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2001 ANNUAL REPORT
BC Festival of the Arts Society

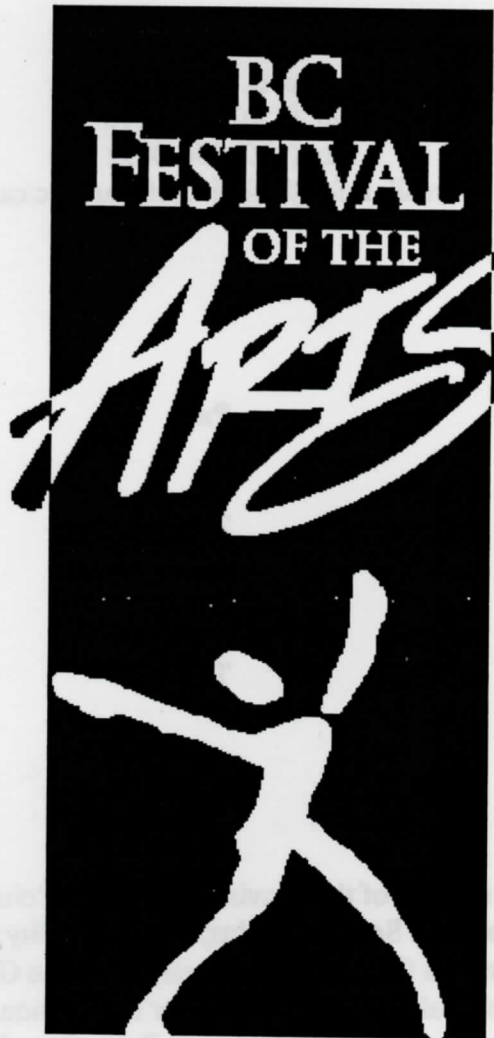


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ACKNOWLEDGMENTS

We gratefully acknowledge the
 Community, Aboriginal and Women's
 Department of Public Works, Culture
 Heritage, BC Department of
 Hydro, Loanee Council Services
 Ltd., and Y&R Canada Music Ltd.

MANDATE

The BC Festival of the Arts exists to produce, on behalf of the Provincial Government, a multidisciplinary art festival, in partnership with a variety of organizations, promoting and

2001 Annual Report

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BC Festival of the Arts Society

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ACKNOWLEDGMENTS

We gratefully acknowledge the support of the Province of British Columbia through the Ministry of Community, Aboriginal and Women's Services; Telus; Telus Mobility; the Government of Canada - Department of Public Works, Canada Council for the Arts, CBC, the Government of Canada Canadian Heritage, BC Department of Multiculturalism, the Hamber Foundation, SOCAN Foundation, BC Hydro, Loomis Courier Services, MacCosham Van Lines, Petro-Canada, Pacific Business Equipment Ltd., and Yamaha Canada Music Ltd.

MANDATE

The BC Festival of the Arts exists to produce, on behalf of the Provincial Government, a multidiscipline art festival, in partnership with a host municipality, which advances the artistic development of promising artists in BC and advances regional participation in the arts in BC.

BOARD OF DIRECTORS
as of August 31, 2001

| | |
|----------------|----------------|
| President | Paul Winn |
| Vice President | Barry Kelsey |
| Secretary | Eileen Hoeter |
| Treasurer | Michael Grice |
| Director | Diane Kadota |
| Director | Kathy Pick |
| Director | Sue Popesku |
| Director | Garry Semeniuk |
| Director | Andrea Spence |

STAFF
as of August 31, 2001

| | |
|--------------------------------|------------------|
| Executive Director | Gabrielle Levin |
| Manager of Operations | Paula Krisch |
| Manager of Communications | James Lam |
| Executive Assistant | Micki Stirling |
| Assistant Program Co-ordinator | Tanya Chassé |
| Technical Director | George Scott |
| Programmers for 2001 Festival | John Gould |
| | Tracy Summers |
| | Alice Bacon |
| | Rebecca Knapman |
| | Yolanda Olivotto |
| Registration & Logistics | Ian Andrews |

President's Report

I am pleased to submit my annual report as President of the BC Festival of the Arts Society (BCFAS). With respect to programming and community development, it has been another good year for the Festival. I regret that financially the Society faces a greater deficit than originally anticipated. I have worked with the Board and the Executive Director to develop a zero debt plan which we will implement immediately in 2001/02.

The Festival in Fort St. John was a resounding success. The community offered excellent venues, strong municipal support, enthusiastic volunteers and overall public endorsement. I was very impressed with the City's commitment which ranged from low rental rates for facilities to additional funding and beautification projects for the City streets.

One of the many program highlights in 2001 was our multicultural program. In spite of caution from the host community committee, BCFA arranged to bring in the Linda Tillery and the Cultural Heritage Choir for performances and workshops. The community's response to this group was resoundingly positive confirming how valuable the Festival is in transforming an audience through the presentation of new work. Programs such as this renew my confidence in our ability to produce ongoing multicultural programs.

Some changes for the Festival have been unfolding as a result of the change of Government. These have compelled the Board to consider new strategies for the Festival's survival, including finding new sources of funding. I have met with the new Minister of Community, Aboriginal and Women's Services. It seemed clear from the meeting that support for the Festival continues to be strong but that we may need to diversify our funding base. I am encouraging the staff to make requests to the Government of Canada. I believe that federal government support will improve our financial position as well as increase our profile across the country and enable us to attract the best artist mentors. We know that other provinces admire the Festival's unique mentorship programs and that they are looking for ways to embark on similar development.

Our new Minister was enthusiastic about Surrey and upcoming host communities. He also confirmed Board appointments.

I wish to thank all of the Board and staff for their work this year. I commend the Board for committing their time and energy to evolving programs and policies. With the commitment of our Treasurer Michael Grice, I am sure we will be rigorous and successful in our debt reduction strategies. Eileen Hoeter, the Society's Secretary has steered the Festival's media arts program into a very successful entity. Vice President Barry Kelsey has provided guidance in our relations with the government based on his many years with the Provincial Government. I thank Diane Kadota for initiating the Board's fundraising campaign, Garry Semeniuk for his work on strategic planning, Sue Popesku for guiding Fort St. John and advising the Board on the BC Association of Performing Arts Festivals (BCAPAF), Kathy Pick for her contributions to the on site success of the Indigenous and Visual Arts programs and Andrea Spence for her assistance in policy and governance. I have been working with BCAPAF to strengthen our partnership with them. I have also been advising on multicultural programs and contributing to the creation of new policies on ethics and conduct. I wish to thank the staff for their hard work promoting BCFA, creating the best programs in the province and guiding the host communities in the massive task of producing the annual Festival.

I anticipate a successful Festival this year in Surrey, and look forward to beginning plans on Vernon for 2003 and Nanaimo for 2004.

I look forward to working with the Minister and Board to build a prosperous Festival for the future artists of BC.

Respectfully submitted,

Paul Winn
President
BC Festival of the Arts Society.

In analyzing the past year's budget over-run, the following were identified as factors in the increase in the deficit. The cost of flights to Fort St. John amounted to \$20,000, a considerable increase over the budgeted amount. In spite of earlier indications to the contrary, Air Canada's support dwindled and became a negligible contribution. This had an impact on several areas of the budget including staff travel, program, and Provincial Arts Services Organization (PASO) partnerships - all of which were over budget. Administration costs were slightly over budget due to the office move; this is expected to even out in 2001 as the new office rent is lower and includes utilities and there are fewer phone calls in the new office. Significant over-run in staff program costs, PASO donations and last minute "fix it" problems that were either unforeseen or underestimated. On the revenue side, a reduction in the number of delegates resulted in registration and admission fees being 50% of projections. Sponsorships were also lower than projected, although they were offset somewhat by a small increase in grant revenue from agencies other than the Province.

In 2001, I am presenting a budget which projects a three-year debt reduction plan beginning with an estimated \$10,000 pay-down in the first year. To accomplish this I propose reducing executive travel, delegate administrative costs, PASO contribution funding, program funding and travel, and placing growth funds on programs. In addition, the proposed budget contains more conservative revenue amounts than in past years. I firmly believe that the primary source of difficulty remains the year of stagnant provincial funding; I would therefore encourage the Board to take a more aggressive approach with the Province with regard to the unreasonable expectations being placed on the BCFAS and its equally unrealistic and wasteful budget.

While acknowledging the problems we face, I remain confident that with diligent adherence to the budget coupled with a more aggressive budget monitoring and reporting process, steps can be taken to reduce the deficit while continuing to provide an outstanding festival for the province.

I wish to thank my colleagues on the Board and, especially, the staff of the BCFAS as we continue our efforts to support and expand the profile of the arts in British Columbia.

Respectfully submitted,

Michael O'Neil
Treasurer

Treasurer's Report

In my report last year, I expressed my desire that the BCFAS make significant strides in paying down its accumulated deficit during the 2000 budget year. Unfortunately, this has not been accomplished and, in fact, our financial position has worsened. The Executive Director and I have spent a considerable amount of time in discussion in an effort to understand how the Board's budgetary goals became derailed and I have indicated my intention to monitor the budget more closely in the coming year. In my estimation, there is little doubt that the Festival's growth must be curtailed over the next three years in order to address the deficit situation. Therefore I have impressed upon the ED, and through her the staff, the need for prudence with all expenditures; in addition, I urge the Board to be more actively and aggressively involved in budget procedures and monitoring in the coming year.

In analysing the past year's budget over-runs, the following were identified as factors in the increase in the deficit. The cost of flights to Fort St. John amounted to \$80,000, a considerable increase over the budgeted amount. In spite of earlier indications to the contrary, Air Canada's support dwindled and became a negligible contribution. This had an impact on several areas of the budget including staff travel, programs, and Provincial Arts Service Organization (PASO) partnerships - all of which were over-budget. Administration costs were slightly over budget due to the office move; this is expected to even out in 2001 as the new office rent is lower and includes utilities and there are fewer phones installed in the new office. Significant over-runs in some program costs, PASO demands and last minute 'just fix it' problems that were either unforeseen or underestimated. On the revenue side, a reduction in the number of delegates resulted in registration and submission fees being 50% of projections. Sponsorships were also lower than projected, although they were offset somewhat by a small increase in grant monies from agencies other than the Province.

In 2001, I am presenting a budget which projects a three-year debt reduction plan beginning with an estimated \$30,000 pay-down in the first year. To accomplish this I propose reducing contract fees, delegate subsidies, administration costs, PASO contribution funding, program funding and travel, and placing growth limits on programs. In addition, the proposed budget contains more conservative revenue amounts than in past years. I firmly believe that the primary source of difficulty remains the years of stagnant provincial funding; I would therefore encourage the Board to take a more aggressive approach with the Province with regard to the unreasonable expectations being placed on the BCFAS and its equally unreasonable and unsatisfactory budget.

While acknowledging the problems we face, I remain confident that, with diligent adherence to the budget coupled with a more aggressive budget monitoring and reporting process, steps can be taken to reduce the deficit while continuing to provide an outstanding festival for the province.

I wish to thank my colleagues on the Board and, especially, the staff of the BCFAS as we continue our efforts to support and expand the profile of the arts in British Columbia.

Respectfully submitted,

Michael Grice,
Treasurer

Executive Director's Report

My report echoes the content and sentiments of the Board Reports. I am very concerned by the Society's unsound financial position for which I feel responsible. The situation has occurred in spite of the efforts of the staff. My first estimates to the Board on the cost of flights for the year was almost one-half what the final costs were. In total over 200 flights were booked to Fort St. John for staff, Board members, PASOs and mentors. Programs, administration and PASO support also exceeded the budgeted amounts. Mid-way through the year it became evident that waiving delegate registration fees, paying additional costs for mentors, and agreeing to extra flights for adjudicators became a necessary misfortune if the Festival was to be a success. The community of Fort St. John exceeded all expectations in terms of their support for the project, and we needed to provide the same wealth of programs and attendance that other Festivals have had.

I wish to thank Paula Krisch for her work in the host community. Each decision made was in the interest of Fort St. John and the Society. She advised the Committee Chairs Tony Atkins and Sandy Troudt as well as April Ingham and her staff in successful ways to co-ordinate a well-run project. James Lam had some difficulty fundraising but excelled in his promotion of programs, sponsors, the host community and the many exciting events. James also supervised our database and created yet another stunning graphic image for the Festival.

The staff was joined this year by three exceptional additions. Micki Stirling, formerly the Host Community Co-ordinator for Nelson, was hired as the Executive Assistant. She has been overseeing our office accounting, training staff and preparing endless government reports. Tanya Chassé overtook the area of assisting the programmers with their vast workload. Tanya started at the office thanks to a federal government Targeted Wage Subsidy. Along with three other valuable HRDC staff, Ian Andrews joined the office and continues to be with us. His work in overseeing registration and detailing flights, maintaining the database and taking care of other logistical details has been invaluable. George Scott is now in his third year with BCFA. We are all grateful to George for his patience and knowledge. He worked hard to stay in budget last year. Finally each of the programmers worked above and beyond normal calls of duty to create programs that are an integral part of BCFA and a source of pride.

The Festival has seen some exciting and exceptional activities in 2001. Fort St. John's organization and hospitality positively impacted all aspects of BCFA. Many of the programs such as theatre, the new story telling and the literary programs realized growth, not in scope so much, but in the artistic depth. With the help of a very small grant we proceeded with the theatre arts multicultural program 'Bloodlines'. This program was responsible for many of the last minute expenses, but it laid the ground for future diverse programming.

A major amount of time this year was spent writing grant applications. Fourteen grant applications were written and of these ten were successful. Seven of these were new sources of funding for the Festival. One new major funding partner was the Government of Canada through the Public Works Foundation.

The office has fine-tuned the registration forms and mentor contracts. Our contracts now reflect the Board's Code of Conduct policies and are improved in clarity and comprehension. The database has been a useful tool. Other good changes in the Festival office include a complete housecleaning of all files and archives, better accounting procedures, standardized 'Calls for Entry' and co-ordinated promotional material with stunning graphics.

Board meetings have gone very smoothly this year. The Strategic Plan was completed. A new format - the Performance Plan - was written in accordance with government guidelines. Work with the PASOs has gone very smoothly. Their programs sustain the Festival in many areas and both BCAPAF and the Indigenous Arts Service Organization (IASO) work very hard and have a strong presence on the Festival site. Thanks to Micki our Cabaret program improved and became the Festival place to be.

I end my report by thanking the Board for their support. I am making a commitment to work diligently to retire the Society's debt and to continue to deliver exceptional programs that are a source of pride for the Government and the Board and a source of enrichment for emerging artists.

Thank you all.

Respectfully submitted,

G. Levin
Executive Director

The staff was joined this year by three exceptional additions. Michi Stirling, formerly the Board Community Co-ordinator for Nelson, was hired as the Executive Assistant. She has been overseeing the office accounting, training staff and preparing various government reports. Tanya Chisholm, formerly the area of assisting the program with their own workload. Tanya started in the office thanks to a federal government program. Along with these other valuable HRDC staff, Jan Anderson joined the office and continues to be with us. Her work in overseeing registration and creating a maintaining the database and taking care of other logistical details has been invaluable. George Dean is now in his third year with BCFAS. We are all grateful to George for his patience and knowledge. He worked hard to stay in budget last year. Finally each of the program areas worked to stay and beyond normal calls of duty to create programs that are an integral part of BCFAS and a source of pride.

The Festival program was exciting and successful. In 2001, Pat St. John's resignation and hospitality program impacted all aspects of BCFAS. Many of the programs such as theater, the new stay telling and the literary program realized growth, but in some areas such as the artist development. With the help of a very small grant we proceeded with the theater and multidisciplinary program 'Bloodlines'. This program was responsible for many of the last minute expenses, but it laid the ground for future diverse programming.

A major amount of time this year was spent writing grant applications. Fourteen grant applications were written and of these ten were successful. Seven of these were new sources of funding for the Festival. One new major funding partner was the Government of Canada through the Public Works Foundation.

The office has fine-tuned the registration forms and mentor contracts. Our contracts now reflect the Board's Code of Conduct policies and are improved in clarity and comprehension. The database has been a useful tool. A good change in the Festival office include a complete restructuring of all files and a revised better accounting procedure, standardized 'Calls for Entry', and co-ordinated promotional material with marketing graphics.