

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
 MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

REPORT
RAPPORT

Our File/N/Réf. 06-98-0150
 Your File/V/Réf.

DATE 26 May 1998

TO/DEST. Acting Co-ordinator
 Corporate Services and Economic Development Committee

FROM/EXP. Regional Clerk

SUBJECT/OBJET **GRANT REQUEST OUTSIDE REGULAR GRANTS PROCESS –
 OTTAWA CHAMBER MUSIC FESTIVAL**

DEPARTMENTAL RECOMMENDATION

That the Corporate Services and Economic Development Committee and Council consider the grant request of \$24,000 to the Ottawa Chamber Music Festival.

PURPOSE

This report presents a grant request (Annex A) from the Ottawa Chamber Music Festival in the amount of \$26,000 for the 5th Anniversary Celebrations of the Chamber Music Festival.

BACKGROUND

The Chamber Music Festival did not receive funding this year from the Economic Development Grant Program (EDGP) as, for reasons explained in their grant request, they did not meet the October 1, 1997 deadline. The EDGP allocation panel decided to strictly enforce the annual deadline, and consequently the application from the Festival was not considered for funding in 1998.

As part of the Region's Corporate grants review, Council approved a policy on 25 October 1995 with respect to grants received outside the budget (Annex B). An application under this policy was received from the Ottawa Chamber Music Festival on April 14, 1998. Following the direction of the policy, the application was reviewed to ensure it met the initial eligibility criteria and a Recommendation Panel was formed. The project meets the eligibility criteria with an interpretation of "only projects that fall outside of the formal Regional Grants Program are eligible", and "applications which have been submitted previously to a Regional Grant Program will not be considered; others will be redirected to the next funding application deadline".

While the Chamber Music Festival has received grants in previous years from the EDGP and Arts Grants Program, their 1998 project was not considered by the EDGP allocation panel, and thus for the current year only, their project could not be accommodated by the relevant grant program. (The Arts Committee has allocated a grant of \$4,000 to the Festival in 1998 for a different project). Because the Festival's application was not accepted into the EDGP because of its lateness, and the Festival has submitted a new project for consideration under the current process, the request should not be deemed ineligible on the grounds that it has been submitted previously to a Regional Grant Program.

The project cannot be redirected to the next funding application deadline because the request pertains to the 1998 Festival. It is crucial that their request is considered in 1998 since without the RMOC's support, the Festival will likely incur a deficit which would jeopardise the running of a successful festival in 1999.

In accordance with the grants outside budget policy, the grant proposal was considered by a recommendation panel made up of L. Crandall, Ottawa Tourism & Convention Authority, S. Kelly, Ottawa Economic Development Corporation, and J. Barbeau, Office of the Chief Administrative Officer.

DISCUSSION

This purpose of the request is to support the 5th Ottawa Chamber Music Festival, Canada's leading classical music festival. Funding is required to ensure a national and international tourist draw which will be sought through the following means: a major media campaign across Canada and the eastern U.S.; an advertizing campaign in targeted periodicals in Canada, the U.S. and Europe; a direct mailing in Canada and the U.S.; brochure distribution outside the R.M.O.C.; the presentation of top names in classical music including the Canadian Brass, the Tokyo and Emerson String Quartets and the Beaux Arts Trio.

The Ottawa Chamber Music Festival received the support from the Economic Development Grant Program in 1996 and 1997 (\$18,000 each year). When the EDGP Allocation Panel met on 30 March 1998 to review the 1998 applications, it indicated its full endorsement of the Festival as it clearly demonstrates economic benefits within the RMOC. However, the late application was not accepted as the Allocation Panel felt this would set an unwanted precedent and undermine the grant allocation process.

The accomplishments of the Festival are summarized in the current request: "over the last four years, through the hard work of over 400 volunteers, almost 300 musicians and a very small staff, the Festival has achieved a minor miracle by becoming the largest chamber music festival in North America and developing a reputation as one of Canada's most respected cultural events." The Festival has been awarded Ontario's prestigious *Lieutenant Governor's Award for the Arts* two years in a row, the Ottawa Tourism Award for best New Product/Company of the year (competing against the Corel Centre).

In order encourage the Festival to continue to develop and reach increasingly larger tourist audiences, a major advertizing campaign is required that is the subject of this grant request.

CONCLUSION - RECOMMENDATION PANEL

While applicants who do not meet the annual granting deadline should not be encouraged to apply for funding outside of the formal grant programs, the request from the Chamber Music Festival represents extraordinary circumstances. Rather than deny funding to the Festival on technical grounds, financial support should be provided not only to guarantee the Festival's ongoing success, but to recognize the importance of this high profile festival to the RMOC, which contributes greatly through tourism to the economic development of the RMOC.

The panel recommends that the Ottawa Chamber Music Festival be funded at the same level as comparable festivals funded through the EDGP. The funding level recommended is thus \$24,000.

PUBLIC CONSULTATION

The public consultation process is not applicable to individual grant requests.

*Approved by
Mary Jo Woollam*

FINANCE DEPARTMENT COMMENT

Funds in the amount of \$5,000 are available in the General Provision for Unforeseen.

*Approved by C. Colaiacovo
on behalf of the Finance Commissioner*

AG/

Attachs: (2)

OTTAWA CHAMBER MUSIC

July 25 - August 7, 1998

FESTIVAL

74 Concerts

DE MUSIQUE DE CHAMBRE D'OTTAWA

Box 20583, Ottawa, Ontario K1N 1A3 (613) 234-8008 Fax (613) 234-7692
WWW site: <http://www.chamberfest.com>

Winner of the 1996 Ottawa Tourism award for *best New Product/Company of the Year*
Winner of the 1996 and 1997 Lieutenant Governor's Award for the Arts

April 14 1998

Mary Jo Woollam
Regional Clerk,
Regional Municipality of Ottawa-Carleton
111 Lisgar Street
Ottawa, Ontario K2P 2L7

Dear Ms. Woollam,

This letter is to explain the placement of this request for funding outside of the RMOC's Economic Development granting program.

The Ottawa Chamber Music Festival applied for funding for the 1998 Festival through both the Economic Development Program and the Arts Grant Program. Unfortunately, for reasons explained below, both applications were slightly late. The Arts Grant (an application for a relatively small amount - \$4,000 - to help fund our *Celebration of Ottawa Composers*) was accepted but our Economic Development application (by far the most important of the two) was rejected, apparently for fear of setting a precedent.

This year, the Ottawa Chamber Music Festival celebrates its fifth anniversary in what is certain to be the best ever season in a history of only successes. Because of the Festival's immense popularity, it has been forced to expand in order to accommodate all of the interest it has generated. Each year, despite huge expansion, we have continued to turn away large numbers of listeners (last year, we even turned away the *Mayor* of Ottawa to avoid breaking fire regulations!). At the same time, all granting agencies have been cutting back and, despite the fact that we are consistently one of the highest-rated events, granting agencies have been forced to keep our funding at the level of two years ago. Worse than that, despite all that we read about private corporations taking up the slack from government cut-backs, they also have been cutting back and the field competing for their funds has grown to include government agencies and Crown corporations. Although our sponsors have indicated only admiration for our event, many of them have to reduce their funding because of directives from their headquarters (usually in Toronto). Funding from the City of Ottawa is still a question mark. All reports are that they will be cutting arts funding substantially. Exactly how much is not known.

In short, not receiving funding from the Regional Municipality of Ottawa-Carleton would be completely devastating for our organization. It would unquestionably lead to a large deficit situation which, as we all know, puts any arts organization in a downward spiral from which it is very difficult to recover. We believe that funding for our 5th anniversary

celebrations would keep our organization strong and will further cement the Ottawa Chamber Music Festival's reputation as one of Canada's top cultural attractions and an important cultural ambassador and tourism draw for the National Capital Region.

I hope the following will explain the circumstances leading to this extremely unfortunate situation.

In recent years, deadlines for applications from all different sources of public funding have been changing on an almost annual basis. In the past two years dates have changed for city, regional, provincial and federal grants. Last year (for the 1997 Festival) the Ontario Arts council awarded us funding for two years so that this year, it was not necessary for us to submit a grant application, only an interim report. Further to this, employment grants (which have been so helpful - even essential to the non-profit sector) have had the rules, regulations and dates change almost every single year. With this background of constant disorientation I would like to explain our own situation.

- In 1995, I was solely responsible for the timely completion of the RMOC Economic Development Grant. The grant was due on December 15. All went well.

- In 1996 we hired Marlene Bogert as Executive Director. I prepared all of the basic materials for all grant applications (budgets, projects, artistic summary) in the early fall and she combined this planning with accurate numbers, submitted them for my approval and then sent them in. Ultimately, it was her responsibility to be aware of dates and respect all deadlines and all went smoothly last year.

- In the December, 1996, Marlene Bogert resigned from her position after a particularly difficult decision in order to be able to devote more time to her family.

- In late May, 1997, after an extensive search, we hired Gabriella Csoti as Managing Director to take over the bulk of the administration - truly trial by fire given the short time until the Festival began. She has done an excellent job and has helped to bring the Festival to its greatest state of organization so far. In June of 1997, (according to postmarks) the Economic development application forms were sent out. Our forms were filed away by either a volunteer or a summer employee without them being shown to either Gabriella or myself.

- October 21, 1997 I asked to see the forms from the RMOC without the slightest doubt that the deadline was, at the earliest, the end of October. To my horror, after going through the files we found that the deadline was October 1.

-Within days, both an Arts Grants application and an Economic Development were submitted to the Region. The Arts committee met and accepted the application (and awarded it full funding). Recently we found out that, unfortunately, the Economic Development committee felt it did not want to set a precedent. I might add that there are other precedents in this situation and hope that this application will be viewed in light of the strong contributions, both cultural and economic, that we are able to make.

Running a major arts organization has never been easy, but in recent years it has become more difficult than ever. Besides running the actual event, arts managers must keep a constant eye on countless factors outside of their organizations. It is no exaggeration to say that a staff of two may easily be doing the work that, in any other kind of organization, would be done by 10 or even 15 employees. The spectrum of tasks is, even on a good day, mind-boggling. At the Ottawa Chamber Music Festival we present more programmes in two weeks than a symphony orchestra would present in two years. The fact that our event

is extremely condensed only compounds the work load because the planning has to be absolutely flawless.

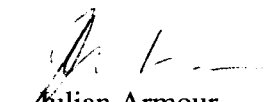
Needless to say, if we are denied access to funding from the RMOC the Ottawa Chamber Music Festival will have been dealt a devastating blow. Even at current funding levels the Festival is barely able to fulfill its mandate. The Ottawa Chamber Music Festival is already one of Canada's most respected cultural organizations and is well-poised to substantially increase its impact on the local economy. Richard Todd of the Ottawa Citizen called the Festival "*possibly the most successful major series in the city's musical history.*" In 1996 we became the only Ottawa organization to have won the prestigious *Lieutenant Governor's Award for the Arts*. We recently heard that we have been awarded this prize for the second year in a row! A recent study by the Ottawa Tourism and Convention Authority showed that 79% of all Festival visitors felt that the Ottawa Chamber Music Festival greatly enhanced the image of the National Capital Region - a thoroughly remarkable statistic. Over 99% were either satisfied or highly satisfied with the event and over 98% stated they would be returning next year. Our surveys have shown that over 45% percent of area residents who attend the Festival only stay in town because of the Ottawa Chamber Music Festival. Currently, the Festival broadcasts more concerts across Canada than any other organization in the country. All of these factors make it clear that our Festival is in a position to be one of the region's greatest ambassadors as well as an enormous economic generator.

I would like to make two further point concerning this situation. First of all, there is a past precedent for other arts organizations having their late applications accepted by the RMOC. Without condoning late applications it should be pointed out that both the provincial and federal governments also have a record of accepting proposals submitted after specific deadlines. It has been suggested that other groups will consider it unfair that late applications are accepted. I would be surprised if a single organization were bothered by this possibility. Everyone who works in the arts and the festivals community knows how hard it is to keep an organization running and how important it is to the entire community that all worthy organizations stay financially sound and have the funding to reach their true potential. Certainly everyone agrees that the main point is to support those organizations which make significant contributions to our lives, not to eliminate them on technicalities.

We fully appreciate the fact that missing the October 1 deadline was the fault of the Ottawa Chamber Music Festival but hope that the committee will consider the circumstances under which this oversight was made and recognize that this has been the only mistake in an otherwise spectacular history of an organization that over 500 residents of the Ottawa-Carleton region have worked so hard to make a reality.

Thank you for your understanding.

Yours sincerely,



Julian Armour
Artistic and Executive Director

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PROJECT DESCRIPTION

OVERVIEW

In 1998, the Ottawa Chamber Music Festival will celebrate its 5th anniversary. Over the last four years, through the hard work of over four hundred volunteers, almost three hundred musicians and a very small staff, the Festival has achieved a minor miracle by becoming the largest chamber music festival in North America and developing a reputation as one Canada's most respected cultural events. The Festival is the only area arts organization to have won Ontario's prestigious *Lieutenant Governor's Award for the Arts* (we recently received notification that we have won it for the second year in a row!), and is also notable for having won the Ottawa Tourism Award for best New Product/Company of the Year despite formidable competition including Ottawa's new multi-million dollar sports and entertainment complex, the *Corel Centre*. A recent study by the Ottawa Tourism and Convention Authority indicates that a staggering 79% of all Festival visitors indicated that the Ottawa Chamber Music Festival greatly enhanced their image of the Capital Region. Over 99% were either satisfied or highly satisfied with the event and over 98% stated they would be returning next year. Our surveys have shown that almost 45% percent of area residents who attend the Festival only stay in town because of the Ottawa Chamber Music Festival. Currently, the Festival broadcasts more concerts across Canada than any other organization in the country. At this point, the Ottawa Chamber Music Festival is well positioned to become a significant tourist draw. By capitalizing on our 5th anniversary celebrations and using them to attract substantially more visitors to the National Capital Region, the Festival will have a strong economic impact on the region.

Celebrating the 5th anniversary

Already, major projects are underway to ensure that not only is this the best season in the history of the Ottawa Chamber Music Festival, but also that music lovers from right across Canada, the United States and even Europe are aware of something that does not exist anywhere else in the world. This summer, we will be presenting some of the biggest names in classical music including the Beaux Arts Trio, the Canadian Brass, the Tokyo and Emerson String Quartets, baritone Gino Quilico and much more. Musicians will be coming from right across Canada to compliment the excellent array of local artists we will be presenting. Several new works are being commissioned especially for our 5th anniversary. Jim Watson, Mayor of Ottawa, has declared our opening day, July 25th "Ottawa Chamber Music Festival Day". CBC Radio is joining in the celebrations by sending their most popular host, Shelagh Rogers to do a live-to-air show on the last day of the Festival as well as several other tapings. As part of this, there will be a one-month contest run on CBC Radio where the first prize is a trip to the 1998 Ottawa Chamber Music Festival. Another CBC host, Peter Tiefenbach will also be taping at least six shows from the Festival. All of this will bring a huge amount of free publicity for the Ottawa area.

This project involves five components;

- 1) A major media campaign across Canada and in major centres in the eastern United States stating both the uniqueness and excellence of the Ottawa Chamber Music Festival and desirability of Canada's Capital as a tourist destination.
- 2) An advertising campaign in periodicals that cater to music lovers in Canada, the United States and Europe stating both the uniqueness and excellence of the Ottawa Chamber Music Festival and desirability of Canada's Capital as a tourist destination.
- 3) A direct mailing to known chamber music lovers in Canada and the United States
- 4) Continuing to improve upon last year's brochure distribution campaign outside of Ottawa
- 5) Bringing in some of the top names in classical music such as the Beaux Arts Trio, the Canadian Brass, the Tokyo and Emerson String Quartets and much more to compliment the already remarkable array of Canadian artists (many of them from the Ottawa area!) to be sure that the Festival is the strongest possible draw for music lovers anywhere in the world.

The approach this campaign will take is that the Ottawa Chamber Music Festival is a first-rate event and is unique anywhere in the world because of our pass system. Essential to the success of this project is the hiring of musicians of the highest possible international stature for at least five programmes. We will also draw attention to the fact that Ottawa is a highly appealing tourist destination in the summer. We feel strongly that the combination of these two points has the potential to draw even larger numbers of music lovers to the region.

PURPOSE

- To fully celebrate the achievement of five years as Canada's leading classical music festival
- To have a strong economic impact on the Ottawa-Carleton region by attracting visitors to the 1998 Ottawa Chamber Music Festival, July 25 - August 7.
- To build on the extremely strong positive reputation the Festival has developed over the last four years and to market our event throughout Canada and the eastern United States, as well as to the specialty markets of known chamber music lovers, not just in Canada and the United States, but also in Europe.
- To work with "target market" periodicals and their mailing lists to ensure that music lovers across North America will hear of us.
- To continue to create an event of sufficient calibre that these music lovers will travel long distances to attend even if they incur great expense. This will involve making sure we are hiring at least five artists or ensembles of sufficient stature that they would be considered a draw to music lovers from anywhere in the world and to continue to seek out the very finest local and Canadian artists who have been the very basis of our success.
- To build on the already very strong ties with other area organizations to help market Ottawa as a safe, attractive and culturally active tourist destination.

GOALS

- To make a strong positive contribution to the region both economically and artistically by bringing in musicians of the highest possible artistic standard and reputation and combining them with the very finest musicians from the region and across Canada. By doing this we will attract large, highly enthusiastic audiences.
- To contribute to the local economy by stimulating spending in area businesses.

- To create large amounts of positive publicity for the region across Canada, thus enhancing the image of the region as a tourist destination.

INNOVATIVE ASPECTS

Chamber music of high quality offered for a very inexpensive pass continues to be our best asset and also our best innovation. Offering a large number of diverse and interesting chamber music concerts for a very inexpensive pass is not, to our knowledge, being done anywhere else. We now have four extremely successful seasons behind us and feel that it is time to make sure that we are much better known.

The following represent aspects innovative for the 1998 Festival;

- We will use mailing lists from international musical organizations such as *Chamber Music America*.
- We will advertise in specialty publications such as *Strings* magazine (United States), *The Strad* (England and North America), *Chamber Music Magazine* (United States), and *Classical Music* (Canada). In previous years we have never had an advertising budget but we now feel that in order to attract more people from outside the region and to have an even stronger economic impact we must start to commit some funds for this.
- We will make a much stronger effort to generate media coverage in major newspapers in the United States and Canada. Thanks to a partnership with Human Resources Development Canada, we now have a full-time staff member provided to us who has already sent out packages to the Entertainment and Travel Editors of almost 100 publications in North America and Europe
- We will accept all major credit cards and work much harder to encourage telephone and mail orders
- Our promotional materials, concert schedule and ticket order forms will be ready much sooner than in previous years in order to encourage mail orders from outside of the region
- Our web site, already hugely improved in 1997, will become a much more important feature of our marketing campaign. Links will be made with many more organizations in an effort to greatly improve our exposure. It will become even more informative and will start to have many features that change regularly in an effort to have people view it on a regular basis. People will be able to order pass and tickets from information found on our web site or even directly *through* our web site.
- The Festival will produce a second CD recording which we expect will give our event a great deal of national radio exposure. This will also bring a great deal of positive exposure to the region.

MARKETING STRATEGY

Media

A national and international media campaign will be started much earlier and will be much more extensive than in previous years. We will hope to interest even more out-of-town newspapers in not just running arts features but also combining them with tourism features in order to push the appeal of the region as an ideal cultural tourist destination. We also are launching another national contest on CBC Radio in order to highlight our event as a national tourist destination.

Periodicals

We plan to place ads in at least six periodicals read by our strongest out-of-town target group, confirmed classical music lovers. We feel that these are the people most likely to make a special trip, even from a very great distance, to visit our event.

Mailing Lists

We are in the early stages of securing mailing lists but already we have plans to use the most important one currently available - the mailing list of *Chamber Music America*.

Brochure Distribution

We are increasing our contacts with music presenters in other cities and will have them distribute our brochures. An even greater effort will be made to distribute brochures at various businesses in other cities, especially Toronto and Montreal.

PROJECT TIMETABLE

ITEM	Nov.-Dec., 1997	Jan.-March, 1998	April-June, 1998
Book Artists			
OTCA Brochure			
International Media Campaign			
National Media Campaign			
Secure Mailing lists			
International mailings			
Specialty publication advertising			
Search out partnership and cross-promotional opportunities			
CBC National Radio Contest			

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SUMMARY OF THE OTTAWA CHAMBER MUSIC FESTIVAL

Mandate

The Ottawa Chamber Music Festival produces a summer festival of chamber music featuring the highest calibre of local, national and international artists. Concerts take place in downtown Ottawa, mostly in churches. The Society strives to promote local and Canadian performers and composers, to foster in young people a life-long appreciation for classical music, to improve the quality of living and the desirability for living in the Ottawa area, to have strong economic impact on the area, to broaden the interest in classical music and to positively affect the attendance at classical music events presented by other local producers.

History

The Ottawa Chamber Music Festival was founded in November 1993 by Ottawa cellist Julian Armour, with a small group of chamber music supporters. The Festival was a response to the fact that, in Ottawa, there were almost no classical music concerts in the summer tourist season. Furthermore, the Ottawa region's finest musicians were performing in festivals across Canada, the United States and Europe - but not in Ottawa. Meanwhile, classical music lovers in the nation's capital were leaving the city to hear concerts elsewhere! The first season, which presented 22 concerts over 10 days, was an immediate hit, drawing over 10,000 people and turning people away at many of the concerts.

The extremely high artistic level of the performances led to a barrage of supportive mail, offers to volunteer, and even donations. The Festival received hundreds of positive letters with comments such as "this is the best thing to happen to Ottawa in the past 20 years - I'm going to tell all my friends and neighbours!"

On the basis of this response, the Festival more than doubled the number of concerts for its second season, and produced 48 in 1995. Pass sales took off, most concerts were packed and again people were turned away. In March of 1996, the Ottawa Chamber Music Festival won the Ottawa Tourism Award for *Best New Product/Company of the Year*, winning over some extremely strong competition including Ottawa's new multi-million dollar sports and entertainment complex, the *Corel Centre* - by a unanimous vote. Chamber music winning over the NHL, and big-ticket rock concerts turned heads everywhere and interest in the Festival continued to grow. In 1996, the Festival presented 59 concerts, and continued to fill events to capacity. For the first time, the Festival presented three concerts simultaneously on several nights, and still turned people away at some events.

The enormous public response to Festival programming led to increasingly stronger involvement from the community. In the fall of 1996, the Ottawa Chamber Music Festival became the first Ottawa area organization to win the prestigious *Lieutenant Governor's Award for the Arts*, an award that recognizes exceptional public sector and community support. In 1997, the Festival (already the largest chamber music festival in North America) presented 70 concerts as well as a 100 mini-concert *Family Music Fair*, featuring short concerts, demonstrations, opportunities to try instruments, computers and music, instrument makers and much more - all geared towards getting young people interested in classical music. In 1997, the Festival drew over 32,000 people, an astounding number for chamber music anywhere in the world. People now always line up as much as two hours in advance for any of the Festival's concerts!

Rave reviews continue to pour in. Richard Todd, music critic with the *Ottawa Citizen* called the Festival "possibly the most successful series in the city's musical history.." CBC Radio regularly refers to the Ottawa Chamber Music Festival as, artistically, the best music festival in Canada. In fact, the Festival broadcasts more concerts than any other organization in the country. Louise Leduc, of Montreal's newspaper *le Devoir* (a paper not known for its praise of Ottawa) wrote "*Ottawa semble en bonne voie de devenir la capitale de la musique de chambre...*" (*Ottawa is on the right path to become the capital of chamber music*). In 1997, the Festival became one of the few organizations to win the *Lieutenant Governor's Award for the Arts* for the second year in a row. No other organization from the Ottawa area has ever won this award.

Public approval has been also been extremely high. Over 99% of Festival attendees were either satisfied or highly satisfied with the event and over 98% stated they would be returning next year. Our surveys have shown that almost 45% percent of area residents who attend the Festival only stay in town because of the Ottawa Chamber Music Festival. If it weren't for the Festival, these people would have left the city. A recent survey by the Ottawa Tourism and Convention Authority showed that 79% of festival-goers felt that the Ottawa Chamber Music Festival greatly enhanced their image of the National Capital Region. By comparison, the next highest rated event in the region had only 51% of respondents stating this and only 40% of the next highest rated classical music event stated this.

One of the main goals of the Ottawa Chamber Music Festival has always been to promote an interest in classical music. The Festival has a huge commitment to young people and to building audiences. Virtually every other musical organization in the city has contacted us and credited us with substantial increases in their audiences. For example, the National Arts Centre's *Music for a Sunday Afternoon* series saw its subscriptions *double* since the Festival began. The Festival has worked very hard to bring young people out to classical music concerts. Last year, besides initiating the *Family Music Fair* (free to the public) the Festival managed to increase its student passport sales by over 35%. Young people's programming has been an important part of every season, and the Festival's top performers have been encouraged to participate in these concerts. The Festival's innovative programming and the close contact between performers and audience has also helped stimulate an interest in classical music. Almost 60% of the audience said the Ottawa Chamber Music Festival further increased their interest in classical music.

The Ottawa Chamber Music Festival is, for most musicians, the highlight of their year. Musicians come from every province in the country (90% of all musicians are Canadian) and look forward to the opportunity to perform with the best musicians from across Canada. In fact, musicians will often request to have a certain programme broadcast from the Ottawa Chamber Music Festival rather than elsewhere because they like the organization, the atmosphere and the audiences, and feel they perform on a higher level here for these reasons.

The Ottawa Chamber Music Festival continues to be an inspiration for other arts organizations. With its commitment to excellence, the Festival has been able to attract the kind of public attention that has made it a huge organizational success. It has been able to grow phenomenally at a time when most other organizations have been forced to cut back. The Festival often receives calls from other presenters and arts groups asking for advice. The Festival is used regularly as an example of an arts organization that has been successful both from an artistic and from a management point of view.

By the end of 1998, the Festival will have presented over 275 concerts (not including the over 200 mini-concerts at the *Family Music Fair*), showcased over 300 musicians, presented over 1300 compositions including over 200 by Canadian composers. Through careful marketing and planning, the Festival has managed to also draw huge crowds for contemporary music concerts. Artists we have brought in (or will have brought in by 1998) include Maureen Forrester, the Beaux Arts Trio, Louis Lortie, Janos Starker; the Emerson, Tokyo, Juilliard, St. Lawrence, Keller, Penderecki, Hagen, and Arthur Leblanc String Quartets; the Canadian Brass, Gino Quilico, Marc-André Hamelin and Angela Hewitt, among many others. In 1998, the Festival will continue its outreach, and will begin taping concerts for a television series to be completed in 1999.

	A	B	C	D	E
1	Ottawa Chamber Music Festival - Organizational Budget				
2					
3	REVENUE	1996-97	1997-98		
4	Ticket Sales	128779	160000		
5	Broadcast and Recording fees	23226	28000		
6	Programme Advertising	4525	12000		
7	Membership Fees	0			
8	Performing Fees	0			
9	Interest on Investments	0			
10	Other	0			
11	Merchandising	29139	30000		
12					
13	TOTAL EARNED	185669	230000		
14	Private Sector Revenue				
15	Individual Donations	4125	14000		
16	Corporate Donations	0	5000		
17	Corporate Sponsorships	25000	30000		
18	Special Projects	0	0		
19	Foundations	12500	24000		
20	Other	0	0		
21					
22	TOTAL PRIVATE SECTOR	41625	73000		
23	Government Revenue				
24	OAC Music Office	20000	18500		
25					
26	Municipal	30000	27000		
27	Regional (Ottawa-Carleton)	18000	26000		
28	Regional Arts Grant	0	4000		
29	Department of Canadian Heritage	20000	20000		
30	Federal Student Employment	2638	0		
31	TOTAL GOVERNMENT	90638	95500		
32	TOTAL REVENUE	317932	398500		
33	EXPENSES				
34	Artistic Fees and Expenses				
35					
36	Artistic Fees and Expenses	210708	238000		
37	Other	0	0		
38	TOTAL ARTISTIC	210708	238000		
39	Production Expenses				
40	Venue Rental	5850	8000		
41	Music Purchase/Rental	800	1400		
42	Program and Ticket Printing	18341	18000		
43	Instrument Rental/Moving	9518	10000		
44	Advertising	0	12000		
45	Royalties	108	120		
46	receptions	800	3000		
47	Insurance	1141	2700		
48	Other (van rental)	453	1000		
49	Merchandising costs	15297	15000		
50	TOTAL CONCERT PRODUCTION	52308	71220		

	A	B	C	D	E
5 1	Administrative Expenses				
5 2	Administrator's Salary	11000	34000		
5 3	Other Administrative Salaries	28166	28000		
5 4	Marketing/Fundraising Expenses	13029	14000		
5 5	Office Expenses	5859	7000		
5 6	Professional Fees/Memberships	561	1000		
5 7	Other (accountant/auditor fees)	2834	3500		
5 8	volunteer recognition	526	1500		
5 9	TOTAL ADMINISTRATIVE	61975	89000		
6 0					
6 1					
6 2					
6 3	Earned Revenue	185669	230000		
6 4	Private Sector Revenue	41625	73000		
6 5	Government Revenue	90638	95500		
6 6	TOTAL REVENUE	317932	398500		
6 7					
6 8	Artistic Fees and Expenses	210708	238000		
6 9	Production Expenses	52308	71220		
7 0	Administration Expenses	61975	89000		
7 1	TOTAL EXPENSES	324991	398220		
7 2					
7 3	PROFIT (LOSS)	-7059	280		
7 4	Previous year's accumulated surplus	10169	3110		
7 5	TOTAL **	3110	3390		
7 6					
7 7	** A small surplus is required for operating costs October to December				
7 8					
7 9					
8 0					
8 1					
8 2					
8 3					

Ottawa Chamber Music Society

**Financial Statements
For the year ended September 30, 1997**

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Auditors' Report

To the Board of the Ottawa Chamber Music Society:

We have audited the balance sheet of the Ottawa Chamber Music Society as at September 30, 1997 and the statements of operations and members' equity and changes in financial position for the year then ended. These financial statements are the responsibility of the Society's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Except as explained in the following paragraph, we conducted our audit in accordance with generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In common with many charitable organizations, the Society derives revenue from various sources (including sales of tickets and passes, sales of merchandise, and donations), the completeness of which is not susceptible to satisfactory audit verification. Accordingly, our verification of sales of tickets and passes, sales of merchandise, and donations was limited to the amounts recorded in the records of the Society and we were not able to determine whether any adjustments might be necessary to revenues, excess of revenue over expenses, total assets and members' equity.

In our opinion, except for the affect of adjustments, if any, which we might have determined to be necessary had we been able to satisfy ourselves concerning the completeness of revenue referred to in the preceding paragraph, these financial statements present fairly, in all material respects, the financial position of Ottawa Chamber Music Society as at September 30, 1997 and the results of its operations and changes in its financial position for the year then ended in accordance with generally accepted accounting principles. As required by the Canada Corporations Act, we report that in our opinion, these principles have been applied on a basis consistent with that of the preceding period.

The comparative figures presented for the year ended September 30, 1996 were audited by another public accounting firm.

Chartered Accountants

Nepean, Ontario
February 6, 1998



Ottawa Chamber Music Society

Balance Sheet
September 30

<u>Assets</u>	<u>1997</u>	<u>1996</u>
Cash	\$ 7,462	\$ 43,607
Accounts receivable	56,658	14,299
Inventory	2,942	-
Prepaid expense	<u>775</u>	<u>689</u>
Total assets	<u>\$ 67,837</u>	<u>\$ 58,595</u>
<hr/>		
<u>Liabilities and Members' Equity</u>		
Accounts payable and accrued liabilities	\$ 64,691	\$ 48,426
Members' equity	<u>3,146</u>	<u>10,169</u>
Total liabilities and members' equity	<u>\$ 67,837</u>	<u>\$ 58,595</u>

On behalf of the Board:

_____ Member

The accompanying notes are an integral part of these financial statements.

Ottawa Chamber Music Society

Statement of Operations and Members' Equity
For the year ended September 30

	<u>1997</u>	<u>1996</u>
Revenue		
Advertising	\$ 4,525	\$ 10,315
Donations	4,125	2,276
Donations in kind	175,976	112,836
Grants and sponsorship	130,638	95,463
Sales of merchandise	29,139	16,687
Sales of tickets and passes	128,779	117,589
Interest and miscellaneous revenue	<u>853</u>	<u>-</u>
	<u>474,035</u>	<u>355,166</u>
Expenses		
Administration	48,102	48,080
Administration in kind	48,000	39,437
Artist fees	191,144	127,246
Artist fees in kind	48,976	17,710
Cost of merchandise	11,814	9,072
Production	53,022	47,477
Production in kind	<u>80,000</u>	<u>55,689</u>
	<u>481,058</u>	<u>344,711</u>
Excess of revenue over expenses (expenses over revenue)	(7,023)	10,455
Members' equity (deficiency), beginning of year	<u>10,169</u>	<u>(286)</u>
Members' equity, end of year	<u>\$ 3,146</u>	<u>\$ 10,169</u>

The accompanying notes are an integral part of these financial statements.

Ottawa Chamber Music Society

Statement of Changes in Financial Position
For the year ended September 30

	<u>1997</u>	<u>1996</u>
Cash provided by (used in)		
Operating activities		
Net excess (deficiency) of revenue over expenses for the year	\$ (7,023)	\$ 10,455
 Changes in non-cash working capital balances		
Accounts receivable	(42,359)	(4,443)
Prepaid expense	(86)	(689)
Inventory	(2,942)	-
Accounts payable and accrued liabilities	<u>16,265</u>	<u>23,846</u>
 Increase (decrease) in cash during the year	 (36,145)	 29,169
 Cash, beginning of year	 <u>43,607</u>	 <u>14,438</u>
 Cash, end of year	 <u>\$ 7,462</u>	 <u>\$ 43,607</u>

The accompanying notes are an integral part of these financial statements.

Ottawa Chamber Music Society

Notes to Financial Statements September 30, 1997

1) Nature of Business

The Ottawa Chamber Music Society (the Society) commenced its activities in 1994. On May 27, 1995 the Society incorporated under the Canada Corporations Act as a not for profit organization and obtained its charitable organization status.

The Society's objective is to promote interest in chamber music and its principal activity is the annual Chamber Music Festival.

2) Summary of Significant Accounting Policies

Capital Assets

The cost of capital assets is expensed when the assets are acquired.

Donations in Kind

The value of goods and services, which are provided free to the Society are recorded as donations at their estimated value, to the extent that the goods and services would have been purchased had they not been donated.

3) Comparative Figures

In some instances, the figures presented for the year ended September 30, 1996 were reclassified in order to conform to the current year's presentation.



DATE: May 7, 1998

TO: Anne Grace
Manager, Art Program
Regional Municipality of Ottawa Carleton

FROM: Stephen J. Kelly
Director, Economic Issues
Ottawa Economic Development Corporation (OED)

SUBJECT: **Ottawa Chamber Music Festival - Grant Request Outside of The Regular Grant And Budget Process**

Further to your request of April 29, 1998, OED provides the following comments.

Upon review of the RMOG Grants Review policy and the April 14, 1998 letter to the Regional Clerk from Julian Armour, Artistic and Executive Director of the Ottawa Chamber Music Festival, it is our view that the request fits within the criteria that we are able to judge. The Chamber application of April 14 is a good example of a 'project-driven' initiative intended to improve on what is already a highly regarded program. Regarding the specific amount requested by the Chamber, I would suggest that an amount be recommended to Council that is in accord with amounts provided to other comparable festivals under the 1998 Panel process. In general, those amounts saw a decreased contribution from previous years and, more often, the contribution did not equal the amount requested.

In closing, I wish to address certain comments contained in the Executive Director's letter. Plainly, as determined by the Economic Development Grants Panel, the Chamber's application was late. Under such circumstances, members of the Panel are bound by the rules of fairness to other applicants and potential applicants. Therefore, regardless of the merits of late applications, the specific and clear provision under the program states that late applications will not be considered by the Panel.

Stephen J. Kelly



May 4, 1998

TO: Anne Grace
Manager, Arts Program

FROM: Louise Crandall
OTCA

RE: **Grant Request - Chamber Music Festival**

I am writing to support the grant request (outside the regular process) from the Ottawa Chamber Music Festival. This group did not meet the deadline for the Economic Grants Program but, as a jury member, I feel confident that the Festival would have received a grant.

The Chamber Music Festival is one of Ottawa's most successful festivals in terms of positive reception from the public and media. Attendance grows every year and the festival won a tourism industry award (best new event) two years ago. In 1997, visitor spending attributed to the festival totalled \$175,000, including \$58,000 in tax revenue.

Ottawa Tourism would therefore like to encourage the RMOC to provide the requested grant since this high quality festival most definitely contributes to the tourism product in the Ottawa region.

Our File/N/Réf. 06-98-0150
Your File/V/Réf.

DATE 29 April 1998

TO/DEST. Judy Barbeau

FROM/EXP. Manager, Arts Programs

SUBJECT/OBJET **OTTAWA CHAMBER MUSIC FESTIVAL**

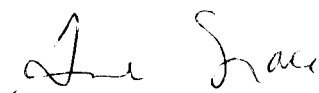
We have received a request from the Ottawa Chamber Music Festival for consideration under the Grants Outside Budget policy (attached).

The application meets the eligibility criteria but an interpretation has been made of the two following requirements: "only projects that fall outside of the formal Regional Grants Program are eligible", and "applications which have been submitted previously to a Regional Grant Program will not be considered; others will be redirected to the next funding application deadline".

While the Chamber Music Festival has received grants in previous years from the EDGP and Arts Grants Program, their 1998 project was not considered by the EDGP allocation panel, and thus for the current year only, their project could not be accommodated by the relevant grant program. (The Arts Committee has allocated a grant of \$4,000 to the Festival in 1998 for a different project). Because the Festival's application was not accepted into the EDGP because of its lateness, and the Festival has submitted a new project for consideration under the current process, the request should not be deemed ineligible on the grounds that it has been submitted previously to a Regional Grant Program. Further, the project can not be redirected to the next funding application deadline because the request pertains to the 1998 Festival. It is important that their request be considered in 1998, since without the RMOC's support, the Festival will potentially incur a deficit which would pose a threat to the health of future festivals.

In terms of the approval process from a recommendation panel, representatives from the Ottawa Tourism and Convention Authority as well as Ottawa Economic Development Corporation would be in the position to provide comments. It should be noted that the EDGP allocation panel during the meeting of 30 March 1998, has already stated their full support of the organization.

If you require further information at this time, please call me at 6623.



Anne Grace

cc: M.J. Woollam, D. Carter

REGIONAL MUNICIPALITY OF OTTAWA-CARLETON
MUNICIPALITÉ RÉGIONALE D'OTTAWA-CARLETON

MEMORANDUM
NOTE DE SERVICE

Our File/N/Réf. 06 98 0150
Your File/V/Réf.

DATE 22 April 1998

TO/DEST. Mary Jo Woollam
 Regional Clerk

FROM/EXP. Manager, Arts Programs

SUBJECT/OBJET **OTTAWA CHAMBER MUSIC FESTIVAL**

I have reviewed the eligibility checklist for the Ottawa Chamber Music Festival for their grant request received outside the budget process and recommend that the application be received for consideration by the CAO's Office, Corporate Services and Economic Development Committee and Regional Council.

The Chamber Music Festival did not receive funding this year from the Economic Development Grant Program (EDGP) as, for reasons explained in their grant request, they did not meet the October 1, 1997 deadline. The EDGP allocation panel decided to strictly enforce the annual deadline, and consequently the application from the Festival was not considered for funding for in 1998.

The Chamber Music Festival has come forward with this one time grant request outside the formal Regional Grants Program which should be considered for funding as their project provides extraordinary economic and cultural benefit to Ottawa Carleton, has solid support from other funders, and has proved its viability through their outstanding four year history.

As the eligibility requirement is that "only projects that fall outside of the formal Regional Grants Program are eligible", and that "applications which have been submitted previously to a Regional Grant Program will not be considered; others will be redirected to the next funding application deadline" I have given an interpretation. While the Chamber Music Festival has received grants in previous years from the EDGP and Arts Grants Program, their 1998 project was not considered by the EDGP allocation panel, and thus for the current year only, their project could not be accommodated by the relevant grant program. (The Arts Committee has allocated a grant of \$4,000 to the Festival in 1998 for a different project). Because the Festival's application was not accepted into the EDGP because of its lateness, and the Festival has submitted a new project for consideration under the current process, the request should not be deemed ineligible on the grounds that it has been submitted previously to a Regional Grant Program. Further, the

project can not be redirected to the next funding application deadline because the request pertains to the 1998 Festival. It is crucial that their request is considered in 1998 since without the RMOC's support, the Festival will likely incur a deficit which will be detrimental to running a successful festival in 1999.

While applicants who do not meet the annual granting deadline should not be encouraged to apply for funding outside of the formal grant programs or the budget process, the request from the Chamber Music Festival represents extraordinary circumstances. The EDGP allocation panel has stated that it fully supports the Festival and recognizes its invaluable contribution to the Economic Development of the RMOC, however, feels that setting a precedent for accepting late applications would undermine the grant allocation process.

As the budget for the EDGP has not been approved by Council at this time, and the allocation panel has already made their grant decisions based on the amount in the budget estimates, there are no funds available in the EDGP budget for the project. Once I receive a response from Finance about the availability of funds from Provision for Unforeseen, I will forward the financial information to you.

With your approval, I will redirect this memo to Judy Barbeau (with the additional information from finance) for consideration by a recommendation panel.

Please do not hesitate to contact me if you require further information or wish to discuss this item.

Anne Grace

A handwritten signature in cursive script that reads "Anne Grace". The signature is written in black ink and is positioned below the typed name.

Attach. (1)

RMOC GRANTS REVIEW

Grant Requests Received Outside the Budget Process or Granting Programs

Grant requests received by Regional staff, committees and elected representatives outside the budget review process or an approved grants program are not encouraged. However, in exceptional circumstances requests will be considered if the grant:

- i) will provide extraordinary benefits to Ottawa-Carleton
- ii) is of a one-time nature
- iii) has solid support from other funders
- iv) is a viable and clearly defined project.

Applications are to be submitted to the Regional Clerk's Office for initial eligibility review using the following checklist:

- Finance Department can identify an appropriate funding source;
- meets the Region's Grant Criteria;
- is a new project, as applications which have been submitted previously to a Regional Grant Program will not be considered;
- is a project grant, not a request for Purchase of service funds;
- only projects that fall outside of the formal Regional Grants Program are eligible; others will be redirected to the next funding application deadline.

If deemed eligible, the request will be forwarded to a recommendation panel made up of the following members:

- CAO (or designate);
- Staff representative of the grant related Department;
- A representative from one other Regional Department as appointed by the CAO.

Approved applications will be forwarded to the appropriate Standing Committee for consideration.

The Regional Clerk will notify applicants of the final decision within one month.

Applicants may submit a Right of Reconsideration to the recommendation panel.