



December 6, 2023

December 2023 Annual General Meeting

Executive Director's Report

This 6-month, transitional 2023 fiscal year began in shutdown resulting from the severe (-37c) winter weather freeze that activated 50% of our fire suppression system's three deluge curtains, flooding the stage, backstage areas and Green Room load-in bay (December 21-22 overnight), that postponed remaining December 2022 shows and necessitated a full-stage replacement. From January to early-March, VDPAC-booked performances were re-scheduled to our 2023-24 SPOTLIGHT Season; OSO, NOCCA & two SPOTLIGHT shows were relocated to other local venues; but only 4 cancellations.

We re-opened March 11, 2023 with *"I Am Woman, Hear Me Laff!"* in record time and with 'all hands on-deck' efforts by staff and restoration contractors. It meant the first-half of 2023 only constituted 3.5 months of "normal" program activity. However, it also meant significant insurance claims for replacement of damaged lighting & sound equipment, staff compensation, VDPAC-owned 'contents' and 'business interruption', altogether totalling \$238,354.49, (including \$36,651.73 as a 2022 prior period adjustment). Of total claims, only \$44,852.38 has been received to date for this 2023 fiscal year, leaving \$156,850.38 as a pending insurance adjustment for 2023, plus the outstanding 2022 claims, to date.

Once re-opened in March, Ballet Jorgen's *"Cinderella"* returned from the end of their Western Canada Tour in Saskatchewan to perform to a sold-out VDPAC audience on March 25—with their 'return costs' covered by VDPAC's insurance. The Spring dance season was preserved and scheduled bookings made for a successful Q2. Major 2023 accomplishments and challenges included:

Theatre Operations:

- **2023 Budget & Year-End Outcome:**
 - VDPAC entered with a \$2,242,960 annual Budget, expecting the first full return of live performances & box office clients' ticketed events;
 - Year 2 of VDPAC's "Operating & Maintenance Agreement, 2021-25" with RDNO & increased annual management fees to \$301,900 (but now only 13.5% of our 2023 Budget);
 - VDPAC's CFNO Endowment interest is expected to earn the projected \$35,000, ensured by RDNO's top-up guarantee, but this confirmation will not be realized until January 2024;
 - Bar & Concession Sales earned \$44,134.39 net tax (March 11-June 30) despite our reduced performance schedule, including \$4,567.35 in patrons' tip donations to our Bursary Fund;
 - The eventual fiscal 2023 outcome remains subject to added adjustments from pending confirmations of remaining insurance claims, including 2022 prior period adjustments;
- **Staffing Changes & Compensation:**
 - **Added two FT staff in 2023:** For Marketing, a second "Marketing & Community Engagement Coordinator" (April 2023); and a FT Assistant Technical Director (ATD) & continued building of our roster of casual techs; Paid staff: 17 FT & 19 PT & Casual staff by the end June 2023;

- **Volunteer base** has rebuilt to 152 through training & re-certification sessions, with several new and welcome faces;
- **Combined staff compensation** has surpassed CAPACOA's latest industry standards (2018) for "Non-Profit Presenters" by the close of June 2023 by 9.1% as a staff;
- **Rental Policy Updates:**
 - Introduced the mandatory "Two Tech" minimum, revamped work order fees, with adjusted charge-outs for "technical assistance" to align rentals with "true costs"; a "No Intermission Fee" was added to support merch & bar & concession sales; and the conventional 15% commission on Artists' onsite merch sales was waived in direct support of Artists, (Very well-received!), ALL upon re-opening March 11, 2023;
 - We continue to receive many compliments from patrons & Artists for the venue, SPOTLIGHT programming & increasing variety of events & touring professional performances;
- **2023-24 Budget:** \$2,425,270 Budget (July 2023) for our first full-season, post-COVID & flood.

Ticket Seller: Box Office Operations:

- **2023 Ticket Revenue** (January 1 to June 30):
 - **63,317 ALL tickets sold** (51,345 in 2022); **\$2,263,975** Gross Sales; (\$1,965,252.34 in 2022); **\$203,485.85** in ticket agent surcharges (\$151,141.40 in 2022); **\$64,124.22** in facility maintenance fee surcharges (\$48,069.30 in 2022);
 - **Summer 2023 Events:** Advance sales for ticketed events (June 1 to Sept 1) other than at VDPAC hit record highs: **9,442 tickets** (7,865 previous record in 2015); Gross Sales: **\$366,317.50** (versus \$191,467.75 in 2018). For VDPAC Events: **6,338 tickets** (versus 7,001 in 2018); Gross Sales: **\$224,780.75** (versus \$157,518.00 in 2019);
- **Online Ticketing Checkout Donations:** We received \$821.50 in micro-donations from online ticket-buyers (January – June 2023); and \$1,436.50 since July 1, 2023 to date;
- **2023 Surplus:**
 - Fully resumed activity by returning & new box office clients, including Starlight Drive-In & Lake Country's Creekside Theatre, resident OSO & NOCCA seasons, Powerhouse Theatre, O'Keefe Ranch, Vernon Folk Roots, Caetani Centre & Mackie House added to VDPAC's SPOTLIGHT, commercial tours, dance festivals, competitions & local productions, Ticket Seller generated a 6-month, \$35,545.20 surplus, (subject to pending added insurance adjustments);
- **Ticket Agent Update:**
 - Added 1 FT & 1 PT happy ticket agents in Spring 2023;
- **Promoter Self-Serve Sales Reports:**
 - Arts Management added the "Theatre Manager" software module, allowing box office clients to directly monitor their ticket sales online without the assistance of a Ticket Seller agent, has been extremely well-received by clients. A very attractive & well-used service feature!

Society: SPOTLIGHT Seasons & Programming:

- **2022-23 (Spring) SPOTLIGHT Season:** *(See also Erin's Artistic Director's Report)*
 - Shows were re-scheduled from the January to March 10 stage replacement shutdown, some to next season, (BOOM X; In My Body; Alex Zerbe's ZANIAC), with Ballet Jorgen's *Cinderella* (to March 25) & Sebastian Gaskin's OnSTAGE Concert to Vernon Jazz Club (March 4); ...3 /

- **“2nd Annual North Okanagan Children’s Festival”** (March 2023) doubled attendance in reconnecting with families & young audiences post-COVID. Plans for 2024 include a move to May to become part of the Children’s Festival touring network;
- **Special Presenter & Program Funding:**
 - VDPAC secured several Presenting & project grants in 2023, in spite of sunsets of many COVID recovery-type grants: Canadian Heritage Year 2 CAP-F (\$38,500); “Canada Arts & Cultural Recovery Program” (\$40,000); & “Canada Cultural Spaces Fund (CCSF)” (\$70,250); BC Arts Council’s Year 1 “Accelerate” (\$25,500); Year 2 “Arts Infrastructure” for MFStudio (\$40,000); “BC Fairs, Festivals & Events Fund” (\$7,000); Creative BC (\$8,750 balance); BC Touring Council’s “Community Presenters Assistance (CPA)” (annual \$15,000); & RDNO’s “COVID-19 Safe Restart Grant” (\$9,284.33 top-up); Capital Purchase APEX 10 Lighting Console matching grant (\$50,000); “Ticket Seller Expansion Design” (\$10,000); Capital Purchase cup-holders matching contribution (\$18,194); RDNO Project Grants: “2nd Annual North Okanagan Children’s Festival 2023” (\$22,195); “Greater Vernon Arts, Culture & Youth Grant” for Truth & Reconciliation Day event (\$6,842);
- **2023-24 SPOTLIGHT Season:**
 - 40-page season brochures were direct-mailed to 21,000+ Greater Vernon residences & businesses (June 2023) for the 2023-24 SPOTLIGHT Season;
 - 2023-24 Classic Subscription Series launches were conducted in conjunction with the last Series shows of the concluding 2022-23 SPOTLIGHT Season to help jumpstart re-building our subscriber base, which generated increased numbers of season subscribers;
- **Sponsor Re-Engagement:**
 - Re-building our SPOTLIGHT Season sponsorship base after a two-year interruption continues, including development of flexible Block Tickets packages as customer appreciation gifts by certain businesses such as realtors, car dealers & attractions;

Capital Projects & Facility Upgrades:

- **Carryover projects completed:**
 - **Full Stage Replacement:** Stage floor was completed & ready for performances in time for March 11, 2023; however, the non-tempered top hardboard layer proved susceptible to water & tape damage & is scheduled to be replaced in early-January 2024 with a permanent, Harlequin RockSure polymer surface layer that is water, fire & tape resistant & does not require painting maintenance, funded by GVAC & the RDNO;
 - **Cup-holders** were installed to enable the introduction of “drinks in the house” for the 2023-24 season, with the Jeff Tweedy sold-out concert serving as the test event (July 29);
- **Marie Fleming Studio (MFS):**

MFStudio has now been outfitted with all Lighting, Sound, Video & Projection equipment to be activated as a self-contained, technically-equipped small live performance, streaming and/or recording venue, and as a vehicle to better engage local & area semi-established & emerging artists, youth-oriented programming & community cultural groups. Funded by a combination of federal “Canada Cultural Spaces Fund” (\$70,250) & two Provincial “Arts Infrastructure” grants (\$40,000 each). A final pending “Arts Infrastructure” grant will provide audience (cabaret-style) seating, proper window blackouts & re-purposed drapery & curtain rail to enable re-configuration of the MFStudio for a variety of event formats; ...4 /

2022-23 Carryover Projects & Ongoing Commitments:

- **GVCC Secretariat & Directorate:**
 - VDPAC continues to participate in the Greater Vernon Cultural Centre (GVCC) project, but due to the downsizing of the Performance Space to 150-seats & the overall scale of the GVCC facility, VDPAC’s programming will be limited & ultimate role is now to be determined;
- **BC Touring Council** (Pending rebranding to: “BC Live Performance Network”):
 - VDPAC serves on the provincial Board of Directors, representing BC’s Southern Interior Region; with major re-organization of BC’s Presenting sector in progress;
- **APEX 10 Lighting Console:**
 - RDNO approved a \$50,000 contribution (50%) to VDPAC’s acquisition of a new main theatre lighting console to meet the increasing technical demands of commercial touring concerts & SPOTLIGHT Season shows. VDPAC re-applied to BC Gaming–Capital Projects for the remaining \$47,670 console & accessories costs, with confirmation expected in January 2024;
- **Ticket Seller Expansion:**
 - Cost estimates are now in place with matching funding from RDNO for the addition of a mirrored second ticket agent booth at the main entrance (west side), combined with complete replacement of the crumbling front steps; matching funding from CCSF’s “Building & Renovation” funding stream pending (construction target is Spring 2024);
- **Revitalization of Membership & Re-Introduction of the Newsletter:**
 - We are revisiting our Membership structure & Benefits package, including re-introduction of a VDPAC quarterly Newsletter in the New Year as part of our community engagement initiatives to bring patrons & sponsors “inside” & broaden our network of diverse community representation & support.

On behalf of our hardworking staff & volunteers, I want to recognize and thank the Board of Directors for their continuing support and dedication to our very special Performing Arts Centre, and especially throughout this past challenging year; also to thank retiring Board members Pat Cochrane & Amelia Sirianni for their service and love of the VDPAC; and look forward to welcoming our new members, joining the Board for the remainder of our 2023-24 season and for sharing their professional expertise & love for performing arts.

Respectfully Submitted,
Jim Harding, Executive Director