

Civic Partner Annual Report 2015- Calgary Arts Development Authority

1. **Organization Name:** Calgary Arts Development Authority
2. **Fiscal Year:** 2015
3. **Latest Annual Report available and web address: 2015/16 Fiscal Year:**
2015 annual report will be provided at the June 10 AGM. CADA's 2014 accountability report is available here: <http://calgaryartsdevelopment.com/sites/default/files/AccountabilityReport2014.pdf>

4. Current Vision, Mission and Mandate.

Vision: A creative, connected Calgary through the arts.

Mission: Calgary Arts Development supports and strengthens the arts to benefit all Calgarians.

We believe that art infusing the lives of Calgarians has the power to build our city. This belief forms the basis of our Strategic Plan. Our Plan is also guided by *Living a Creative Life: An Arts Development Strategy for Calgary*, which has been supported by City Council. *Living a Creative Life's* overarching vision: Calgary is a place that empowers every resident to live a creative life, fuelling a vital, prosperous and connected city.

Mandate: We invest and allocate municipal funding for the arts provided by The City of Calgary and leverage these funds to provide additional resources to the arts sector. Our programs support hundreds of arts organizations, individual artists, artist collectives and ad hoc groups in Calgary.

Calgary Arts Development strives to increase and use our resources wisely, foster collaborative relationships and make the arts integral to the lives of Calgarians. We are a connector, facilitator, collaborator, champion, supporter, amplifier, investor, catalyst and opportunity-maker.

GOVERNANCE

5. Identify any Board or senior management positions that will be vacant in 2016. Describe succession plans that are in place.

No Board positions are coming vacant in 2016.

A member of our leadership team – Emiko Muraki, Director, Community Investment and Impact – is going on a short leave of absence from September to December, 2016. During her leave, she will be dedicating limited hours to Calgary Arts Development to ensure leadership in her areas of responsibility. We have a plan in place to cover day-to-day activities during her absence with our existing staff complement.

6. Describe any structural changes to your organization's governance model in the past year.

None.

7. Summarize any activities in 2015 that increased your Board's knowledge and awareness about industry trends, impact of changing economic conditions, risks faced by the organization, or other information needed to make informed decisions.

A monthly President & CEO Report, written by Patti Pon, updates the Board on industry trends, CADA activities, and other pertinent information. For example, Patti's participation on the Imagine Canada Advisory Council and the work Imagine Canada is doing on a national scale was reported to the Board through the President & CEO Report. CADA's participation on other committees and councils is also communicated to the Board, increasing their awareness and knowledge on a variety of issues. These include the JUNO's Host Committee, Year of Music Steering Committee, Alberta Museums Association Future Coalitions Summit, U of C Alumni Association, New Central Library Public Art Jury, CCVO Connections Conference, City of Calgary Culture Plan Steering Committee, Calgary Board of Education Fine Arts Advisory Council and Research Sub-Committee, Calgary Economic Development strategic planning committee.

Some Board members joined CADA leadership team in participating in TriLevel funder meetings, which are held three times a year with staff and board members from Canada Council for the Arts, Canadian Heritage, Alberta Foundation for the Arts, and the Edmonton Arts Council. The Board members who participate in these meetings shared what they learned with the rest of the board.

Some Board members participated in the New Pathways for the Arts YYC workshops with a number of other arts organizations, and shared back information and learnings from that participation with the fuller Board.

Board members were invited to participate in one-on-one meetings with Cornerstone companies, which gave them a good sense of some of the issues our largest arts organizations are facing. Subsequent to those meetings, there were the beginnings of board-to-board conversations between Cornerstone companies and CADA.

In 2015 we developed a new KPI dashboard, which is distributed to the Board quarterly.

RISK MANAGEMENT

8. Describe the processes and structures your organization uses to identify and manage operational and strategic risks.

We have hired an accountant, with a CA designation, on contract to ensure professionalism in our accounting practices, and have an Office Manager who manages the day-to-day budget details including monthly projections. Quarterly reports are distributed to the Board including budget updates, along with the President & CEO Report, and the KPI dashboard to ensure ongoing tracking and reporting of progress, issues, and risks.

We conduct an annual external audit.

The Leadership Team meets regularly to discuss overall strategy, issues, and priorities and passes those on to all team members. The Strategic Plan and annual work plan are living documents that we refer back to regularly in order to track progress, identify any operational or strategic risks, and make course corrections. We also have full staff meetings as required.

We conduct an annual Board / staff retreat to determine any changes to the Strategic Plan, to review highlights from the previous year and to determine priorities for the upcoming year.

9. What are your organization's top 3-5 strategic risks? For example, financial, governance, business risks, liability, talent management, reputation, or risks related to economic conditions.

Our number one strategic priority is to Raise the Value of the Arts. The risk is related to what will happen if we are not successful in raising the value. We know through various surveys that people do see the arts as something of value, but if we are not able to communicate and share the value we run the risk of the arts potentially becoming something seen as superfluous instead of something truly valued.

Financially, we are almost entirely dependent on one source of revenue. It is hard in the current economic climate to leverage our single source of funding and because it has been relatively static, the health and vibrancy of a super-lean arts ecosystem is at risk.

From a Governance perspective, because we want a Board that's highly engaged we have purposely kept it small. Having a small Board increases the risk of losing a larger percentage at once if a couple of people leave.

In terms of talent management, we have a very small and specialized staff, with the addition of consultants and juries when needed. We intentionally keep our administration as low as possible in order to ensure the majority of our funds are funnelled into the community through grant investment programs. Having a small team means that the separation of duties is hard – everyone needs to be able to double up. We have accepted the risk of non-segregated duties within our Community Investment team in order to ensure efficiency with a small team.

Reputation – the more people know us, the more they believe we have influence and the more people start to connect CADA with all things to do with the arts. However, the public isn't always aware of the investment by the City or how much is done with a small investment – how a little goes a long way. The risk as we build awareness and reputation is that there isn't actually enough investment to create a strong arts sector.

2015 YEAR IN REVIEW

10. What accomplishments in 2015 contributed to Action Plan's goals of building a prosperous economy, inspiring neighbourhoods, and a healthy and green city?

Calgary Arts Development invests in more than 150 arts organizations and about 45 individual artists through grant investment programs. We don't have all of our 2015 data yet, but we will be able to report those numbers at our in-person meeting with Council on May 27.

In 2015 Calgary Arts Development piloted a new competitive assessment process for our largest grant investment program. This pilot gave us the opportunity to test a method of investment distribution that allows peer assessors a percentage of funds within the investment pool for allocation towards applicants that demonstrate the strongest return on investment. This pilot process was extremely informative and has generated robust assessments thus far in our 2016 competitive assessment process.

The investment that comes from The City of Calgary through CADA into the arts sector generates more than 28x its size in direct economic output. We know that the majority of the money that is invested in the arts is paid out to people, generating further economic activity in our city. \$1 million of investment creates 22 full-time jobs in the arts, recreation and entertainment sector.

A healthy arts sector helps build our city and enliven our neighbourhoods. Activity happens throughout all wards even though the cultural heart is closer to centre city. Calgarians engage with the arts in many ways and those connections help people prosper in the broadest sense of that word, which is to "do well." In 2015 artists were included in community visioning processes undertaken by community and neighbourhood services.

Our Living A Creative Life Advisory Board is helping us expand the movement one person at a time, In 2015 we conducted a cross-sectoral working session to explore how creativity helps solve problems and shape our city in multiple sectors.

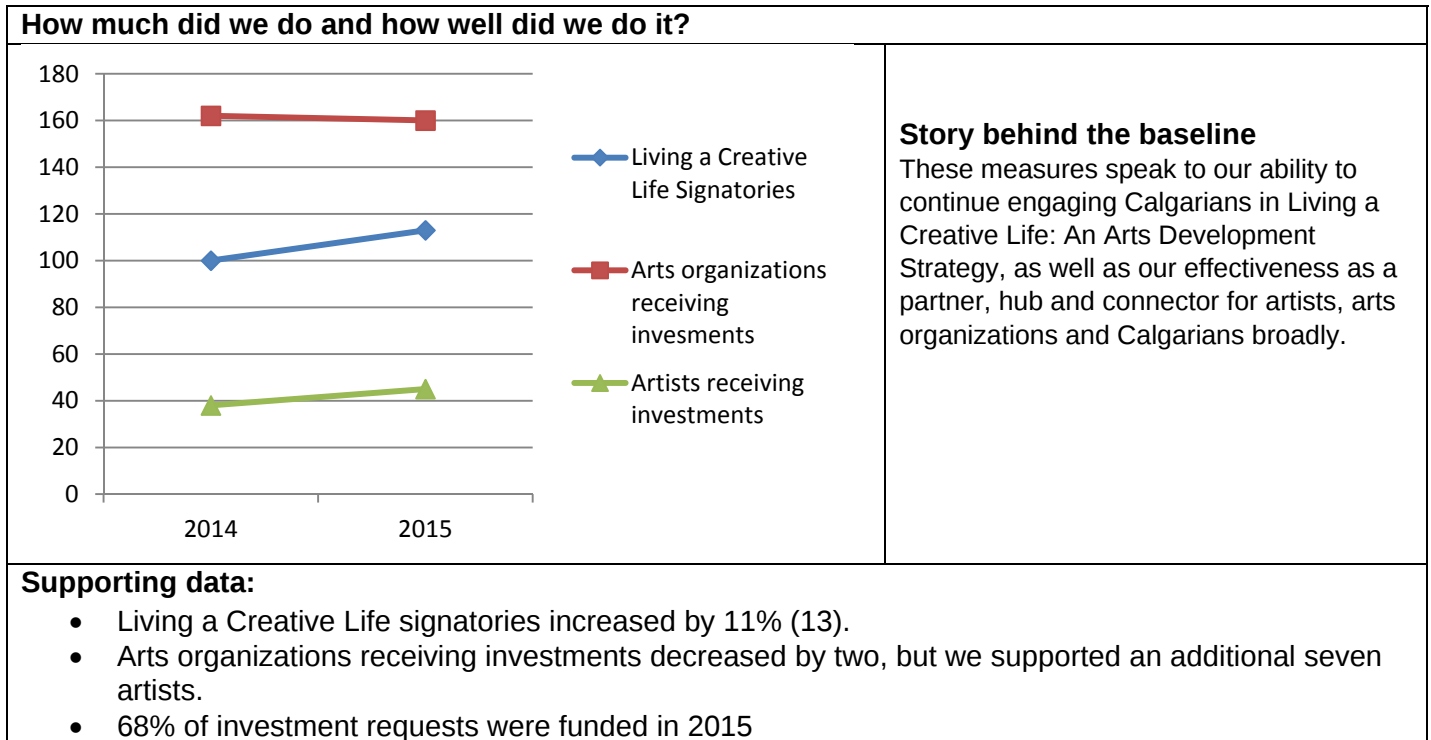
Many arts organizations and especially festivals undertake strategies to ensure they are contributing to a healthy and green city.

The New Pathways for the Arts YYC work is helping a number of Calgary arts organizations, and others, to build resiliency and strengthen adaptability in complex times.

We find that all of these strategies contribute to a more connected, vibrant, and prosperous city for all Calgarians.

11. Using your organization's existing performance measurement data, please provide selected 2015 performance measures that describe how much you did, how well you did it, and how Calgarians are better off. If needed, provide a brief description why these measures are meaningful.

Performance measure highlights:



Detailed performance measures

	Performance Measure	2014 results	2015 results	What story does this measure tell about your work? Why is it meaningful?
How much did you do?	Activities attended by CADA leadership team	n/a	94	Strategic Priority #1 – Raise Value This is a measure of increasing the value of the arts in Calgary through the engagement of new arts champions and Calgary Arts Development's ongoing role as a leader for our sector locally, nationally and internationally.
	New attendees at the Mayor's Lunch for Arts Champions:	n/a		
	Sponsors/donors		8	
	Community Members and Individuals		87	
	Businesses		10	
	Artists		16	
	Signatories to Living a Creative Life	100	113	Strategic Priority #2 – Build Relationships These measures speak to our ability to continue engaging Calgarians in Living a Creative Life: An Arts Development Strategy, as well as our effectiveness as a partner, hub and connector for artists, arts organizations and Calgarians broadly.
	CalgaryArtsDevelopment.com users	80,901	58,427	
	CalgaryCulture.com users	78,903	50,290	
	@CalgaryArtsDev Twitter followers (end of year)	15,274	18,502	
	@CalgaryCulture Twitter followers	20,408	27,212	
	Arts organizations receiving investment	162	160	Strategic Priority #3 – Increase Resources These measures reflect Calgary Arts Development's ability to continue and grow meaningful investment in the arts sector
	Artists receiving investments	38	45	
How well did you do it?	CalgaryArtsDevelopment.com bounce rate	58.72%	48.34%	Strategic Priority #2 – Build Relationships These measures indicate the extent to which we are engaging artists, arts organizations and Calgarians through our web-based and social media assets.
	CalgaryCulture.com bounce rate	57.95%	56.19%	
	@CalgaryArtsDev retweets @CalgaryArtsDev comments	n/a	1,824 143	
	@CalgaryCulture retweets @CalgaryCulture comments	n/a	1,825 240	
	Leveraging City investment	14% of	12% of revenue	Strategic Priority #3 – Increase

		revenue from non-City sources	from non-City sources	Resources These measures reflect Calgary Arts Development's success in leveraging The City's investment to increase resources for the entire arts sector and also indicate our ability to meet the current level of investment opportunity in the sector.
	Meeting demand in investment programs	n/a	68% of investment requests funded	
How are Calgarians better off?	Calgarians participating in activities of investment clients	3,193,840	2015 statistics will be available for the June 2016 presentation to CSPA	Strategic Priority #2 – Build Relationships These measures reflect the extent to which Calgarians are benefitted from investment through Calgary Arts Development to the arts community. This includes the gross number of individuals who participate in the sector, as well as geographic access to arts activity. Calgary Arts Development is developing other measurement approaches to capture the intrinsic value of arts participation on Calgarians.
	Access to arts activities throughout Calgary	10,289 activities (64% of activities took place outside of City Centre)		
	Calgarians volunteering for investment clients	26,869 volunteers contributed 780,743 hours		

FINANCES

12. What resources were leveraged to support operational activities in 2015?

Remarkable Experience Accelerator brought in an additional \$400,000 from the Calgary Hotel Association, which was distributed to participating arts organizations and festivals.

The Mayor's Lunch for Arts Champions nets approximately \$25,000 which is redistributed to the arts community through grant investment programs. Sponsorships in 2015 included Strategic Group, TELUS, Parkland Fuel Corporation, TD Bank Group, Alberta College of Art + Design, ATB Financial, Calgary Economic Development, Calvista LLP, Flames Foundation for Life, Kasian Architecture Interior Design and Planning Ltd., and West Canadian Digital Imaging.

Cultural Leaders Legacy Artist Awards are a legacy of Calgary 2012 with matching funds from seven Calgary benefactors: ATB Financial, Calgary Catholic Immigration Society, Colin Jackson and Arlene Strom, Enbridge, the MacLachlan Family, Sandtone Asset Management, and Doug and Lois Mitchell. The awards seven awards distribute cash prizes of \$5,000 each to seven artists or arts group recipients.

Calgary's Poet Laureate Program is funded by Poet Laureate Ambassadors, contributing \$10,000 over two years to a selected Calgary poet. Ambassadors for this program include the Calgary Foundation, Calgary Chamber, and First Calgary Financial.

New Pathways for the Arts is funded to the tune of \$185,000 from investments from the Alberta Foundation for the Arts, Suncor Energy Foundation, and the Calgary Foundation.

13. Do you anticipate any changes to plans and/or budget projections for 2016-2018?

The original 4-year budget we submitted was built around leveraging the resources of the city's investment in Calgary Arts Development. Over the course of the last two years, we have come to realize that in the absence of focusing our efforts *first* on raising the value of arts and artists and building on our relationships, our ability to actually leverage further resources; exacerbated by an economic downturn, have caused us to realize that our revenue targets were too ambitious. Since our expenses were directly tied to our the realization of revenues, we didn't spend what we didn't have...we are committed to living within our means. That said, it does not diminish the needs of the sector already identified and potentially may prevent us from taking advantage of strategic opportunities that present themselves (e.g. Year of Music, JUNOs) so the need to grow our investment and arts development capacity continues to be an imperative that we will work to expand over a longer period of time... we believe is still doable and necessary.

14. What would be the operational impact if your grant(s) from The City were reduced?

A reduction in our grant from The City of Calgary would be devastating to the arts sector and therefore to the citizens of Calgary. On one side, it would affect the granting pool we are able to distribute to the arts sector, which would affect the programming choices they could make and the access to the arts for Calgarians. On the operational side, a cut would debilitate CADA from doing the strategic development work that City Council established us to do. There aren't many places we can cut without cutting into core programs. We have a small staff and spend only 11% on Administration so there's just not a lot of room for any cuts. The arts contribute to the overall well-being, prosperity, connectivity, vibrancy, and identity of our city. A reduction would weaken an already lean arts ecosystem and hamper us from contributing to the city we all aspire to having.

15. Please describe the impact, if any, of the economic downturn on your organization's operations or revenues.

The external partnerships we have leveraged are all at risk to a certain degree – the Calgary Hotel Association is hurting, for example, which could affect the Remarkable Experience Accelerator Program. Thankfully sponsorships for our Poet Laureate program and The Mayor's Lunch for Arts Champions are multi-year so they are set for now, but table sponsorships for The Mayor's Lunch are always precarious. Many of our Cultural Leaders Legacy Artist Award sponsorships are up for renewal this year and although we hope they will all be renewed, we can't guarantee it in this economic climate. Since funding for our major arts investment granting programs comes directly from The City, we're hoping those funds are secure for the sake of the arts sector. We have heard from a number of arts organizations that the downturn in the economy is hurting them. The Emergency Resiliency Fund will certainly help at-risk arts organizations during the downturn. When it comes specifically to our organization, the impact is in the arts development side of things – it's harder to leverage the funds we receive from the City and find external support for arts development in this climate.

LOOKING FORWARD

16. Based on your business plans for 2015-2018, what are your priorities and deliverables for 2016-2017?

2016 will mark the two-year anniversary of *Living a Creative Life: An Arts Strategy for Calgary*. Over those two years, CADA has, more and more, adopted the strategy as the underpinning of all of our work. We have found when we start the conversation with the vision of Living a Creative Life, it opens doors and leads to richer conversations faster, resulting in greater benefit and opportunities for arts, artists and ultimately citizens. Our key priorities for 2016-17 are:

1. To map the arts ecosystem in order to fully understand the health of and risks to the ecosystem in our current environment. The findings of this program will help shape the work we do at Calgary Arts Development for greater impact in developing a more sustainable, healthy, vibrant arts sector for the

benefit of our city and all citizens.

2. To continue and expand our research activities. CADA is already quite strong on the research side as we discover when speaking to our colleagues across the country. We plan to further develop our activities to include action research, developmental evaluation techniques and other methodologies that build evidence of how the arts contribute to a vibrant, prosperous and connected city and have immediate practical applications for CADA and the arts sector. Expanded research will include continued participation on the Calgary Board of Education Fine Arts research sub-committee, expanded analytics of data provided by our Cornerstone companies, another Engagement Survey with citizens of Calgary, an update to the 2008 Arts Spaces Strategy and participation in the Prairie Partnership for Arts Research (PPAR). We have also begun a ward-by-ward study of arts activities in Calgary based on our investment clients.
3. To further embed Living a Creative Life into all of the work we do at Calgary Arts Development.
4. To expand the Living a Creative Life movement to individuals in pursuit of celebrating Calgary as a creative city, and sharing stories of how living creatively creates positive change and enhances the lives of others.
5. To continue to build and leverage partnerships with other civic partners, thought leaders, community builders and innovators in Calgary and beyond to the benefit of our arts sector.

17. Are there any additional projects or initiatives in 2016-17 that may require further discussion or decisions by Council?

We are involved with the promotion of The Year of Music in Calgary through 2016 and would like to be able to continue building on the legacy of that campaign through 2017.

2017 is, of course, the 150th Anniversary of Canada. Arts organizations who want to contribute to the celebrations may be looking for additional support to ensure Calgarians have access to what they are offering.

Further to the recommendations of the CSPA Committee of Council on April 6, we will be undertaking an update to the Arts Spaces Strategy that was done in 2008.

The effects of the economic downturn will be partially mitigated by the Emergency Resiliency Fund in 2016, but arts organizations are as worried about 2017 as they are about 2016. They are operating in a new, very complex reality. In conversation with them, some told us that it took years to recover after the downturn in 2008 and some have actually never rebounded to pre-2008 levels in areas such as corporate support or subscription sales. It's hard for arts organizations to predict earned revenue, contributed revenue, and even public funding with grants having been frozen for a number of years. This contributes to a great deal of worry in the sector. We believe that the additional \$1 million will help in 2016 but there are longer-term systemic issues in the sector. Going back to previous funding levels will continue to leave a gap and perpetuate needs that can't be met.

18. Identify any specific opportunities/projects that would directly stimulate the Calgary economy if supported by a strategic investment by The City.

With the opening of the National Music Centre, the Bella Concert Hall, the number of successful music festivals, the excellence of the Calgary Philharmonic Orchestra, and a vibrant indie music scene in Calgary, there is an opportunity to start to position Calgary as a music city. A specific Music Office, or Music Fund, would be a great start in stimulating the creative economy through music. The music industry is changing and we need to find ways to enhance professional development, start to think of musicians as entrepreneurs, and find investment opportunities. This would reinforce and foster the excitement and public awareness that the

Year of Music is starting to build. It would also be a contributor to Cultural Tourism.

We'd like to continue to work with our colleagues at Calgary Economic Development on ideas to expand the creative economy. Whether the ideas align with positioning Calgary as a music city, or enhancing the maker movement, or creating more opportunities for collaboration, the arts and creative industries can definitely help diversify and stimulate the economy.