



June 9, 2022

## 2022 Annual General Meeting

# Executive Director's Report

The 2021 fiscal year was the first full year under the COVID-19 pandemic. This required daily navigation of Public Health Orders, workplace safety measures, suspended public indoor events, re-scheduling, and later, capacity restrictions; and by the Fall, "BC Vaccine Passports", masking mandates and for VDPAC, for staff, for volunteers, guest artists and user groups, as the sector lurched towards the "safe" return of live performances—But under a cloud of uncertainty about the eventual recovery, resumption of touring artists, timeline and public re-engagement.

However, the COVID shutdown also allowed for new opportunities, enabled by unprecedented types and sources of multi-level government compensation funding, aggressively pursued and secured by Management, most notably CEWS & THRP wage subsidy programs that sustained our 13 FT core staff, working either remotely or onsite all year. Major 2021 advances included:

### Introduction of Online Programming & Resumption of Small OnSTAGE Live Events

- **FOCUS Online Series & The B-Sides** (10 Episodes) – Featured 24 local & area emerging & established artists, pre-recorded in-house (2020's "Digital Stages Development Project") & broadcast online FREE, bi-weekly, garnered over 5,000 viewers, some from across North America, (*Preview video clips available on our "[vdpac](#)" YouTube channel*);
- **Live-streamed OnLINE & OnSTAGE Concerts** (Closed or Max. 50% Capacity) were added featuring select FOCUS Series artists, regionally touring BC-based artists, and preceded by Ballet Kelowna's residency & streamed, closed performance of "One With". The re-scheduled full-stage theatre production of "Josephine" was adapted successfully to an amended OnSTAGE Concert format, within the PHO's 50% capacity;
- **Professional Tours:** By late Fall, artists able to tour, under vaccine mandates & 50% capacity limits, proceeded, adding second same-day shows, as able;
- **COVID-Postponed SPOTLIGHT Shows** were re-re-scheduled for a 2022 Spring SPOTLIGHT Season from January-May 2022 in anticipation of a return to 100% capacity in 2022.

### Theatre Operations

- **Re-structured Commercial & Non-Profit Rental Fees** were implemented as of January 1, including a new, internal "cost recovery" provision for SPOTLIGHT presentations, (rent, tech OT & equipment fees), combined to help address the increasing "true costs" of theatre operations. Thoroughly researched & compared with 34 venues on shared tour routes, VDPAC's revised fees rank as "mid-range pricing", leaving room for future adjustments as needed;
- **2021 Budget** (November 2020): \$1,272,485 reduced for the absence of live performance;
- **Digital Marketing:** Boosted followers on VDPAC's social media platforms, adding an important

dimension to community engagement & enabling broader geographical reach;

- **Bursary Program:** Persevered with this annual program, despite the absence of patron traffic & donations, awarding three \$1,000 bursaries to Rachel Glessing (Coldstream) & Robyn Shanks & Emily Campbell (Vernon);
- **Orange Shirt Day:** Partnered with OKIB & live-streamed featuring Sylix Artists & Elders, Pauline Archachan, Bill Robbins, Joey Jack, Madeline Terbasket, Cory Derrickson, Tonia Jo Hall as Auntie, and Cree comedian Don Burnstick, as an inaugural, annual event;
- **Special Funding:** VDPAC successfully secured several grants in 2021 including: BC Arts Council’s “Expanded Arts & Culture Resilience Supplement” (\$20,000); Music BC’s “SoundON!” (\$5,000); Made-in-BC (Dance) (\$1,500); Canadian Heritage’s “Workers In Live Arts, 2021-22” (\$100,000); Community Foundation of North Okanagan “Better Together Fund” (\$10,000); Canadian Heritage’s CAP-F Top-Up (\$10,000); all in addition to combined CEWS & THRP wage subsidies totalling \$344,059 in 2021;
- **Capital Projects:** Flooring replacement of carpeting & lino throughout entire facility, (RDNO approved donation of removed foyer carpeting to Powerhouse Theatre); installed second security enclosure for the volunteer entrance (east side) & removed main entrance wheelchair ramp bulkheads, altogether to deter onsite transient campers & sheltered drug use; remaining Marie Fleming Studio (MFS) equipment purchases under 2020’s CCSF/RDNO-funded “Digital Stages Development Project” (\$182,790 project total);
- **Staff Compensation:** Progress continues in achieving industry standards by 2023;
- **2022 Budget:** \$1,695,000 approved (November 2021) for anticipated return of unrestricted public programming & staff re-structuring & additions.

### RDNO “Operating & Maintenance Agreement 2021-25” Renewal

- **5-Year Term:** Extended re-negotiation of annual “Management Fee” & Presenting Grant over pandemic completed, successfully addressing “flatlined” operating funding since 2016 in three parts: Part 1 - Basic annual Management Fee increased by \$20,000 (to \$260,949/yr) retro-active for 2021, with GVAC awarding another \$14,000 for 2021; Part 2 – “Service Level Increase” of \$35,000/yr starting in 2022 (to \$295,949/yr); with 2% compounded annual COL increases for years 2023-25, (with additional increase if VDPAC manages the proposed Greater Vernon Cultural Centre’s presentation space by 2025); Part 3 – COVID Compensation (net loss of 2021 rental revenue & COVID safety equipment reimbursement total of \$50,164 outstanding from RDNO’s Provincial COVID funding);
- **Presenting Grant:** Increased to \$20,000/yr beginning in 2021;
- **Endowment Fund Guarantee (EFG):** \$35,000 annual EFG will no longer be advanced by RDNO & reimbursed by VDPAC from annual endowment interest earned, now that the interest generated exceeds \$35,000/yr. VDPAC now simply retains endowment interest, with RDNO’s EFG only applying should interest be less than \$35,000/yr.;
- **Annual RDNO Reporting:** VDPAC’s annual “Theatre Operations” reporting no longer requires a separate (expensive) audited statement as of 2021, only an added Schedule to the overall Society audited statements. Quarterly statistical reports to resume with the return of public programming.

### **Ticket Seller Operations**

- **Re-Scheduling & Ticketholder Management:** Continued throughout 2021, including ticketholder credits, deferrals to new show dates, refunds or donations to VDPAC; plus the addition of new, 50% capacity public shows;
- **DaCast Online Platform:** Added to enable monetization of online programming;
- **Box Office Clients:** Starlight Drive-in renewed for 2021; O’Keefe Ranch & Creekside Theatre (Lake Country) added as box office services clients in 2021. Without ticketed public events, Ticket Seller operation was affected the greatest over COVID, but always had the greatest potential financial bounce-back once events resumed.

### **2022 Carryover Projects & Ongoing Commitments**

- **Marie Fleming Studio (MFS):** Continued outfitting of MFS as a self-contained, technically-equipped small live performance venue & recording/streaming studio in 2022, with a CCSF/RDNO/BCAC-partnered “specialty equipment” funding application (in progress);
- **MFS Programming:** With a \$35,000 Creative BC grant & pending RBC Foundation “Emerging Artists Program” funding, we will be revisiting our in-house FOCUS live & online music programming in 2022;
- **Sponsor Re-Engagement:** With a re-structured Marketing & Community Engagement department & staff, we are preparing 2022-23 SPOTLIGHT Season appeals;
- **Route 97 Project:** VDPAC (MFS) is an “anchor venue” in the “Improving Live Music Infrastructure in the BC Interior” project with Okanagan Valley live performance venues;
- **GVCC Steering Committee:** VDPAC participates in the Greater Vernon Cultural Centre steering committee advocating for the original-scale facility & management of the proposed Presentation Space, modelled after Vancouver Civic Theatre’s “Annex”;
- **BC Touring Council:** VDPAC continues to serve on the provincial Board, representing the Southern Interior Region, undergoing a major re-organization for the Presenting sector;
- **2022-23 SPOTLIGHT Season Promotions:** Work is underway on the return of a rejuvenated Series Subscription campaign, direct-mailed season brochures throughout the North Okanagan & Lake Country, and return of the “FREE Night in the Theatre!” season launch in early-September.

As VDPAC’s AGM traditionally falls into Q2 of the next fiscal year, we can report a more robust recovery in 2022 than thought, or feared, with many new patrons overheard in the foyer during pre-shows, as well as many familiar faces.

On behalf of the staff, I want to recognize and thank the Board of Directors for their continuing support and dedication, and to thank retiring members Anne Clark & Don Seaton for their many years of service and love for our Performing Arts Centre.

Respectfully Submitted,  
Jim Harding, Executive Director