasing the McMichael’s national presence will contribute to a growing market share in this area. Better understanding of regional markets, particularly recently arrived residents, can reinforce the McMichael’s positioning as a special Canadian destination. Partnership opportunities with Toronto organizations such as CONTACT will attract new visitors from GTA art audiences, and increase local participation while sharing risks.

National

The recently elected federal Government made promises to be a greater supporter for the arts and Aboriginal culture than its predecessor. Being a national icon for Canadians, the McMichael should attract increasing federal funding levels for its exhibitions, programs, and grounds. An appeal in particular is the McMichael's dedication to Aboriginal art, as well as contemporary art.

Opportunities

In fiscal 2017, the 50th anniversary of the McMichael, we will leverage regional and national celebrations to improve its brand awareness and increase its market share of cultural tourism and regional visitors.

The McMichael has an exceptional opportunity in 2016 to focus attention on donors and stakeholders of the future as it looks to the next 50 years of its development.

In fiscal 2018, the McMichael is exceptionally placed to capitalize on the interest in and support for Canada's 150th, particularly with its mandate centred in Canadian art, and its unique site features that include the Group of Seven cemetery and the Tom Thomson Shack. The focus of 2017 on themes of Canadian history and identity offers a significant opportunity for the McMichael to reinforce its unique position as a singular Canadian institution of national significance differentiated from local and regional art galleries.

OVERVIEW OF CURRENT & FUTURE PROGRAMS & ACTIVITIES

Programs and Activities

Visitor Experience

With a new Chief Curator, the McMichael exhibition program has made great strides to be more strategically impactful than ever before. Exhibitions are planned with consideration to enabling fundraising and revenue generation, as well as expanding our audience. The exhibition program for our 50th anniversary year is aimed at “*giving thanks*” to our community, including donors and patrons. Celebrating the gallery founders and the community that supported them, as well as the many gifts from donors that have built our collection over the past 50 years, puts an emphasis on showing our Permanent Collection works, showing gratitude, and keeping loan costs to a minimum during a time of budget constraints. Giving thanks to those who have helped to build our collection is also aimed at inspiring new donors and patrons to engage with the McMichael to build for its future. Our 50/50/50 exhibition program for the 2016 summer/fall season aims to expand our audience by celebrating artists from the early 20th century (Thomson and Jackson); Jack Bush at mid-century; and the best of 2016 art with Colleen Heslin’s contemporary work. Longer running exhibition times has permitted targeted marketing campaigns and strategic planning and development of exhibitions. We continue this with our major special exhibition for winter/spring 2017: *Higher States: Lawren Harris and His American Contemporaries*, which will capitalize 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 showcase Canadian artists within a global context. Engaging expert guest curators has relieved our small staff in curatorial and expanded our national profile as we connect with the professional community at large.

Fiscal 2017

Ongoing exhibitions mounted in fiscal 2016, which extend into fiscal 2017:

- *Field Trip: Sarah Anne Johnson*, as a Primary Exhibition partner with Scotiabank CONTACT Photography Festival (Curator: Sharona Adamowicz-Clements)
- *Reframing Canadian Art*, a re-installation of the Permanent Collection (Curators: Chris Finn and Sarah Stanners)
- *A Foundation for Fifty Years: The McMichael Masterworks* (Curator: Sarah Stanners)
- *On Paper*, including Clarence Gagnon’s original artwork for *Maria Chapdelaine* (Curators: Sarah Stanners and Chris Finn)

New exhibitions for fiscal 2017:

- A special 50th anniversary summer/fall exhibition program titled *50/50/50* that will include three banner exhibitions that look backwards and forwards in time from the McMichael's founding year:
 - *A.Y. Jackson and Tom Thomson: Wounds of War* (Guest-curated by Laura Brandon)
 - *Jack Bush: In Studio* (Curated by Sarah Stanners)
 - *Colleen Heslin: Needles and Pins* (Guest-curated by Naomi Potter) – a proposed exhibition still in development as of the date of this report.
- *Higher States: Lawren Harris and His American Contemporaries* (Guest-curated by Roald Nasgaard and Gwendolyn Owens)

Learning

The McMichael's restructured learning programs that responded to teacher and student feedback now have updated content and provide an improved user experience. Refitted lower-level spaces permit an improved studio experience. A focus on working with contemporary artists has resulted in a series of innovative learning modules. Educators also integrated iPads in selected school and public programs to support learning, enhance visitors' gallery experience, and improve accessibility.

Empowered by the publication of *The Art of Inclusion: A Guide – Seven Steps to Developing and Delivering Accessible and Inclusive Programs within Arts and Cultural Organizations*, the McMichael's programming continues to engage public discussion around inclusivity.

In fiscal 2017, the McMichael will partner with Tangled Arts + Disability to offer an opportunity to an artist living with disabilities to collaborate on the development of a school studio program within the McMichael Signature Studios. Please note that this artist engagement will also support the McMichael's Art Mentorship Project that, for the third year in a row, will offer a mentorship experience to a recent art school graduate.

To acknowledge *A.Y. Jackson and Tom Thomson: Wounds of War*, an exhibition offered within the *50/50/50* show, the McMichael Creative Learning & Programs Department will develop and implement a two-hour-long school program that will be offered during fall 2016 and the year of Canada's 150th anniversary. Entitled *History Lessons*, the program will offer a discussion on how war conflicts affect our personal lives and how we can creatively respond to these physical or psychological traumas to overcome them. It will also address the specific history behind this exhibition, namely World War I, the development of Canada's national identity in the 1920s, as well as the various civic roles that each individual plays in Canada's history.

Another focus of the school program development within the next budget year will be French language programming. While all the programs at the McMichael are already offered in both official languages, we are planning to develop a special literacy gallery program for French Immersion and Extended French schools.

Other programming initiatives with various collaborations (Sunnybrook Hospital Veteran Centre, the TRCA, etc.), Signature Performance Series, as well as public celebrations and commemorations, will be offered in support of the upcoming anniversary and exhibitions.

Sustainability

In light of cost pressures, a less certain environment for non-governmental revenue generation, and changing audience profiles, it will take strong fiscal discipline and financial management to return to a balanced budget in the foreseeable future. This will be the focus for fiscal 2017. To achieve this goal, in addition to streamlining operational activities to be strategically directed and complementary to each other, the development team will focus on fundraising, stewardship, and cultivation activities (including prominent on-site donor recognition) to result in improved net revenues on events, increased membership conversion, record number of members and increased individual giving and corporate sponsorships. Investment in sales capacity and online shopping is expected to increase facility rental, group sales revenues, and retail sales.

Knowledge Creation & Diffusion

Virtual Museums of Canada

We have applied for a grant in 2016 from Virtual Museums of Canada in connection with key partners in the Inuit art community, which would allow the McMichael to effectively activate the Cape Dorset works on paper that we have been digitizing since June 2014. Our aim is to share the works of art again with communities in the North. The grant would enable us to build a database interface on our website where we would invite young Inuit peoples to access and curate virtual exhibitions online, as well as enable them to explore and better understand the art of their own heritage, which is not often exhibited or made accessible in the North.

EnAbling Change

We have applied for a grant in 2016 for our proposed Art of Inclusion II: Educating Educators project, which will enable educators to efficiently incorporate accessible art activities into their current teaching practices to help promote inclusivity within elementary and high school environments. This project builds on the success from the EnAbling Change Grant received by the McMichael in 2012 to develop a guide to best practices based on assessment of current programs and identification of partner agencies. This project was finalized with the publication of *The Art of Inclusion: A Guide – Seven Steps to Developing and Delivering Accessible and Inclusive Programs within Arts and Cultural Organizations*.

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 summer 2016 will be aimed at supporting research for our summer 2017 exhibition program, as well as adding data to The Museum System database on an ongoing basis. Interns will also be tasked with preliminary research for a J.E.H. MacDonald retrospective.

Mobilizing Inuit Cultural Heritage

Federal funding for a 12-month Aboriginal internship supplemented support from York University to continue the major digitization project for the Cape Dorset Archives, now in Year 2 of the 7-year project. York University has continued to provide funding into fiscal 2017 with a student employee at 10 hours/week who digitizes the Cape Dorset collection on an ongoing basis.

Publications

Although the fiscal 2016 communications strategy was to separate content from program information, and to publish a content-rich *McMichael Magazine* for broad public distribution and new school and adult learning brochures for target markets for fiscal 2017, we will focus our communication strategy primarily on our e-newsletter *Art Flash*, which is distributed digitally to our members and followers, and to exhibition-specific publications available for purchase concurrently with the exhibitions. The *McMichael* will publish, in contract with a major Canadian publisher and distributor, a book to complement our major 2017 exhibition, *Higher States: Lawren Harris and His American Contemporaries*. We also plan to pursue, independently, the publication of a small booklet for the contemporary exhibition *Field Trip: Sarah Anne Johnson*. Our publications for the fiscal 2017 year will therefore appeal to a wide audience—those who love historical art and those who love new, contemporary photography. Our fiscal 2016 publication for the exhibition *Transforming Spirit* was made possible by donors Jamie Cameron and Christopher Brecht, and is now nearly sold out.

Web Presence

The *McMichael* will embark on a project to re-design its website, which will incorporate improved user interaction, transactional capability, greater access to content, and improved social media. 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.

In fiscal 2017, a new customer relations and transaction software will be implemented and will improve online sales capacity and reduce employee workload. The new CRM/POS applications in sales and admissions will improve internal communications and permit refined analysis of visitor/customer data.

Organizational Capacity

In partnership with the McMichael Volunteer Committee (MVC), which includes the McMichael Youth Team (MYT) and the Docent group, the McMichael will continue to expand opportunities for volunteerism with increased integration with the McMichael staff, along with greater recognition. 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 grow and solidify working relationships with high schools, colleges, and universities in Ontario and throughout Canada. Engaging internships and co-ops reaffirm the importance of culture in Canada and provide opportunities for youth to expand their core base for future employment.

The organization will benefit in fiscal 2017 with standard training programs for all staff and volunteers. In addition to core training programs of health and safety, accessibility, and service standards, the McMichael is being proactive in ensuring that respect in the workplace is extended among and throughout all business activities. The additional training and placement of existing and new policies and programs in an electronic format will benefit all staff and volunteers by ensuring regular updates are shared and accessible.

In recognition of the McMichael's 50th anniversary and Canada's upcoming sesquicentennial, training will also be provided on the McMichael collection and the integral place of the Collection within the Canadian context.

A focused approach will be taken for sharing organizational and human resource strategies with other leaders and drivers of the cultural community. This collaboration will help pool knowledge and resources to grow opportunities throughout all cultural organizations for staff, volunteers, and interns.

RESOURCES NEEDED TO MEET GOALS & OBJECTIVES

Summary of Staff Numbers

Management staff numbers are planned to return to previous year levels by end of June 2016.

The fiscal 2017 staff structure assumes we continue in a non-union work environment, with the following work force:

Classification	FTEs
Senior Management (5)	5
Full-time staff (39)	39.4
Part-time staff (59)	24
Full-time seasonal (15)	2.6
Total:	71
Note: Security Services Outsourced	9
Volunteers	84

Summary of Financials

	2014-15 (Actual)	2015-16 (Projection)	2016-17 (Budget)	2017-18 (forecast)	2018-19 (forecast)
Revenue					
Provincial grant for operations	3,328,800	3,328,800	3,328,800	3,328,800	3,328,800
Other	478,173	211,426	633,550	383,000	58,300
Business Operations	3,585,080	3,181,000	3,357,000	3,763,000	3,671,000
Total Revenue	7,392,053	6,721,226	7,319,350	7,474,800	7,058,100
Expenses					
Salaries, wages & benefits	4,060,180	4,064,000	4,148,000	4,148,000	4,230,200
Other direct expenses	3,463,145	3,217,850	3,627,000	3,661,850	3,053,800
Total Expenses	7,523,325	7,281,850	7,775,000	7,809,850	7,284,000
Net income/(loss) before amortization	-131,272	-560,624	-455,650	-335,050	-225,900

Underlying Assumptions for the Fiscal 2017 Budget

We have developed our budget projections based on the operating grant remaining consistent with fiscal 2016. The flat-lined provincial base funding represents 43% of the fiscal 2017 operating budget and continues to represent a smaller percentage of our total operating budget (56% in fiscal 2012; 50% in 2013; 50% in 2014; 47% in 2015; 46% in 2016).

Increasing costs in all areas of operations makes it increasingly difficult to balance the budget.

We have set attendance targets that we believe are achievable with the program plan for fiscal 2017.

Admission Revenue

Admission revenue is based on attracting 36,400 paid visits compared to 34,500 anticipated paid visitors for fiscal 2016.

Gallery Shop Revenue

Gallery Shop revenue is predicated on achieving the projected attendance level and maintaining the revenue generated per general visitor at \$11.35. The retail shop went through a transformation in 2014 with a new Retail Manager and Director in place. The store layout has been assessed and redesigned. The development of a purchasing mandate as well as sales analysis has informed product lines, pricing, and stock levels. Capital improvements completed are AODA-compliant, with modifications to the checkout counter. The modifications also provide better merchandising opportunities and more visibility from the lobby/gallery entrance. Improvements in fiscal 2015 and 2016 have resulted in sales revenue per general visitor increasing from \$10.51 in fiscal 2015 to \$11.35 in fiscal 2016. The purchase and implementation of a new point-of-sale system in Q3 of 2015 greatly enhanced the online web presence and should increase online sales.

Facility Rentals and Catered Events Commission

The appointment of a full-time contract Sales Manager has had a positive impact on wedding and corporate rentals. The work done annually at travel/trade and consumer shows will continue to increase revenue for group attendance and rental revenues. In fiscal 2016 we increased revenues by 26% over fiscal 2015. Conservatively, we have set targets for facility rentals and group tours for fiscal 2017 at a slightly lower level than actual results for fiscal 2016.

Development Revenue

While the past year was challenging in achieving the aggressive targets in contributed revenue, there will be a continued focus on increasing contributed revenue in fiscal 2017.

Membership growth in fiscal 2015 was significant, and more moderate growth continued in fiscal 2016 with an all-time record number of members at the McMichael (over 5,000 members). 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.

Individual Giving has seen increased results in 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.

Our main fundraising event, the *Moonlight Gala*, had its best year ever last year, generating significant net profits and providing a great occasion for patrons and friends to reunite and celebrate during an elegant evening garden party on our spectacular grounds. For our 5th *Moonlight Gala*, which will celebrate our 50th anniversary, we have a very special evening in store and expect to surpass last year's record-breaking net profit.

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. The McMichael Foundation Board will play a vital role in supporting our stewardship and fundraising efforts.

Education, Group Tours, and Public Programs Revenue

Strong education attendance is expected to resume in fiscal 2017 as the Ontario teachers have settled contracts. New, innovative and heavily curriculum-related art engagement activities and studios designed in 2015, 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 with children's programs, to ensure we can run all programs at full capacity, resulting in a higher bottom line from this revenue stream.

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 lower level of cash reserves, investment revenue is projected to decrease by 33%.

Staffing Costs

Staffing costs in fiscal 2016 are projected to be 5% lower than budgeted and are expected to increase by 2% in fiscal 2017. Staffing costs represent 53% of total operating budget. A total staff complement of 71 will remain consistent in fiscal 2017.

The McMichael participates in the OMERS Pension Plan and has seen contribution rates increase by approximately 33% in recent years. The current annual cost to the McMichael for its employees' pension plan is approximately \$300,000.

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 licences 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 project, 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. To mitigate such a risk, the McMichael is proposing to launch an Exhibition Development Fund in fiscal 2017, primarily to fund robust exhibitions at the early stages of such projects.

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 licences, 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 the second quarter and make expeditious decisions about how to adjust expenses, as necessary, including reviewing product offerings.

Capital Expenses

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

RISK IDENTIFICATION, ASSESSMENT & MITIGATION STRATEGIES

See *The McMichael Risk Identification, Assessment & Mitigation Strategies*, Appendix A.

ENVIRONMENTAL SCAN

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 the McMichael attracts a traditional audience of art lovers, the 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 online 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 museum-goers, are fuelling this local population growth. Attracting this group will require investment in specialized targeted marketing and program development. 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 closer to home 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.

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 and

increased fire hazards. Invasive species endanger the “boreal” canopy for which the 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

An increasingly diverse population plus limited access to 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 Aboriginal 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, thus 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.

Internal Factors

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.

Key Drivers

New exhibitions with high-name recognition are key audience drivers, but do require major development expenses, as well as marketing investment in a competitive market place to attract audience share. The McMichael has been working to increase baseline attendance through programs and community engagement, a multi-year strategy to long-term growth, based on repeat attendance and site use.

Fiftieth anniversary celebrations are a special key driver for planning in fiscal 2017, with the launch of the anniversary celebrations starting in April 2016.

HUMAN RESOURCES

In assessing the future long-term requirements of the McMichael and the leadership essential to achieve the strategic priorities of the McMichael, the Board of Trustees decided not to renew the contract of the previous Executive Director & CEO, effective in September, and appointed Nathalie Mercure, a capable and experienced senior executive as Interim Executive Director. Nathalie is providing the McMichael with financial and organizational stability and focus until a permanent CEO is hired, expected to be by mid-2016. A search committee of the Board of Trustees was formed and the search is underway for a new permanent CEO, which we expect will be appointed in the second quarter of 2016.

In March 2015, we hired a new Chief Curator/Director, Curatorial & Collections, Sarah Stanners. Dr. Stanners completed her PhD in art history at the University of Toronto (2009), as well as a SSHRC Postdoctoral Fellowship at the University of British Columbia (2009-11). Dr. Stanners has taught historic and contemporary Canadian art at the University of Toronto, the University of Guelph, and the University of British Columbia. She most recently co-curated the major Jack Bush retrospective at the National Gallery of Canada (Nov 2014 to Feb 2015) with its Director and CEO, Marc Mayer, which toured to the Art Gallery of Alberta. Dr. Stanners is the author of the forthcoming *Jack Bush Paintings: A Catalogue Raisonné*, which is affiliated with both the McMichael and the Department of Art, University of Toronto (due to be released in early 2017).

In October 2015, a new Director, Communications, Marketing & Sales, Nick Foglia, joined the McMichael. Nick comes from a similar industry and is managing our 50th anniversary projects as well as Canada's 150th anniversary celebrations in addition to the marketing and communications activities that he oversees. We forecast a new Director, Development & Donor Relations to be in place by mid-2016 to replace the previous director who left after almost three years.

Merging volunteers at the McMichael into the McMichael Volunteer Committee (MVC) is expected to bear fruit in fiscal 2017 with an expanded recruitment process and engagement of volunteers within all the McMichael departments. The support of volunteerism is important to a public institution, and the McMichael is committed to providing a rewarding and enriching volunteer experience.

The McMichael has supported internships in various areas of the gallery, namely Education, IT, and summer placements, but has never formalized, nor publicly promoted these education opportunities. In fiscal 2017, management will forecast areas where co-op or internship opportunities would add value to the students' learning and to the McMichael's place in providing a learning environment. Human Resources will ensure that policies, procedures, and external tools are in place that will promote the programs and support the successful inclusion of interns in the McMichael's commitment to learning.

To support our commitment to learning internally among 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 Resources will continue training all staff and volunteers in core programs of Accessibility, Customer Service, Health & Safety, and the new programs of Respect in the Workplace, and the McMichael story and its place in Canada.

The staffing changes over the past 18 months have contributed to additional pressures on the organization. Looking forward to the future, the McMichael is focused on continuing to evolve its culture to deal with changing economic and operating realities of running a gallery while ensuring that all staff and volunteers are meaningfully engaged in their work, contributing to the success of the gallery, and recognized for their contributions to that success.

PERFORMANCE MEASURES

See *The McMichael Performance Measures Fiscal 2017*, Appendix B.

FINANCIALS

See *the McMichael Fiscal 2017 Business Plan Financials*, Appendix C.

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

Over the last two years, the McMichael has upgraded and expanded its IT networks and storage, and has rolled out improved enterprise software. These improvements will enable us to build better and extended web access and content in fiscal 2017, including new online transaction capabilities that will affect sales, memberships, donations, etc. In addition, the McMichael launched a new online retail presence using Retail Management System (RMS) software with enhanced CRM capabilities to improve national and international sales.

We are currently operating with a non-supported ticketing system, VISTA. Should the system fail, the McMichael is at risk of not being able to access important customer data. With the assistance of an IT consultant, we have conducted an analysis of Customer Relations Systems (CRM) available, giving consideration to cost, functionality of program, work to implement, compatibility with other systems, in particular, a retail point of sale system. A decision was made to implement Tessitura, which is an integrated CRM solution enabling us to track and share customer data through various departments—admission, memberships, fundraising, marketing, and sales. This system requires a significant one-time investment for implementation, and an increased annual operating cost for system support. Tessitura is widely used throughout eight countries by museums, galleries, cultural attractions, and performing arts theatres.

INITIATIVES INVOLVING THIRD PARTIES

The McMichael is in Year 4 of a 5-year contract for food service with Cashew and Clive, with relocated café services in the Grand Hall.

The McMichael is in Year 3 as a Partner with York University, SSHRC-funded, to undertake a major 7-year research project, *Mobilizing Inuit Cultural Heritage*, in association with the West Baffin Eskimo Co-operative, Isuma TV, Nunavut Broadcasting, and Nunavut Arctic College.

The McMichael has established a collaborative partnership with Ontario Parks, including Killarney and Algonquin. As part of our renewed approach to the cultural landscape, we have established a strengthened relationship with the Toronto and Region Conservation Authority. In addition, the McMichael has signed an MoU with the Willowbank School of Restoration Arts, agreeing to host student interns and projects.

In fiscal 2016, the McMichael established formal partnerships with *CONTACT* for a second consecutive year. The McMichael has also established formal partnerships with both JazzFM (performance and media sponsorship) and WNED (promotion and program support). The 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.

COMMUNICATION PLAN

In fiscal 2016, the McMichael focused on a new communications tool in the *McMichael Magazine* to reach national and international audiences. This new strategy did not prove to be as successful as anticipated in broadening and expanding our audiences and contributing to attendance and funds raised. As a result, given strained financial and human resources, in fiscal 2017, we will focus communication with members and patrons through our *Art Flash* monthly e-newsletter and will re-assess in fiscal 2018 the need for a more elaborate publication. We will continue to favour publications related to exhibitions to complement the shows and to promote dissemination of research and information about artists.

All of our publicity and media messaging will continue to be developed in conjunction with the Ministry protocols and key messaging for all agencies. The McMichael also has capacity in both English and French.

ORGANIZATIONAL CHART BY DEPARTMENTAL FUNCTION

All staff members report, directly or indirectly, to the Interim 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 *The McMichael Functional Organizational Chart*, appendix D.

CAPITAL ASSET MANAGEMENT PLAN

In fiscal 2017, the McMichael will complete renovations on the Meeting House, thanks to special fiscal 2014 provincial capital funding. The McMichael will not be requesting funds in this fiscal year for new capital projects, other than maintenance, repair, and replacement of current assets, as identified in the *VFA Asset Management Report*. For details, see *The McMichael Capital Asset Management Plan*, appendix E.

LIST OF APPENDICES

- A. *McMichael Risk Identification, Assessment and Mitigation Strategies*
- B. *McMichael Performance Measures Fiscal 2017*
- C. *McMichael Fiscal 2017 Business Plan Financials*
- D. *McMichael Functional Organizational Chart*
- E. *McMichael Capital Asset Management Plan*