

- 1. Call to Order** – Hon. Roy Cullen, Board Chair
- 2. Approval of Agenda**
- 3. Approval of Minutes of December 5th 2017 AGM**
- 4. President's Report** – Hon. Roy Cullen
- 5. Financial Report**
 - a. Treasurer's Report** - Governor Carolyn Thoms
 - b. Presentation of 2017/18 Audited Financial Statements**
Chris Kask, CFO
- 6. Appointment of Auditor for 2018/2019**
- 7. Management Reports**
 - a. Dean's Report** – Stephen Green
 - b. CEO's Report** – Jane Butler McGregor
- 8. Approval of Bylaw Amendments**
- 9. Election of Governors and Officers**
 - a. Election of Incoming Board Nominees**
 - b. Re-election of current Governors to a second term**
 - c. Election of non-voting Representatives**
- 10. Other Business**
- 11. Adjournment**



Annual General Meeting - Minutes

Agenda Item 2

December 5, 2017 4:30pm Library Ensemble Room

Governors present: David Adams, *Vice President*; Claudia Blum; Ed Chwyl, *Past President*; Roy Cullen, *President*; Gareth Dickson (incoming); Peter Driessen; Heather Ferguson; Richard Fisher (incoming); Barbara Smith; Carolyn Thoms, *Treasurer*; Bryan Wilson

Staff/Faculty present: Jane Butler McGregor, *CEO*; Stephen Green, *Dean*; Chris Kask, *CFO*; Lara McDonald, *Manager, Donor Relations*; Terri Myhr, *Manager, Development Services*; Micki Stirling, *Animateur*

Scribe: Erin Fraser, *Executive Assistant, Staff Representative*

Number of Members present: 21

1. Call to order: 4:01pm

2. Approval of Agenda

Motion: that the Agenda be adopted as distributed.

Moved by Mr. Christon Smith. Seconded by Ms. Micki Stirling. None opposed, motion carried.

3. Approval of Minutes of December 6, 2016 AGM.

Motion: that the minutes from the last Annual General Meeting on December 6, 2016 be approved as distributed.

Moved by Governor Johnson. Seconded by Governor Smith. None opposed, motion carried.

4. President's Address

- This year's focus has been integrating and absorbing all new 50th Campaign initiatives, resulting in a 43% growth over this time last year in our first satellite location in Langford; 13% growth in the Chwyl Family School of Contemporary Music; 5% growth in the School of Music Technology and Creativity; over 1000 children now being served through Community Outreach programs; and an established Building to support many building and maintenance projects.
- The current three year strategic plan continues to be integrated into the VCM's core operations with an overarching goal of increasing earned revenue.
- President Cullen and Jane Butler McGregor have been active in ensuring the Board is comprised of a full spectrum of talented governors. Dr. Gary Karr, David Adams, and Verne Johnson have finished their six year terms, and Valerie Murray and Ray Moore are leaving before the completion of their two terms. Many thanks to each for their dedicated service and the major role they have played in the organization.
- Current Board members Barbara Smith, Peter Driessen, and Kathi Springer are standing for re-election for another three year term and we thank them for extending their continued commitment. Nominees Gareth Dickson, Bijan Neyestani, and Richard Fisher, are a good start to filling experience gaps identified and used to help recruit new governors: business, philanthropic, marketing, legal, and artistic.
- As allowed within the VCM's Bylaws, the designation of Honorary Board Governor is being initiated. Such a person would be identified and appointed by the VCM's Board and would have served on the Board of Governors with distinction and excellence. This initiative calls for a special resolution.
- Thank you to all fellow Board members, the management team led by CEO, Jane Butler McGregor, our world-class artistic leadership directed by Dean Stephen Green, our valued staff, and to the many volunteers who dedicate their time and energy to the mission of the VCM.

Motion: that the President's Report be accepted as presented.

Moved by Governor Chwyl. Seconded by Mr. Eric Charman. None opposed, motion carried.

5. Finance Report

The Draft 2016/17 Audited Financial Statements were previously distributed.

a. **Treasurer's Report** - Governor Carolyn Thoms

- The VCM received a clean, unqualified audit opinion, consistent with prior years, and the auditors found no material issues or internal control weaknesses.
- BMO Nesbitt Burns and investment manager, Rick Wesseling, now manages over \$1.7M of endowed funds with growth of over \$1M in last fiscal through a combination of donations and investment return.
- Earned Revenues are increasing at a measured pace, up again now for sixth consecutive year.
- Classical programs continue to grow while investing in new areas of growth, principally new Schools of Contemporary Music and Music Technology, and expansion at the new West Shore location. These areas of growth are in line with the strategic plan and, as contemplated in that plan, would require the VCM to run operating deficits in the early years of building out these programs.
- Fundraising is also critical to the income stream, historically contributing about a third of total revenues required to achieve a balanced budget. Additional resources have been invested in over the past year. As with investment in the new music schools, the benefits from investing further in Development will not be immediate, but are expected to materialize over the coming years.
- Management and the Board continue to focus on long term financial sustainability and are confident that these decisions will allow the VCM to serve its community well in years to come, and stay relevant in a period of change in music therapy and education.

Motion: that the Treasurer's Report be accepted as presented.

Moved by Mr. Eric Charman. Seconded by Governor Blum. None opposed, motion carried.

b) **Presentation of 2016/17 Audited Financial Statements – Chris Kask, CFO**

CFO Chris Kask spoke to the Audited Financial Statements, year-end August 31, 2017

- The Balance Sheet shows some significant changes, including increases in:
 - Long Term Investments due to increases in the Endowment Fund; funds continue to be moved off our books to the Victoria Foundation to take advantage of Federal Government matching incentives.
 - The remaining debt of \$325,072 which are the mortgages owing to the bank, comprised of both an on-demand loan and a two-year loan coming due in March 2018.
- VCM has activity occurring in five funds, the first being the Operating Fund.
 - This tracks general day-to-day operations. Before transfers, the Operating Fund excess of expenses over revenue is \$(332K). This loss was budgeted in order to invest in Postsecondary and Community School staffing, and the new schools and location initiatives.
 - After transfers, the net change was a deficit of \$(332K). Some of these transfers include funds to cover Westhills and School of Contemporary Music start-up costs, and transfers to Internal and Capital Funds to save donations for future programming/projects, and mortgage payments. Operating revenues of \$4,795,690 are made up of Earned revenue (72%) and Contributed/Fundraising revenue (28%).
 - Tuition revenue shows Westhills not meeting revenue budget in its first full year of being open, but only less \$10,000. Overall growth of 6% exceeded budgeted tuition increases.
 - There was an overall decrease in fundraising revenues since the 50th campaign ended. Fundraising Events decreased as efforts refocused away from special events, however Corporate Support increased greatly. Endowment Income continues to grow as the Victoria Foundation fund is growing both from market growth and additional contributions.
 - Wages and Benefits represents 84% of the Operating Costs, an 8% increase over last year partly due to a rise in Instructor costs that comes with the tuition revenue growth, plus the additional administrative positions. A full-time Director of Development, as opposed to a contractor, increased the Wages but simultaneously decreased the Fundraising Expenses.
 - Facilities costs were 25% higher due to a full year of Westhills rent costs, and higher security, utility, and insurance costs.
 - Marketing costs decreased by 29% due to end of 50th Marketing costs and not repeating several other large projects.
 - Instrument repair and lower licensing costs assisted in decreasing program costs by 24%.
 - Over five years Earned Revenues have increased by 17% and Operating Expenses increased by 19%.

- There are four additional funds:
 - The Internal Fund has \$207K+ set aside from the 50th campaign, plus funds for the Library, new Music Wellness programming, Music Outreach Programs, and instrument purchases.
 - The Capital Asset Fund main revenue is mostly comprised of \$265,000 from the Province, BC Creative, and donors for instruments or Building projects, including renovations in AGPH, Wood Hall, and a future parking lot improvement project.
 - The Endowment Fund grew by its investment returns and growth, and nearly \$250,000 in additional donations. \$73K in Scholarships and Bursaries was paid out to support students.
 - The Restricted Fund grew from grants and donations of nearly \$150,000. It paid for some Music Therapy costs and \$85K in Scholarships and Bursaries
 - In addition to the Endowment funds held at BMO Nesbitt Burns, the VCM is also the beneficiary of trust funds that are held at the Victoria and Vancouver Foundations. The Victoria Conservatory of Music funds were established a number of years ago through transfers from the VCM, maximizing provincial matching incentives. Other Named funds were established by donors who direct that grants are paid to VCM each year, for either operating or scholarships and bursaries. These funds are currently valued at \$4.4 million, up 8% from the prior year. \$200K of this growth was a transfer from our Endowment Funds at BMO over to the Victoria Foundation, which was matched by a \$180K Federal grant. Thus, \$380K growth was from this, and \$112K was from market growth.

Motion: that the 2015/16 Audited Financial Statements as prepared by Grant Thornton LLP. be approved as distributed.

Moved by Ms. Joan Peggs. Seconded by Mr. Christon Smith. None opposed, motion carried.

6. Appointment of Auditor for 2016/17

The VCM has been very pleased with the firm of Grant Thornton LLP and recommend that they be used for the coming year.

Motion: that the VCM engage the firm of Grant Thornton LLP. as the auditor for the 2017/18 fiscal year.

Moved by Governor Chwyl. Seconded by Ms. Micki Stirling. None opposed, motion carried.

7. Management Reports

a. Dean's Report - Stephen Green

- Our first satellite location in Westhills Langford had a successful first year, growing from 77 to over 140 students. Classes are being adjusted while we continued to learn when West Shore families prefer music lessons. Two Open House events were run at this location, one for children and the other focused on adults and parents of students.
- Ann & George Nation Conservatory School of Classical Music:
 - The Winds and Brass Department has seen continued enrolment growth over the past year.
 - The Voice Department has seen healthy enrolment numbers and great program successes. Opera Studio's *Le Nozze di Figaro*, in collaboration with Pacific Opera Victoria, was very well attended.
 - The Keyboard Department faculty and students continued to distinguish themselves in the community. New student referrals were strong for both locations and another three faculty members were hired.
 - Michael van der Sloot, Head of Strings, left the VCM after seven years. Simon MacDonald has been hired in his place. He comes very highly recommended and we look forward to working with him.
 - Collegium Program evaluation results confirmed another successful year. 94% of the responding teachers, parents and students found the program valuable or incredibly valuable and 90% would recommend the program to others. David Visentin, Director of Postsecondary Studies, jumped in as both Acting Artistic Director of the Collegium program and Conductor of the Senior String Orchestra in Michael van der Sloot's absence; we anticipate having both positions in place for Term 2 of next year.
- The Chwyl Family School of Contemporary Music:
 - Enrolment has surpassed expectations. New faculty members have brought over 60 new students to the VCM. Interaction between classically trained students and those in the various Popular-Contemporary genres is helping the VCM make its mark as a leading 21st century music school.

- School of Music Technology and Creativity:
 - Dr. Jonathan Haek became the Director of the School of Music Technology and Creativity.
 - The BC Arts Council funded a new project on the “Recording Business”, wherein workshops were coordinated with both Classical and Contemporary students. We are responding to the quickly-growing interest among our students to learn about recording, and the recording/music business.
 - Funding from private donors has been secured to create a new music technology lab to be operational by spring next year. A grant application for matching funds has been submitted.
- Department of Postsecondary Studies:
 - A record number of classical voice students enrolled in the Camosun Diploma program, however, the first year cohort in Contemporary music genres was smaller than expected. A national decline is being seen in first year undergrad music studies. We have been reaching out to many schools, guidance counsellors, and music teachers in an effort to connect with students.
- Department of Early Childhood Music:
 - More families are being reached through the new Westhills satellite location. Almost 1000 children in daycares and preschools were served through Early Childhood Music Outreach programs. This programming, including Children’s Music Journey and ChoirKids at Elementary schools, helps to spark interest in children, which leads them to taking more lessons at the VCM.
- Department of Music Therapy and new Music Wellness Classes
 - A branch of VCM Music Therapy programming will be offered at the Nanaimo Conservatory of Music. Services are offered at the NCM building and other Nanaimo locations, including the hospital.
 - A new partnership between the VCM and PARC Retirement Living will see the development and piloting of a series of classes for adults and seniors over the next four years, culminating in the establishment of the VCM Centre for Music Wellness at PARC’s forthcoming downtown Victoria location.
 - Thanks to the Children’s Health Foundation of Vancouver Island for fully supporting the Summer Music Therapy Camp.
- Our strengths continue to be our faculty and students, and we continuously see the results of the great work happening at the VCM. With our students sharing their talent and their stories, we hope to continue to engage more members of the community.

Motion: that the Dean's Report be accepted as presented.

Moved by Governor Ferguson. Seconded by Ms. Micki Stirling. None opposed, motion carried.

b. CEO's Report

- Having successfully finished the \$2 million 50th Anniversary Campaign, this year’s focus has been the absorption and integrating of the new initiatives that the campaign was designed to support. Additional financial and human resources are required to operate new programs and build awareness. Our goal is to expand our capacity to increase our earned revenue through tuitions, facilities rentals, and ticket sales while continuing to build on our artistic strengths and reputation. A three year deficit has been budgeted for as new revenues catch up to the new programming investments, and so far this is on track.
- New infrastructure has been brought to the Development department’s fundraising activities and donor relations. The team have accomplished some very significant goals which include:
 - Total Raised Revenue of \$2,311,113, exceeding goals in Corporate Sponsorships by 126%, Intermediate Giving by 111%, and Annual Giving by 150%;
 - A first-time matching endowment grant of \$179,541 from the Canada Cultural Investment Fund Endowment Incentives Program held at the Victoria Foundation. The newly-established Eric Charman Young Musicians Scholarship & Bursary Fund, current value \$180,138, will be part of this grant in 2017-18, bringing its value to \$360,000.
 - Securing \$200,000 for major capital improvements, a pledge of \$250,000 over five years for area of greatest need, \$40,000 for Children’s Outreach, \$25,598 for a new Music Technology Lab, and a sponsorship pledge for \$75,000 over five years from PARC Retirement Living.
- Chief Development Officer Camille Cuthill will be retiring from full-time fundraising as of January. She will remain on contract for a few months to assist Lara McDonald, current Manager of Donor Relations, who has accepted the CDO position. Many thanks to Camille for her work over these last 18 months.

- Christine Gross has been hired as new Manager of Marketing, Communications and Social Media, replacing Blaine Jeffery who moved back east after six years with the VCM. Marketing highlights include:
 - Developing materials, media relations and post-event coverage for most financially successful Mother's Day Musical Garden Tour in VCM history; promotion of busy VCM Presents event calendar; the establishment of initiative to reach out to, and build a database of, high school counsellors as a Postsecondary program recruitment strategy; launching the Centre for Musical Wellness.
- An array of new building projects have increased the VCM's capacity and addressed some major repairs and maintenance issues that occur in aging heritage buildings. Highlights include:
 - Complete restoration of Alix Goolden Performance Hall balcony plaster; Wood Hall upgrades of new flooring, stage screen and projector, electrical work, house and stage lights, and sound system; soundproofing in most teaching studios and ensemble rooms; over 33,000 audience members welcomed to over 180 performances and events in AGPH.
 - Serious neighborhood security issues continue to arise. An advocacy group has been formed with the real estate developers who are investing heavily in this area to help with conversations with the City. Regular communication takes place with BC Housing and Our Place to mitigate security challenges. The new condo and rental units being built in our two-block radius, resulting in an additional 1000 residents, should have a positive effect on the dynamics in the area.
- Venues Co-Manager Bernie Keppler has gone on medical leave and his counterpart, Josh Haase, has left to pursue other career opportunities; Melody Benbow has replaced both as Venues and Booking Manager. Ali Shewan is now Facilities Booking Coordinator and Administrative Assistant. Kelsey Gilker and Emily Mahbobi have been hired as Reception/Registration Clerks. Tony Le May is a new Accounting Assistant. A new two-year CEO contract has been negotiated.
- Welcome to new Board members Bijan Neyestani, Gareth Dickson and Richard Fisher. Thank you to the outgoing Governors for their service and commitment to the VCM: Valerie Murray, Ray Moore, Verne Johnson, who has agreed to serve on our Philanthropic Council, David Adams who has been invited to serve on a new Property Development Committee, and Gary Karr who will become the first Honorary Board Governor at the VCM.
- Many thanks to Board Chair Roy Cullen for his leadership and support, to our Board of Governors for sharing their valuable expertise, and to the VCM team whose passion, commitment and talent are truly at the heart and soul of the Victoria Conservatory of Music.

Motion: that the CEO's Report be accepted as presented.

Moved by Governor Johnson. Seconded by Governor von Kaldenberg. None opposed, motion carried.

8. Election of Governors and Officers

a. Election of Incoming Board Nominees

The list of Board Nominees and their biographies was previously distributed. The Nominees are:

- Gareth Dickson, Investment Advisor and Associate Portfolio Manager with Odlum Brown
- Richard Fisher, Owner and Planning Director of Trapeze Communications.
- Bijan Neyestani, real estate developer and Co-founder of Alpha developments

Motion: that the nominee be accepted as a Governor of the Victoria Conservatory of Music.

Moved by Governor Johnson. Seconded by Ms. Joan Peggs. None opposed, motion carried.

b. Re-election of current Board members for a second three-year term:

- Peter Driessen
- Barbara Smith
- Kathi Springer

Election of Non-Voting Representatives

Board Representatives have been nominated by their peers to stand for a one-year term:

- Erin Fraser, Staff Representative (non-voting)
- Marsha Elliot, Faculty Representative (non-voting)

Motion: that this slate of Board members be re-elected for their second terms and the representatives be elected for a one-year term.

Moved by Mr. Eric Charman. Seconded by Governor Chwyl. None opposed, motion carried.

9. Approval of Special Resolution

To honour and maintain contact with select governors who make a large impact on the VCM, it has been decided that the position of Honourary Board Governor be instated. While already in the bylaws, a more formal definition has been written to bring further clarity.

Motion: that the proposed Special Resolution be approved as presented.

Moved by Governor Chwyl. Seconded by Governor Ferguson. None opposed, motion carried.

In anticipation of membership support for this initiate, the VCM Board of Governors has appointed Dr. Gary Karr as the first Honourary Board Governors. Dr. Karr has completed his six-year Board term and meets the criteria with respect to his service and dedication to the VCM. In addition to his artistic contributions, Dr. Karr is extraordinarily generous in his support, both financially and with his time.

10. New Business

- Mr. Eric Charman commented that he attends many AGMs and is impressed with the reporting and presentations he has seen at the VCM and gives congratulations for the great job everyone is doing.

11. Adjournment

Motion: that the December 5, 2017 Annual General Meeting be adjourned.

Moved by Governor Johnson. Seconded by Governor von Kaldenberg. None opposed, motion carried.



Enrolment

The year was incredibly busy and started off with good news about enrolment: We were seeing another increase over the previous year, keeping the positive trend alive. Registration reports indicated that the School of Contemporary Music had already reached its three-year target well ahead of schedule; Westhills location enrolment was increasing faster than anticipated; and in that year, Postsecondary studies through Camosun saw a surge of over 80 non-music majors registered for music electives that had been opened up to them. This translated into the equivalent of another 15 full-time Postsecondary student registrations for the VCM, on top of 43 in the diploma program. Another exciting fact this year was the number of elementary school children being served by VCM music programs delivered via outreach (ChoirKids and Children's Music Journey): participation increased by 20% as we reached over 500 children this year. This, combined with the near 1000 children served by Early Childhood Music Outreach in the community, means that a good 25% of the VCM's student population this year was enrolled in music classes via VCM outreach in the community – a great accomplishment!

Faculty

To meet the increased enrolment, our faculty grew once again by another 10 members, including our new Head of Strings, Simon MacDonald. Simon was subsequently appointed as the new Artistic Director for the Young Artist Collegium Program, assuming duties as of January 2018 from Interim AD David Visentin, who had graciously stepped in to fill that gap temporarily, on top of his position of Director of Postsecondary Studies. Among our newly appointed faculty were another two recent graduates of the VCM, Simon Farintosh (classical guitar) and Michael Wilford (Contemporary music, drumkit), both of whom were appointed as junior faculty, which is a new mentorship program allowing for graduating VCM students to start teaching under the guidance of a senior faculty member, as their mentor. The novice instructor meets regularly with their mentor over the course of 18 months, which includes the mentor observing how the novice instructor teaches. After the 18-month period, and a successful report by the mentor and respective Department Head, I approve the appointment of the novice faculty member to the status of full member. It is a great way to keep the tradition of growing our future faculty from our own students.

Workshops, Masterclasses and Performance Opportunities

Our students had some amazing workshop, masterclasses, and performance opportunities. This started in September with a Contemporary Music workshop with The Bills, who celebrated their 20th Anniversary and new CD release by offering a two-hour workshop in Wood Hall, in advance of their sold-out concert in the AGPH the next evening.

This was followed the same week by a Classical masterclass by renowned Canadian violinists James Ehnes, and in October, our students were treated to special masterclasses by visiting artists of the National Arts Centre Orchestra, Canadian violinist David Stewart who is Concertmaster of the Bergen Philharmonic Orchestra in Norway, as well as visiting music faculty members of the University of Manitoba. Contemporary students enjoyed working with Canadian Singer-Songwriter Sarah Slean, both in workshop format and, as a milestone first for the VCM, our Senior String Orchestra under the baton of its new Director David Visentin, performed live with Sarah Slean in concert as her orchestra. Contemporary students were also treated to a masterclass with ground-breaking free-improvising alto sax player Brodi West, and the Juno Award winning folk group Fretless, while our Classical Voice students participating in the 10th Annual Margaret Abbot English Song Competition were pleased to see VCM alum Richard Margison and former faculty member Kathleen Brett as their adjudicators. The list goes on and on with a couple dozen high profile artists visiting the VCM this past year to work with our students. This really helps to strengthen the brand of the VCM, as it is a testament to the high quality of instruction, we are able to provide.

Further on the subject of workshops, it's been a very busy year and, thanks to a very generous donor, VCM received a gift of over \$20,000 to support bringing free music workshops and masterclasses, as well as performances into local middle and high schools, and was able to offer free special events and workshops at the VCM for these students as well. In all, there were 24 workshops, which included ones about music technology, presented in the VCM's new Music Technology Lab that launched "unofficially" in the spring. The creation of the Music Tech Lab is thanks to another wonderful gift the VCM was fortunate to receive from a very supportive and passionate couple, who had already created two full-ride scholarships for postsecondary students the previous year.

The Music Technology Lab is something that practically no one at the VCM had thought would become a reality so quickly, as the need for the VCM to be able to provide hands-on learning experiences in Music Technology subjects had become known early on, after the Postsecondary Certificate in Music Technologies (taught entirely online) had launched. Being able to offer students courses about writing music using computer (Digital Notation), editing, mixing, and mastering recordings (Digital Audio Workstation), and the use of electric and electronic virtual instruments with recorded music, and in live performance, are the three major areas of learning we have been able to open up to our students, thanks to this wonderful gift.

School of Music Technology and Creativity

The incredible technology gifts continue – The Victoria Rotary very generously provided the VCM with a \$10,000 gift in December 2017 to purchase equipment needed in order for the VCM to be able to Live Stream events, masterclasses, and virtually anything. Obtaining the rest of the equipment needed to provide video was a challenge, however once again, thanks to an incredible grant received from BC Arts Council Enhanced Capacity Assistance, we have been able to move ahead and purchase the additional video and audio equipment for live streaming, as well as expand on the equipment and software utilized in the new Music Tech Lab, among other things. The first live streaming event is set to be the Arbutus Singers (founders and supporters of the ChoirKids program) sold out concert this December 12 in AGPH. And I also want to mention one more tech-related gift, another big one, and again thanks to a very supportive and passionate couple: With the Children's Music Journey program delivered via VCM Music Outreach in local Elementary Schools encountering the program of disappearing computer labs, it had become a problem for the VCM to continue this wonderful program, unless it would be able to acquire its own set of tablets. We were able to purchase 24 new Surface Pro Tablets over the summer, which solved that problem beautifully. It has been a very fortunate year as far as enhancing the VCM's capacity on a technological front goes, including the incredible upgrades that happened in the Wood Hall – again thanks to a generous donor, and government grant.

Music Wellness Classes

In the Fall of 2017 we started on a new sponsorship partnership with PARC Retirement Living, to develop and pilot Music Wellness Classes over the course of the coming five years, with the intended result being a suite of classes that would move into the newly proposed Residence by PARC in the Victoria downtown area. This has presented a great opportunity for the VCM to better connect with a seemingly larger segment of older adults in our community, whose musical involvement with the VCM might only be as occasional audience members, and in general would not normally consider making a commitment to ongoing music lessons. The Music Wellness classes offer activities that focus on realizing the benefits of engaging with music, as part of a healthy life style for active and independent older adults. Participants are able to wade into music at their own pace, while enjoying the social interaction, and chance to make new friends.

Department of Music Therapy

This past year as our Music Therapy Department, under Dr. Johanne Brodeur, was busy trying to expand the Music Therapy program VCM now offers in Nanaimo through the Conservatory there, we learned of how the BARCELONA BOOK PUBLISHERS had put out a new revised edition of "The Lives of Music Therapists: Profiles in Creativity" by Dr. J. Moreno. Among the 35 biographies included in the book, of leading music therapists from around the world, our Dr. Brodeur was chosen to be included as one of the leading music therapists, and also as the one to represent Canada. Brava Johanne!

There is always so much that I can speak about in my reports, including about the amazing work our faculty do each day, and the results we see through our talented students, who consistently are heard performing around Victoria, and who make us proud winning all types of awards at festivals. I would like to thank them, as well as our wonderful leadership team and amazing staff at the VCM, for all of the incredible work that they do. We wouldn't be able to keep the magic happening here at the VCM without the talent and dedication we are blessed with each and every day.

Stephen Green

Dean and Chief Academic Officer



This past year has been an interesting one! While we very successfully completed our \$2 million 50th anniversary campaign a couple of years ago, we have continued to focus on absorbing and integrating the new initiatives the campaign was designed to support. While it is a huge accomplishment to raise the money needed to support the creation of new programs and initiatives, it is always challenging to successfully absorb them. It takes additional resources (both financial and human) to operate new programs and it takes new communication and marketing strategies to build awareness about them. It takes incredible teamwork and it means taking some risks. Our goal has, and will always be, to expand our capacity to increase our earned revenue through tuitions, facilities rentals and ticket sales while at the same time continuing to build on our artistic strengths and reputation. We knew that it would most likely take three years for new revenues to catch-up to the investment that was made in new programming and, as a result, we made the conscious decision to budget deficits for those three years. As you heard in the finance audit report, we are budgeting deficits on track. The good news, however, is that we have budgeted for and project a balanced budget for this current fiscal year - the first in those last three years!

This is a list of highlights for each key area and operating department within the VCM, with the exception of Artistic and Academic and Finance which have been covered in detail by Stephen Green (Dean and CAO) and Chris Kask (CFO/COO) in their previous reports.

Let me begin with **Development**. Last year you will recall that we announced the retirement of our Director of Development, Camille Cuthill, who, as a result of some health issues had to leave the industry and is now happily retired in Qualicum Beach. At that time we were pleased to report Lara McDonald would step into Camille's large shoes, which she did this past January 2018. Sadly, the daily commute from Mill Bay to downtown Victoria took its toll on Lara and she, very unfortunately, had to resign this past August. Since that time we have been searching for a new CDO but have not yet had any success. As such, I have stepped into the role on an interim basis. Having said that, our fabulous development team, which includes the wonderful Terri Myhr, Manager of Development Services, Judi James, Manager of Donor Relations, and Joan Milley, our new Special Events and Sponsorship Officer, have rallied together and are doing a fantastic job of holding everything together and achieving amazing results:

- Fiscal 2017-18 total Raised Revenue was \$1,485,469 which includes \$1,170,000 in operating funding and \$299,000 in restricted funding.
- Corporate Sponsorships and Donations financial goals were exceeded and raised in total: \$144,228 vs \$134,315 the year prior.
- First year the VCM has secured a matching endowment grant of \$251,000 from the Canadian Heritage, Canada Cultural Investment Fund Endowment Incentives Program held at the Victoria Foundation for the Eric Charman Young Musicians Bursary Fund, and other Endowment gifts received for scholarships and bursaries throughout the year in our BMO/Nesbitt Burns endowment fund.
- 100% of the Board of Governors made an annual donation.
- Established the Philanthropy Leadership Council and introduced the Board of Governors to deepening donor relations through stewardship within a culture of philanthropy.
- Updated our "Legacy Giving" program called the Encore Legacy Society and Judi, in particular, has been working diligently at engaging potential legacy donors and increasing the number of known legacy gifts.
- For the first time, VCM became involved with the "GivingTuesday" campaign. With the generous matching financial sponsorship of Odlum Brown Investment Management Firm, the accounting firm of Cameron, Izard and Snell, and many other donors who responded to our appeal, we successfully raised \$27,000 in support of our Music Therapy program.
- Initiated new emphasis on donor engagement by inviting and bringing current, new and potential donors, in small groups, to many of our VCM produced student, faculty and VCM Presents concerts. We find they are a wonderful way to engage with donors on a more intimate basis.

- The Eric Charman Young Musicians Bursary Fund - One of the most exciting things to happen to the VCM is the Eric Charman Young Musicians Bursary Fund which was founded by a group of Eric's closest friends to both honour him on his 85th birthday and to create a legacy in celebration of his endless commitment to a strong and vibrant musical community in Victoria. The fund was established to assist young students and their families who require financial assistance to pursue their musical education at the VCM. His friends ended up raising over \$85,000 which was then matched by the Egon Baumann Foundation (EBF), which was then matched again by the Canadian Heritage Endowment matching program. In November of this year another donation from the Egon Baumann Music Foundation was made in the amount of \$250,000 which will also be eligible for matching next year by Canada Heritage. There is still one more large donation to come next year but in the interim, Eric has taken matters into his own hands and is hosting an event on December 17th at Government House to encourage his growing circle of friends to contribute with the hopes that the fund will reach a million dollars by the end of the year. We know that by the time everything is donated and matched that Eric's bursary fund will be one of the largest in Canada and will end up helping thousands of students through the years who would never have had a chance to explore their musical dreams without this help. It is truly amazing!

In **Marketing**, we have been very fortunate to hire Tereza Anderson as our new Manager of Marketing, replacing Christine Gross, who moved on to new opportunities this past June. Tereza is such a welcome addition to our team and brings substantial background in Marketing with Whole Foods (12 years). She has totally "hit the ground running" and is bringing new rigour and many new ideas and practices to the table since joining us on October 15th. In addition to hiring Tereza, we also promoted the wonderful Erin Fraser to the full-time position of Marketing Co-ordinator. As many of you know, Erin has been with the VCM for 12 years and previously held the position of Assistant to the CEO and Graphic Designer. It broke my heart to have her leave me but she is doing an exceptional job in her new post! Some of the highlights in Marketing last year were:

- Developed marketing materials, media relations and post-event coverage for the most financially successful Mother's Day Musical Garden Tour in VCM history, netting \$82,000!
- Created with PARC Retirement Living a commercial for our new Music Wellness Program that aired at Victoria Symphony Splash, reaching over 40,000 attendees and is now included on our website.
- Created the first ever Marketing Committee of the Board that is being Chaired by Governor Claudia Blum, and also includes Governor Richard Fisher, Stephen Green, Erin Fraser, and myself.
- Westhills Awareness Building: We continue to market and build awareness about the opening of our new satellite location in Langford and as a result of those efforts have seen another 38% increase in tuition year over year, on top of the 43% increase that occurred the year prior.
- On September 9th last year we welcomed over 600 guests to our annual Open House.
- For the first time we created a "GivingTuesday" campaign which was aggressively promoted on our website and all social media platforms. In fact Facebook reach and engagement increased by roughly 1000% during that time.
- Social Media Statistics:
 - Twitter: 2,772 followers; Facebook: 3,021 followers; Instagram: has just been launched but already has a reach of 728; VCM Newsletter: 3,887 subscribers; Website: 5,100 users in the last 28 days (average of 280 visits per day)

Now on to **Building, Facilities, and Venues Management**: Our Building and Facilities Department is led by our most capable Chief Facilities Officer, Martin Borg, who has been with the VCM since 2009. This past year he has led an amazing array of new building projects that have increased the capacity of the VCM and addressed some major repairs and maintenance issues that occur in aging heritage buildings. The highlights this year include:

- AGPH Plaster Repairs – The plaster under the balcony in AGPH was failing and there was extreme risk of injury if it fell into the seating area below. The whole underbelly of the balcony has now been repaired, dry walled and repainted.
- AGPH Stage Lighting – Installed new LED lighting, cabling, control and electrical.
- Wood Hall Upgrades – As a result of significant and much appreciated donor funding we have been able to complete many necessary upgrades to Wood Hall and have been able to add new flooring, a new stage screen, new windows, new electrical, new projector, house and stage lights and surround sound acoustics.
- Music Library move – Because of an enormous rent increase from the owner of the property next door we were forced to move the Library into its new and much smaller home in the old children's music studio on the lower

floor of our main building. This also meant that the Postsecondary offices, student lounge, Children's Music studio and one Music Therapy Studio had to be moved to new locations within the building. It was a huge job.

- Main Heating Boiler – Probably one of the biggest jobs this past year was the replacement of the Main Heating Boiler which had served long past its natural life. Once again, donor support accounted for almost half of the cost of the boiler (\$112,000) and we are so grateful to a very generous anonymous donor and to many donors (including students and faculty) who came forward as a result of our boiler campaign.
- East Wing Roof – It was necessary to replace the roof of the east wing breezeway.
- The venues management team welcomed over 33,000 audience members to over 180 performances and events in AGPH last year.
- The Property Development Committee – This year we have established a new Property Development Committee that is being chaired by Governor Bryan Wilson. This is a very important step as we move forward to assess our building needs and requirements for the next 10 to 20 years. This committee includes many members from our community that have expertise in the field of property development and it will be our job for the next year to determine what our options are going forward. Do we look at partnering with a developer to develop our own property or do we partner with a developer to move to another location elsewhere in the City? These are big questions that are important to our future.
- Security – As you all know, we continue to deal with very serious neighbourhood safety and security issues as a result of the impact of 844 Johnson Street. As you are also aware, we have continued to try to work with BC Housing, Island Health, Portland Hotel Society (PHS) and the City of Victoria over the last two years to find solutions to the multitude of problems we face in our neighbourhood on a daily basis. In sheer frustration about lack of progress, approximately 60 of our neighbours came together on September 19th to meet with officials from these government organizations. We presented our case and asked them to respond with solutions. Only the City of Victoria responded by implementing a police beat on Johnson Street which, however, is only funded to end of this year. BC Housing and Island Health did not respond with any worthy input so the neighbourhood came together to write a letter with signed petitions to the Ministers of Municipal Affairs and Housing, Selina Robinson, Minister of Mental Health and Addictions, Judy Darcy, Minister of Finance and Deputy Minister, Carole James and our Premier, John Horgan (see attached). To date, we have heard that they have all received the letter and that it has been sent to the Premiers Scheduling Branch to see if a meeting can be arranged.

In Administration:

- This past year saw a lot of turnover in administration. We lost numerous front desk staff as well as our Accounting Assistant and Bookings Coordinator. In addition, Erin moved up to Marketing full time. We have been able to replace all of these positions and have promoted Kelsey Gilker to the position of Executive Assistant to me and Assistant Registrar to our Registrar, Bethany McNeil, and she is doing an amazing job! As well, Chris has just hired a new Accounting Assistant and she will be starting in January. One of our front desk staff, Jeremie Grandbois accepted the position of Bookings Coordinator and is already performing the task brilliantly.

I want to stop for a minute to welcome our new Board members Dan Gunn, Geri Hinton, Susan Snell and Craig Young! I am so looking forward to working with you and thank each one of you for agreeing to serve on our Board and for making that very special commitment of time, energy, expertise and resources.

I also want to stop and recognize thank some wonderful people for the amazing contribution they have made to the VCM during the last six years they have served on our Board! I want to join Roy and the rest of our Board members in thanking our departing Treasurer, Carolyn Thoms (who has done a fabulous job) and fellow board members Heather Fergusen and Lesley Brown for their incredible service and their commitment to the VCM. I really do get very attached to our Board members and I find it hard to think about not having them sitting at the Board table or working on committees and projects with me. Each of our Board members contributes in so many different ways, each bringing their own unique experience, skills and perspective.

I would like to end by thanking Roy Cullen, our Board Chair, for his tremendous leadership and friendship, and for the support he has provided me through these last few years. I also want to thank every member of our Board of Governors for sharing their valuable expertise, and our incredible VCM team whose passion, commitment and talent are truly at the heart and soul of everything that is the Victoria Conservatory of Music!

Jane Butler McGregor
CEO

Concerned Johnson Street Neighbourhood Victoria, BC

November 27, 2018

The Honourable Selina Robinson
Minister of Municipal Affairs & Housing
Room 310, Parliament Buildings
Victoria, BC V8V 1X4

Selina.Robinson.MLA@leg.bc.ca

The Honourable Judy Darcy
Minister of Mental Health & Addictions
Room 346, Parliament Buildings
Victoria, BC V8V 1X4

Judy.Darcy.MLA@leg.bc.ca

The Honourable Carole James
Minister of Finance & Deputy Premier
Room 153, Parliament Buildings
Victoria, BC V8V 1X4

Carole.James.MLA@leg.bc.ca

The Honourable John Horgan
Premier
West Annex, Parliament Buildings
Victoria, BC V8V 1X4

Premier@gov.bc.ca

Dear Ministers and Premier,

For two years now, the neighbourhood surrounding BC Housing's supportive housing facility at 844 Johnson Street in Victoria, BC has been under siege. Despite numerous community meetings with representatives of BC Housing and countless conversations with the property's operator, the Portland Housing Society (PHS), we feel that little action has been taken to ensure the safety of those who live and work in the surrounding neighbourhood and, in fact, the situation has gotten measurably worse over time.

As you will recall, 844 Johnson Street was purchased by BC Housing in 2016 to house a number of the residents of the Tent City then established at the nearby Victoria Court House. This hasty decision was made without any neighbourhood consultation. No consideration was given to the fact that the area was already seriously stressed and challenged by a concentration of social services within a two-block radius including Our Place Society, the Victoria Cool Aid Society, 761 Johnson St, a methadone pharmacy and several safe injection sites. The purchase of 844 Johnson Street by BC Housing added 147 marginalized residents to an already fragile neighbourhood, over half of whom have been acknowledged to be amongst the "hardest to house". As Victoria residents, business owners, students and workers who are invested in this community – who live and work in this downtown neighbourhood – we have watched with dismay as our neighbourhood has fallen deeper and deeper into an unsafe state of chaos.

Below is a list, which is by no means exhaustive, of the issues we face daily:

- Continual public exposure to drug induced psychosis.
- Public illicit drug dealing and open drug use without fear of consequences.
- Significant increase of publically discarded needles in spite of an increase in needle drop boxes.
- Defecation and urination on both public and private property.
- Aggressive behaviour that has led to various incidences of assault and battery.
- Shootings at passers-by and at neighbouring buildings.
- Pervasive property violations and theft of property.
- Serious increases in criminal activity without apparent consequence.
- Dangerous objects being thrown onto the street from the windows of 844 Johnson Street, including barbells, a microwave and other objects that could cause severe harm or even death.
- And of particular note, ineffectual management of 844 Johnson Street by PHS who, as property managers, have little control over the residents of this building. Recurring and firmly expressed requests for help have repeatedly been disregarded, leaving our community feeling helpless, angry and frustrated.

With our breaking point imminent, a meeting was called on September 19, 2018. Approximately 60 concerned neighbours including residents, school officials, business owners, developers, construction workers and others invested within this community came together to communicate our growing frustration and concern to BC Housing representatives Heidi Hartman and Domenic Flanagan, Mayor Lisa Helps and Council members, Vancouver Island Health Authority (VIHA) representative Kelly Reid and his team. This meeting came on the heels of repeated monthly meetings involving the many social service providers noted above and these same organizations. After much constructive discussion, we left BC Housing, VIHA and Mayor and Council with a list of short-term and long-term solutions and two weeks to respond with plans for implementation. Responses have now been received from BC Housing, VIHA and the City of Victoria but sadly, it would

appear as though only the City of Victoria has followed through with implementing improvements. During this meeting, a request was made by our community for 24/7 policing. The request has been heard by the City of Victoria and increased patrols have begun to make a modest impact. That said, our community has been advised that funding for these additional patrols will run out on December 31, 2018. We trust that the Province will work with the City to ensure these enhanced patrols will continue in an effort to ensure the safety of our neighbourhood.

Our ongoing collaborative approach with the Province has been ineffective and to our knowledge, there have been no solutions implemented to address the root cause behind the rapid deterioration of our neighbourhood. Our community is tired. We are angry. And quite frankly, we fear for our safety on a daily basis. BC Housing has made promises to us that have not been kept; this is simply not acceptable.

To imply that we are frustrated would be an understatement. A process must be developed where our concerns can be heard and solutions found. Organizations and government departments must work collaboratively to restore a safe environment for our community.

In an effort to try and work with the Provincial government to find and implement solutions, we are bringing this matter directly to your respective offices. We request a meeting with you to review the many serious issues we face daily and to reach agreement around implementation of both short-term and long-term solutions. We propose an urgent meeting in Victoria before the end of December, 2018 to review our four recommendations based on two years of community discussions:

1. Establish and fund 24/7 police presence at 844 Johnson Street and the surrounding neighbourhood.
2. Greatly reduce the number of residents and the proportion of high-needs individuals housed within 844 Johnson Street.
3. Re-evaluate the effectiveness of the building operator (PHS) with a view to establish more effective management and control of 844 Johnson.
4. Deliver on the beautification projects promised by BC Housing.

Our concerned neighbours have demonstrated their support of this letter and our efforts to meet with the Province by signing the attached petition.

We look forward to your response and the opportunity to plan for a meeting in Victoria before year end. Please contact us at the email provided below.

Most sincerely,



Jane Butler McGregor, CEO
The Victoria Conservatory of Music
butlermcgregor@vcm.bc.ca



David Chard, President & CEO
Chard Development, Ltd.
dave@charddevelopment.com



Karina Sacca, Lawyer and Proprietor
Sacca Law Group
ks@saccalawgroup.com



Tracy White, Resident
834 Johnson Street
tracykarenwhite@gmail.com

CC City of Victoria Councillors
CC Murray Rankin, Member of Parliament – Victoria
CC Shayne Ramsay, CEO, BC Housing

*Please see attachment of petition scans from many of our concerned neighbours.



PROPOSED SPECIAL RESOLUTIONS

ARTICLE 2: MEMBERSHIP

2.1 Classes of Members

(2) Voting Members

- (a) Ordinary Members are any individual persons who have in the **past 15 months** ~~present fiscal year~~ made a donation of \$100 or more, eligible for a tax receipt.

2.2 Cessation of membership

A person shall cease to be a member of the Society:

- (3) If a \$100 donation has not been received in the **past 15 months.** ~~current calendar year.~~

ARTICLE 5: PROCEEDINGS AT GENERAL MEETINGS

5.8 Election of Governors

- (2) The Governors shall, at a Board meeting **following the fiscal year-end, fix the date of the next Annual General Meeting to be held as soon as possible following the anticipated receipt of the audited financial statements.** ~~to be held following receipt of the audited financial statements, fix the date of the next Annual General Meeting.~~
- (3) Once the date of the Annual General Meeting has been established, the Society shall notify **members as per bylaw 4.1.** ~~Chief Executive Officer shall mail to the members:~~
 - ~~(a) — preliminary notice of the Annual General Meeting.~~

ARTICLE 13: AUDITORS

- 13.1 (1) A firm of Chartered **Professional** Accountants ~~or Certified General Accountants~~ qualified to practice in the Province of British Columbia and with an office in the Greater Victoria area shall be appointed as auditors for the ensuing year at each Annual General Meeting of the society.



a) Election of Incoming Board Nominees

Dan Gunn fell in love with Victoria the moment he first landed here in 1998. Upon returning home to Ontario, he built a mahogany sea kayak because he knew he was coming back for good. After being accepted by Royal Roads University to finish their degree in Entrepreneurial Management, Dan transferred from Trent University where he started in Political Science after accidentally getting elected to Georgina City Council when he was 22. Fortunately for Dan, one of his RRU profs was Doug Taylor, the then CEO of VIATEC. They hit it off and two weeks after graduating Dan started on a 7-month contract. Dan loved how the not-for-profit world allowed his entrepreneurial spirit to flourish while making a difference helping other entrepreneurs realize their dreams. Having previously operated his own IT support company and a publishing company, Dan knows how tough starting a business can be and he takes great satisfaction from playing any role he can in helping others achieve their goals. Fifteen years later, Dan's 7-month contract has turned into career and in 2005 he was promoted to leading the organization. A lover of creativity and innovation, Dan takes pride in VIATEC's unique approach to serving its members. The lines between Dan's work and personal life blur in every imaginable way and VIATEC and its events are more likely to be influenced by Burning Man and Tall Tree than any other typical event.

Geraldine Hinton's focus, following graduation in 1961 as a nurse clinician, was geriatric practice, and the teaching and mentoring of nursing students in the care of older persons. As a volunteer with St John Ambulance, in 1976, she developed a revolutionary health care program for seniors living in the downtown core of Vancouver who were facing loneliness and poverty. It spread throughout communities in BC and became a National Program for St John Ambulance with funding from the McConnell Foundation. With her leadership skills and experience she was chosen in 1992 as the Co-Chair of the "Acute to Community Shift" in the BC Government Response Office for the Seaton Royal Commission on Health Care and Costs, and in 1994 as the Executive Director of the BC Government's Office for Seniors; there, she led the initiative for the 1999 United Nations International Year of the Older Person in BC. While in her role with the Office for Seniors, Geri represented the provinces as the Co-Chair for the F/P/T National Committee for the Ministers' Responsible for Seniors that developed a National Framework for Aging Policy and a Strategic Plan for Later Life that recognized the demographics of a growing and diverse population. She was instrumental in a partnership in 2000 with the Ministry of Housing to develop the first policy framework on Supportive Housing for Seniors in BC which has been adopted by several provinces. Geri has been recognized for her contributions: in 2002 she was awarded the YM/YWCA Women of Distinction Lifetime Achievement Award and in 2008 she received the University of Victoria, School of Nursing Alumnae Award of Excellence. She received the Queen's Golden Jubilee Medal in 2002 and the Queen's Diamond Jubilee Medal in 2012. In 2003 Geri was promoted to Dame of Grace in the Venerable Order of St John of Jerusalem recognizing her lifetime commitment to St John Ambulance Association.

Susan Snell is a founding partner of the firm Cameron Izard Snell Chartered Professional Accountants where her practice includes tax planning for individuals, professionals and owner-managed businesses, with a focus on corporate reorganizations, estate and will planning. A graduate of the University of Western Ontario, Susan received her CA designation while working for Ernst & Young. Susan has completed the Canadian Securities Course as well as the Canadian Institute of Chartered Accountants In-Depth Tax Course. Previously a senior manager in tax at an international accounting firm, Susan brings years of experience and knowledge to her clients and volunteer positions. Susan is a proud supporter of the Victoria arts community and is studying piano at the VCM.

Craig Young practices in Tax Group and Business Law Group at Cook Roberts LLP. His practice focuses on the areas and tax planning for individuals and corporations. Craig works with clients to develop and implement tax effective plans. These plans often involve tax-deferred corporate reorganizations, estate planning, trusts and family business structures. Craig advises clients with respect to acquisitions or sales of businesses, incorporations, shareholder agreements, partnerships agreements and joint ventures. Craig has developed an expertise in tax efficient buying and selling of businesses and helps clients maximize their after-tax assets. Additionally, Craig works with clients in resolving all manner of disputes with the Canada Revenue Agency (CRA) efficiently. He has managed CRA audits and appeals, and has assisted clients in reporting previously unreported income to the CRA through the voluntary disclosure program. Craig has appeared in the Tax Court of Canada and the British Columbia Supreme Court. Prior to becoming a lawyer, Craig was a professional musician in Canada and the United States. He has performed with the Toronto Symphony Orchestra, the Kitchener-Waterloo Symphony, the Windsor Symphony Orchestra and Tafelmusik. Craig's musical background is reflected in his technical astuteness and creativity in meeting his clients' needs.

b) Re-Election of current Governors

Board members to be voted in for their second three-year term:

Claudia Blum

Shannon von Kaldenberg

Bryan Wilson

c) Election of non-voting Representatives

Non-Voting Board Representatives to be voted in for a one-year term:

Marsha Elliott, Faculty Representative

Erin Fraser, Staff Representative