



Report to: General Committee

Date Report Authored: September 5, 2014

SUBJECT: Markham Arts Council Request for Financial Assistance
PREPARED BY: Joel Lustig - Treasurer (Ext. 4715)
Moe Hosseini-Ara – Director of Culture (Ext. 3596)

RECOMMENDATION:

- 1) THAT the report dated September 5, 2014 entitled “Markham Arts Council Request for Financial Assistance” be received; and
- 2) THAT staff do not recommend approval of the requested \$150,000 per year grant for the years 2015-2018; and,
- 3) THAT prior to any changes in City funding, MAC be requested to complete a strategic plan outlining clear strategic imperatives and outcomes for the next 3-5 years and report back the results to Council in Q1 2015; and,
- 4) THAT Council consider deferring the 2014 loan repayment in the amount of \$6,600 to November 2015 with the remainder to be repaid in equal installments of \$6,600 annually until paid in full; and,
- 5) THAT no additional funding be provided in 2014 as MAC’s year-end projection for 2014 shows an \$8,000 surplus; and
- 6) THAT the \$6,600 loan deferral and the \$8,000 surplus be used by MAC as bridge funding to carry MAC through the first quarter of 2015 (January-March) during which time MAC would report back the results of the Strategic Planning process; and,
- 7) THAT Staff be authorized and directed to do all things necessary to give effect to this resolution.

PURPOSE:

The purpose of this report is to address the Committee resolutions moved at the June 9th and June 24th, 2014 General Committee meetings. Specifically:

June 9th:

2) That staff be directed to report back in September 2014 regarding the request from the Markham Arts Council for financial support of \$70,000; and,

3) That the staff report include the following:

- *the relationship between the City of Markham and the Markham Arts Council;*
- *comparison of funding for art programs between the City of Markham and other municipalities;*
- *available funding sources;*
- *what measures can be taken to assist in making the Markham Arts Council sustainable;*

June 24th:

- 5) *That the Director of Culture be the City's liaison for the Markham Art Council's Board of Directors and that the Director of Culture be directed to report back in September on how the interim funds were utilized; and,*
- 6) *That Markham Arts Council work with City staff over the summer to ensure that the September report to General Committee has the information required and that it be prepared by September 2014;*

BACKGROUND:

On June 9, 2014, Jane Milrose, Chair of the Markham Arts Council (MAC) addressed General Committee, requesting financial assistance above and beyond the current \$19,000 annual grant provided through Celebrate Markham. A previous request was made in 2012, subsequent to which MAC received a 10 year unsecured interest free loan of \$66,000, (repayable in ten (10) equal installments commencing November 1, 2013).

MAC generates its revenues through grants, partnerships, programming, fundraising and memberships. However their revenues are not sufficient to support their operations. They have made attempts to acquire additional operating funding through government grants, but many grants do not fund operations. As stated in MAC's presentation made at the June 9, 2014 General Committee meeting, "they have an urgent request for support" and as such have requested \$70,000 from the City for the remainder of 2014 along with an annual operating grant of \$150,000 per year and deferral of the \$66,000 loan repayment for 2015-2018, or until their LaVaLab project begins to generate revenue.

For reference, the motion passed at the June 9th General Committee meeting has been included in Appendix A.

In accordance with the motion passed on June 9th a meeting was coordinated on June 20th to "discuss what measures can be taken in the interim and report back at the June 24th Council meeting". The meeting was attended by: Deputy Mayor Heath, Regional Councillor Li, Councillor Shore, Councillor Ho, Brenda Librecz (Commissioner Community & Fire Services), Joel Lustig (City Treasurer), Kishor Soneji (Senior Accountant, City of Markham), Cathy Molloy (Acting Director of Culture, City of Markham), Carrie Colangelo (Culture Coordinator, City of Markham), Jane Milrose (Board Chair, Markham Arts Council), Diane Hallquist (Vice

Chair, Markham Arts Council), Peter Still (Treasurer, Markham Arts Council), Pat Howell (Board Member, Markham Arts Council), Helen Argiro (Executive Director, Markham Arts Council), Jaswant Dhanjal. The result of this meeting, led by Deputy Mayor Heath, was a proposal put forth at the June 24th General Committee meeting which included an advance of the annual \$19,000 2015 Celebrate Markham grant supplemented with an additional grant of \$5,000.

The minutes and motions passed at the June 24th General Committee meeting have been included in Appendix A.

City Staff and MAC staff/Board have been working cooperatively and have met several times over the past two months. A meeting was held on August 6, 2014 for staff to work with MAC to communicate and collect the required information and background for this report; to discuss the City's involvement with MAC's LavaLab project; and, to plan the City's assistance with MAC's strategic planning process. The information provided by MAC has been included in the attached appendices. In addition to assistance with their strategic plan, the Director of Culture will conduct a workshop for MAC staff and Board to assist with planning, evaluating and communicating programs and outcomes.

OPTIONS/DISCUSSION:

Comparison with other municipalities

Staff conducted a survey of comparator municipalities to determine the level of funding provided by other municipalities to their local arts councils as well as the investment made by the municipality towards municipally operated cultural assets (museums, galleries, theatres, public art, etc.) Results of the surveys can be found in Appendix E and Appendix F.

Attempts were made to gather as much information as possible, however due to the complexity and variation in the organizational structures of the municipalities along with the varied relationships with their local arts councils it became evident that it would be difficult to compare "apples to apples". The various arts councils and municipal culture departments are at different stages of maturity and development. Many are unique in how they have structured their departments and arts councils. Arts councils in the municipalities that were surveyed range from receiving no or nominal municipal funding to being fully funded operationally. The purpose of the arts councils also varies widely, ranging from operating autonomously from the City to acting as the City's cultural granting arm.

According to an Ontario Arts Council study commissioned in 2011 (*Fostering Arts at a Local Level – A review of Community Arts Councils in Ontario, mDm Consulting: Margo Charlton and Michael Du Maresq, May 2011*), arts councils across Ontario operate differently "there is no one-size-fits-all solution". The most successful councils operate with a strategic plan to guide and direct their operations, yet only 27% of the councils surveyed at the time had engaged in any sort of a strategic planning process. Years in operation also plays a huge role in the success of the arts council as it obviously equals experience and maturity with well established relationships, partnerships and policies. It is not coincidental that some of the oldest arts councils are also the most well established and the most well funded (Kingston Arts Council (1963),

Brampton Arts Council (1978), Mississauga Arts Council (1982)). By comparison, MAC was established in 2004 and is one of the “youngest” arts councils in existence in the province.

According to the study commissioned by the OAC, the level of government funding provided by the municipality to their local arts council varies dramatically and ranges from 15%-94% of the arts council’s annual budget. The councils surveyed for this report receive as little as \$19,000 per year in operating funding to as much as \$492,000 per year. MAC being the lowest funded while Brampton Arts Council is by far the highest funded at \$492,000. It should be noted that the purpose of the arts councils is equally varied. For example, in the case of Kingston and Oakville, the municipality provides the arts council with both operating funding as well as grant funding to be distributed to other community arts organizations. In essence, the arts councils receive operating funds in order to administer the municipality’s grant/arts funds. Kingston Arts Council receives \$104,000 annually to administer \$519,000 in grants, while Oakville Arts Council receives \$75,000 to administer the city’s \$100,000 cultural grant program. In contrast, Mississauga Arts Council receives \$243,450 of their annual operating budget from the city but does not administer any granting programs.

Comparing municipalities was much more challenging. Due to the organizational structure of the various city departments and their budgets, in many instances it was difficult to determine the exact funds allocated to cultural services. In some instances cultural services was intertwined with recreation while other municipalities had heritage, tourism and culture all grouped into the same budget lines. Furthermore, not all municipalities offer the same level of services. The only municipalities with a theatre, museum and an art gallery are Markham and Oakville. Although numbers have been provided, determining per capita spend on cultural services at a municipal level would require much more research and investigation.

Arts Councils supported by the City of Toronto, such as the Etobicoke and Scarborough arts councils, and the City of Toronto’s Culture Department have intentionally been excluded from the study as Toronto is anomalous due to its size and scale. In 2013, the City of Toronto provided almost \$21 million in cultural grants. The Toronto Arts Council administered \$12.7 million while another \$833,000 was distributed directly to Local Arts Service Organizations (LASO) such as Etobicoke and Scarborough. This funding is all provided under the City of Toronto’s Community Partnership and Investment Program, which in 2013, provided a total of \$47.7 million dollars in grants to 822 community organizations.

The City of Markham’s investment in Culture is approximately \$2.5 million annually. This includes \$250,000 capital funding for a public art program (past 2 years), \$306,000 for the Culture Department and contributions towards the operations of the Varley Art Gallery, Flato Markham Theatre and the Markham Museum in the amounts of \$588,000, \$647,000 and \$757,000, respectively. The City also supports many cultural community programs and events throughout the year, including numerous culture related Celebrate Markham grants. In 2013 and 2014 approximately \$214,000 of the total \$250,000 Celebrate Markham funding has gone towards assisting culture related events and organizations.

Current levels of support provided by City

The City of Markham through the Culture Department and Markham Public Library have some existing programming partnerships in place with MAC. Typically, the partnerships consist of cross promotion of programs or events as well as provision of in-kind services associated with the program or event. The majority of the programs are one off offerings and the level of partnering and in-kind services varies depending on the program. There are however two truly partnered programs where the City has invested substantial time and effort as the programs are strategically aligned with the goals and strategic outcomes of the partnered department. They are:

Markham Teen Arts Council's (MTAC) 24-Hour Film Challenge - Flato Markham Theatre has partnered with MAC and MTAC for the past 5 years (2010-2014) to sponsor the Markham Teen Arts Council's 24-Hour Film Challenge. The event takes place at the Flato Markham Theatre with the theatre providing free of charge use of space and all staff and equipment required to run the program. Annually this has amounted to approximately \$2,500-\$3,000 of in-kind services provided by the Theatre. This is a mutually beneficial partnership as it aligns with the Theatre's strategic priorities to engage youth in the arts and is supported by the Theatre's Board.

International Festival of Authors (IFOA) – This signature MAC event has been held over the past three years (2011-2013) in partnership with Markham Museum, Flato Markham Theatre and Markham Public Library. Over the years, the various venues have provided space and staff free of charge, along with promotion and partnered co-events to ensure the success of IFOA. Unfortunately due to the uncertainty of the existence of MAC the event was postponed and will not be held in 2014. Staff will work with MAC to re-ignite the festival in 2015.

Other supports provided include reciprocal membership discounts and free admissions for MAC members to programs and events (in conjunction with the Varley Art Gallery), cross promotion and co-presented programs and events (in conjunction with Markham Public Library and Varley Art Gallery), and reduced rate use of space (30% discount) for MAC meetings and events as per the Community Service Group (CSG) policy (in conjunction with the three cultural venues and the Recreation Department. The CSG rate is offered to all community groups that qualify under the requirements of the policy.

Financially, in addition to the \$19,000 annual Celebrate Markham grant and the \$66,000 interest free loan provided in 2012, the City provides MAC with rent-free office space in the McKay Arts Centre. This amounts to approximately \$4,800 annually of waived rental charges.

To date the relationship between the City and MAC has been mostly based on co-sponsored program offerings and use of space. There is no formal partnership agreement or service level agreement between the two organizations. Commissioner Librecz has offered to assist MAC with the development of a strategic plan. The process will be funded by the City (at an approximate cost of \$5,000) and will help to provide MAC with focus and clear direction as to their purpose and mandate. The process will also contemplate and provide clarification as to the roles and responsibilities of staff and help define the relationship and synergies between the City and MAC. In addition to assistance with MAC's strategic plan, this fall, staff will provide a workshop for MAC staff and Board Members to assist with developing outcomes based program evaluation which will not only assist in advocating value for the existence of the organization but

also support ensuring further efficiency and effectiveness around use of resources and program provision.

To clarify, there is no duplication of effort between the City and MAC. There are however potential opportunities for collaboration and further partnering to assist in achieving the mandate and expected outcomes of each organization. City staff and MAC will continue to look for these opportunities and synergies to partner and work cooperatively. The Director of Culture will attend monthly MAC Board meetings and act as the liaison between MAC and the City. The strategic planning process will also assist in further clarifying roles and enhancing the relationship.

Any additional support provided to MAC, financial or otherwise, needs to be considered within the context of requests for support by various other community organizations. Staff and Council are regularly approached by community organizations requesting funding, use of space, reduction in fees, etc. Any decision made will set a precedent for future decisions around how other groups and requests are managed.

LaVaLab Project

According to MAC, LaVaLab is an online visual and literary arts forum that aims to unite artists while showcasing and promoting the work of Markham and York Region writers and artist through the web. MAC also believes that as LavaLab matures, it will begin to generate revenue to fund and sustain MAC and its subcommittees. The project has been initially funded through a three year, \$185,000 grant received from the Ontario Trillium Foundation (OTF). MAC has provided a presentation describing LaVaLab along with a 3-year financial plan, included in Appendix B.

The initial grant application included in-kind support from Varley Art Gallery, Markham Museum and Markham Public Library. Since then, MAC has changed the scope of the project and the support requirements. As such, the Museum and Library will provide promotional support and partner as appropriate around programs and events, while the staff at the Varley Art Gallery will provide assistance with promotion and outreach, submit 3-4 articles per year for publication on the LaVaLab site as well as participate in juried contests as appropriate.

LavaLab expenses incurred between 2013 and 2016, for development and start-up, will be fully covered by the OTF grant. The OTF grant does not fund any operational costs, and is solely used for the purpose of funding LavaLab.

MAC's long term projections show that LavaLab is expected to generate revenue from 2015 onwards, from contest submission fees, membership fees, advertising and website profile fees. In 2017, LavaLab is expected to be functioning as its own entity and will require fewer resources. Going forward, existing staff will be responsible for the management of LavaLab. In their 2017 forecast MAC assumes that staff expenses as a result of LaVaLab will be funded from the \$150,000 requested from the City (refer to Table 2).

It appears based on projections that there is a high level of uncertainty with respect to revenues as there is no concrete data to support projections. At this stage it is too early to determine the

success (or failure) of the project and make assessments around its contribution to core/operational activities.

Table 2 - LavaLab Forecast - as provided by MAC

	<u>2017 Fcst</u>		<u>2016 Fcst</u>		<u>2015 Fcst</u>	
	\$		\$		\$	
<u>Operating results</u>						
Estimate range	High	Low	High	Low	High	Low
<i>Contest Submission Fees</i>	38,400	12,800	32,000	9,600	19,200	3,200
<i>Membership Fees</i>	10,320	3,440	8,600	2,580	5,160	860
<i>Advertising</i>	6,000	2,000	5,000	1,500	3,000	500
<i>Website Profile Fees</i>	5,400	1,800	4,500	1,350	2,700	450
Total Revenue	60,120	20,040	50,100	15,030	30,060	5,010
Expenses	25,000	25,000	-	-	-	-
Net Surplus/(deficit) for the year	35,120	(4,960)	50,100	15,030	30,060	5,010

Note:

Revenue projections are provided by MAC and have not been verified by Finance

2015 & 2016 expenses are funded by the grant from Ontario Trillium Foundation (total grant = \$185K)

FINANCIAL CONSIDERATIONS:

Markham Arts Council (MAC) Financial Analysis

The financial statements and other information received by staff from Markham Arts Council is taken as-is and has not been validated by City staff. The 2010 financial statements for Markham Arts Council indicated a surplus for the year of \$16,000. However, between 2011 and 2013, the organization experienced a deficit in each year, averaging \$27,000 per annum (refer to Table 1).

Revenue decreased by 10% from 2010 to 2013 (refer to Table 1) and was due to varying factors including reduction in grant awards and membership fees. At the same time expenses increased by 40% from 2010 to 2013, mainly resulting from an increase in salary expenses following the hiring of 2 members of staff – 1 full time Executive Director and 1 part-time Arts Administrator.

Table 1

	<u>2014 Fcst (July 2014)</u>	<u>2014 Fcst (May 2014)</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>2010</u>
	\$	\$	\$	\$	\$	\$
<u>Operating results</u>						
Opening Surplus/(deficit)	(56,567)	(56,567)	(17,216)	9,665	25,707	9,402
Revenue	182,469	145,446	110,705	104,958	106,520	123,172
Expenses	(174,322)	(166,462)	(150,056)	(131,839)	(122,562)	(106,867)
Net Surplus/(deficit) for the year	8,147	(21,016)	(39,351)	(26,881)	(16,042)	16,305
Cumulative surplus/(deficit)	(48,420)	(77,583)	(56,567)	(17,216)	9,665	25,707

In 2012 the City of Markham approved a 10 year unsecured, interest-free loan to MAC in the amount of \$66,000, with an annual repayment amount of \$6,600 per annum. To date one repayment has been made by MAC, with the next repayment due on November 1st, 2014.

Based on the 2014 year-end forecast provided by MAC as of May 31st, 2014, MAC reflected a deficit for the year of \$21,000. In a bid to save costs, MAC laid off 2 staff members, only to bring them back onboard in July 2014. On June 24th 2014, MAC also requested \$70,000 to fund their expenses for the remainder of 2014. However, after discussions, Council approved an advance in the amount of \$19,000 relating to the 2015 Celebrate Markham fund, plus an additional one-time funding of \$5,000 from the City, for a total of \$24,000. They identified the need for immediate financial assistance in order to remain financially viable for the short term and approached the City of Markham, requesting funding of \$150,000 each year from 2015-2018.

With the inclusion of the \$24,000 funding from the City, MAC revised their 2014 forecast to reflect a year end surplus of \$8,000 (refer to Table 1). The surplus is as a result of savings from the cancellation of the IFOA event in 2014 due to the uncertainty around the solvency of MAC. The forecast includes cost mitigation and reduction measures undertaken by MAC, as well as salary expenses reflecting the return of the 2 staff members laid off earlier in 2014.

MAC was asked to provide a detailed plan as to the use of the \$24,000 grant. The document provided by MAC has been included within the package in Appendix C. The majority of the funds \$9,000 (37%) was spent on funding Markham at the Movies, \$2,600 (11%) was used to fund Markham Teen Arts Council, \$2,256 (10%) was used to pay the salary of the executive director (the remainder of the executive director's salary was funded by an OAC grant in the amount of \$13,500). Other expenses included insurance (\$2,000), Holiday Artisan Show (\$1,500), summer student salary (\$1,300) along with other minor operating and program expenses. Total amount allocated was \$22,980, leaving \$1,020 unallocated to any specific expense.

It appears that the additional \$24,000 provided by the City, and cost mitigation measures undertaken in 2014 by MAC, have resulted in a positive year-end variance situation where MAC is now showing a surplus of approximately \$8,000 for their 2014 year-end projections. The surplus is as a result of savings from not having run the IFOA event in 2014. Appendix C includes information provided by MAC on cost mitigation measures taken since 2011, along with other related financial information.

CONCLUSION:

MAC aims to be an umbrella organization that provides the following services (as per MAC's presentation in Appendix D):

- *Incubation for community arts and culture groups/committees*
- *Shared knowledge, facilities and resources*
- *Group discounts (design, print, advertising)*
- *Consultations + educational seminars and workshops: ie. grant writing, fundraising, entrepreneurial skills for artists*

- *Networking and showcasing opportunities for artists*
- *Joint fundraising event(s) to benefit arts and culture organizations*
- *Develop a mutually beneficial, integrated partnership with the City of Markham and its Department of Culture, Department of Parks and Recreation and Communications Department*
- *Liaison to the City of Markham for community-based arts and cultural organizations*

At the same time, they are looking to expand their mandate by adding additional programs and services. Although these are all excellent outcomes with good intentions, it is evident from their financial performance that they do not have the focus or the resources required to support such a wide range of services and initiatives. It would be in MAC's best interest to develop a more focused approach to achieving their outcomes and attain operational stability at existing levels before considering any further expansion of services. This will be accomplished through the development of a 3-5 year strategic plan which will outline more specific imperatives, and associated initiatives and outcomes to achieve success. As previously stated the City will be funding and assisting with the development of MAC's strategic plan.

MAC experienced a deficit in 2011 after reflecting a surplus in 2010. This could be seen as mainly due to the increase in salary expenses. The deficit continued to increase in 2012 and again in 2013. Latest current year projections show a slight surplus, but this includes additional funding of \$24,000 provided by the City. Prior to this, previous forecast estimates showed a deficit at the end of 2014.

The deficit in the last 3 years leads to the questioning of the future financial viability and sustainability of MAC. There is also the issue of financial commitments, specifically repayment of the loan amount of \$66,000 previously provided by the City of Markham in 2012. MAC has proposed deferring repayment of the \$66,000 loan for 5-years.

Furthermore, the instability and uncertainty around the success of the LaVaLab projects creates additional financial pressures as this becomes another service/program that will require financial support and additional resources. Any expansion of series or programs should only be considered once the strategic plan has been implemented and only after ensuring the viability and self-sustainability of LaVaLab (i.e. 2018).

MAC's long term financial plan illustrates a break even position from 2015-2017, based on annual funding of \$150,000 from the City. Without this funding MAC would experience a significant deficit in these future years (refer to Table 3)

Table 3

	<u>2017 Fcst</u>	<u>2016 Fcst</u>	<u>2015 Fcst</u>	<u>2014 Fcst</u>
	\$	\$	\$	\$
<u>Operating results</u>				
Opening Surplus/(deficit)	(48,319)	(49,136)	(48,421)	(56,567)
Revenue	79,783	104,917	146,002	139,468
Proposed 3-year funding (2015-2017)	150,000	150,000	150,000	
Celebrate Markham grant	19,000	19,000	-	38,000
One-time City funding				5,000
LavaLab Revenue (Low estimate)	20,040	15,030	5,010	-
Total Revenue	268,823	288,947	301,012	182,468
Operational expenses	(237,444)	(281,530)	(295,127)	(167,722)
City of Markham loan repayment	(6,600)	(6,600)	(6,600)	(6,600)
LavaLab expenses	(25,000)	-	-	-
Total Expenses	(269,044)	(288,130)	(301,727)	(174,322)
Net Surplus/(deficit) for the year	(221)	817	(715)	8,146
Closing surplus/(deficit) INCLUDING \$150K funding from the City	(48,540)	(48,319)	(49,136)	(48,421)

As per the financial projections provided by MAC for the next 3 years (Appendix C), the increased expenses and resulting deficit are due to an increase in staffing expenses and program expansion. The request for \$150,000 from the City is not being used to maintain operations at 2014 levels, rather to increase staffing and service levels. This includes an additional \$62,400 in new contracted labour, \$14,000 for office admin/payroll staff, \$13,000 for special projects staff, \$4,950 for summer student staffing, totaling \$94,350 in new staffing expenses. There are also numerous increased administrative, promotional, marketing, outreach, programming and professional expenses. It would not be prudent to proceed with increasing staffing and programming expenses without undergoing a proper strategic planning process to determine the mandate, direction and viability of MAC at current operating levels. Moreover, the initial request for financial assistance was to develop stability and to keep MAC in business, not to grow and expand its services. MAC needs to stabilize its base operations and build financial stability before considering growth and expansion.

Based on the \$8,000 surplus shown on the 2014 year-end forecast provided by MAC, there does not appear to be any additional funding required by MAC for the remainder of this year. Furthermore, based on MAC's 2014 financials which include \$43,000 granted to MAC by the City (\$19,000 2014 Celebrate Markham funding, \$19,000 2015 Celebrate Markham funding, \$5,000 grant), \$150,000 appears to be an excessive ask for funding. Taking into consideration cost mitigation factors undertaken by MAC in 2014 totaling \$25,165 (through staff layoffs), it would appear that \$68,165 (\$43,000 in City grants plus \$25,165 staff salaries) should be sufficient for MAC to run its operations at 2014 levels.

As such, staff do not recommend an annual grant of \$150,000 and regardless of the amount provided to MAC, there is no existing source of funding above and beyond the current \$19,000 Celebrate Markham fund. Any additional amount would have to be added to the operating budget and will result in a tax rate increase. Should Council consider the proposed \$150,000/year funding to MAC from 2015-2017, this would need to be added to the 2015 operating budget and will result in a tax rate increase equivalent to 0.12%. Council may also want to consider deferring repayment of the \$66,000 loan.

As stated above, staff will work with MAC to develop their strategic plan. This process will be undertaken in the fall and staff will report back results in Q1 2015, after which Council can determine the appropriate level of City funding for MAC. In order to ensure MAC can continue current operations while undergoing their strategic planning process, council may wish to consider deferral of MAC's 2014 \$6,600 loan payment until November 2015 with the remainder to be paid in equal installments of \$6,600 annually until paid in full. This along with the \$8,000 surplus posted by MAC in their 2014 year-end forecast should provide MAC with bridge funding for the first quarter of 2015 (January to March).

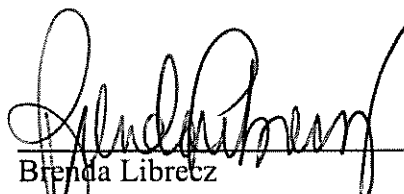
ALIGNMENT WITH STRATEGIC PRIORITIES:

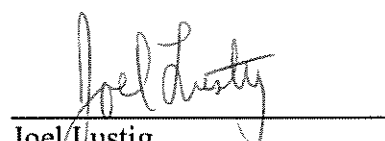
Not applicable.


BUSINESS UNITS CONSULTED AND AFFECTED:

Not applicable.

**RECOMMENDED
BY:**


Brenda Librecz
Commissioner, Community &
Fire Services


Joel Lustig
Treasurer


Moe Hosseini-Ara
Director of Culture

Appendix A – Council Resolutions

Appendix B – LaVaLab Background Information as provided by MAC

B.1 – LaVaLab Trillium Application March 2013

B.2 – Revised LaVaLab Schedule and Funding

B.3 – LaVaLab Financial Plan

B.4 – LaVaLab Presentation

Appendix C – MAC Budget Information as provided by MAC

C.1 – Long Term Financial Plan

C.2 – Funding Sources

C.3 – Detailed Spending Plan for \$24,000 Grant

C.4 – Cost Mitigation/Reduction Measures

Appendix D – MAC Presentation

Appendix E – Comparison of Municipal Arts Councils

Appendix F – Comparison of Municipal Cultural Service Spending