

THE MUSE BOARD MEETING MINUTES

November 30, 2023 - 4:30 pm - Lake of the Woods Museum Board Room

PRESENT: Robert Bulman, Lisa Lyle, Lindsay Koch, Reid Thompson, Cheryl Mosindy, Charito Gallivan, Braden Murray, Codie Brook Goodman

GUEST: Cathy Nelson from MNP

REGRETS: Greg Holland, Anna Harty

1 CALL TO ORDER

Meeting was called to order at 4:32PM

2 APPROVAL OF AGENDA FOR MEETING OF NOVEMBER 30, 2023

Motion: Moved by Lisa Lyle, Seconded by Charito Gallivan that the agenda for the meeting of November 30, 2023 be approved as presented & that the Minutes of the October 26th Meeting be accepted.

3 DECLARATION OF PECUNIARY INTEREST

None

4 KNOWLEDGE OF FRAUD AND LEGAL MATTERS

None

5 PRESENTATION OF AUDITED FINANCIAL STATEMENTS 2022

Motion: Moved by Lindsay Koch, seconded by Lisa Lyle that the Board approve the audited financial statements and accept the Auditor's Report of The Muse for 2022 as presented.

The motion was passed with unanimous consent

The Muse's 2022 Audit was presented by Cathy Nelson of MNP. The presentation was at once thorough and succinct. The Muse emerged from the pandemic in a good financial position, thanks in large part to grants from the Federal and Provincial government, as well as support from the City of Kenora.

There was some discussion about the practice of receiving large donations and then turning around and transferring those funds to the Community Foundation. For large ticket items like Legacy Fund donations that practice has ceased. For flow through funds the practice will continue. The difference being the flow through funds will remain considerably smaller because of the nature of Community Foundation grants. There was also some discussion about why the repairs and maintenance line was so high in 2022. There was some emergency brick work related to the roof line of the Art Centre, as well as the planting of the Indigenous garden in 2022.

There was some discussion about the timing of the audit report. The reality of post-pandemic life is more sick time, fewer staff hours available to work, and fewer staff in general. The City of Kenora had considerable turnover in the Finance Dept, MNP had staff shortages, and MNPs auditing

partner also had a greater workload than expected. All of this is causing a knock on effect in timing. MNP is also not super happy about the current schedule of how things have gone and are taking steps on their end to deal with the situation in future years.

Overall the Auditors were satisfied that there was no evidence of issues with the Muse's finances. Board members were reminded that the Muse is able to continue operating because of the financial support of the City of Kenora.

6 APPROVAL OF MINUTES OF MEETING OF OCTOBER 26, 2023

Already approved by previous motion

7 BUSINESS ARISING FROM THE MINUTES

None

8 FINANCIAL REPORTS

8.1 Operating Budget Actuals vs Budget statements for Museum and Art Centre as of November 23rd, 2023

Starting with the Museum, it was noted that we have not drawn on the \$55k from the Museum reserves yet for the Admin Assistant position. That will be part of the year end reconciliation with the city. There are some outstanding invoices that will be processed in the December deposit. Lastly the CMOG cheque of \$29,096 will be arriving some time in December.

There was some discussion about the Community Foundation and the LOWAC funding causing a perceived imbalance on the financial documents. There are three opportunities during the year that we could have flow through grants. We haven't had a year with three yet, but no doubt it is coming in the future. This will need to something to watch out for. We don't want to get into an opportunity where it looks like we are flush with cash, when actually we are just holding onto someone else's cash.

Moving on to the Art Centre, admissions were down a bit from where we expected this year. There was a thought that admissions were split. In some cases they are, in other cases people can get an admission for just the Museum or just the Art Centre. When the decision was being made a few years ago I pushed for there to be a single admission for The Muse. Everything split down the middle. The idea is that people would come in to see one or the other, and end up checking out the other building because, "why not, it's already paid for." This is something the Board can look at in the future.

Gift shop sales are up, but books sales are down a bit. We don't have a big product like the Parker LOTW book this year to drive sales. Community education continues to be a big one for us. On the expense side there is a lower number on PT wages because much of the summer student wages in 2023 were erroneously charged to the museum. Finance and payroll have been notified and they're going to that sorted out by end of year.

A strong Christmas season will see the AC getting in the neighbourhood of breaking even. Unexpectedly low returns from Community Foundation funds appear to be the culprit for this

result. We are hoping (and suspect) the Community Foundation investments gets back on track in 2024.

8.2 October 2023 expenses - Museum and Art Centre

Motion: Moved by Cheryl Mosindy, seconded by Charito Gallivan that the October 2023 expenses for the Lake of the Woods Museum in the amount of \$13,210.11 be approved.

There was a question about an expense for \$5600 for Wake Marketing. This was from the production on the Bank Bomber exhibit. The original invoice was sent in June and due in July. The invoice was sent to city accounts payable coded and signed in July. For some reason the payment was never issued by the city. We got a few more reminders throughout the summer, but after checking in with City AP we were assured the invoice had been paid. Mike Greaves from Wake Marketing called in October asking about payment. At that point a number of phone calls were made, and a cheque for the amount of the invoice was expedited and sent to Wake Marketing. Wake has been a great partner to us over the years and we were effusive in our apology to them.

Motion: That the October 2023 expenses for the Douglas Family Art Centre in the amount of \$14,572.33 be approved.

There was a question about Fire the Imagination. That is a vendor that specializes in things like puzzles, hand games, etc. Gift shop items.

10 RECOMMENDATIONS FROM ADVISORY COMMITTEES

None

11 RECOMMENDATIONS TO COUNCIL

None

5:28 - CHARITO GALLIVAN LEFT THE MEETING

12 DECISION ITEMS

12.1 Capital Campaign Reserve Fund & Douglas Family Art Centre HVAC Class "A" Upgrades

Motion: Moved by Lisa Lyle, seconded by Lindsay Koch that the Douglas Family Art Centre Capital Campaign Funds in the amount of \$66,195.62 be allocated for use in upgrading DFAC Improvements related to Class "A" designation.

In order to maintain the environmental conditions in the Art Centre there will need to be improvements made to the Art Centre HVAC system. The reason why we are needing to make improvements to a brand new building is that engineers and builders in the original construction played the odds that the standard sensors and computer would be sufficient for the Art Centre HVAC. The sensors and computer were not sufficient, and now considerably more sensitive sensors and a smarter computer will need to be installed.

The Muse Board has \$66,195.62 remaining in the Art Centre Capital Campaign Fund. These funds are restricted to be used on capital items in the DFAC. In the opinion of City staff, and the Muse Director, it would be appropriate that we use these funds to make necessary changes to the HVAC system in pursuit of Class “A” gallery designation. Class “A” designation will allow the DFAC to borrow from other Class “A” galleries like the WAG, National Gallery, McMichael, etc. It will also allow the Muse to write donation receipts that are equal to 100% of the value of donated art works (without designation it is capped at 20% value) and finally it will allow the Muse to apply for “certified cultural property” status for the Phillips collection. This would grant the collection considerable prestige, but also importantly the Income Tax Act provides favourable income tax treatment for the disposition of certified cultural property to institutions and public authorities designated by the Minister of Canadian Heritage. This treatment includes a tax exemption for capital gains realized on the disposition of cultural properties to those designated institutions and, when disposition is by way of a gift to those institutions, the provision of a tax credit or a deduction to donors, up to 100% of their net income.

The Phillips Collection has not been donated to the DFAC yet. It is currently on long term loan until such time as Class “A” can be accomplished. This is an existential question for the DFAC.

13 DISCUSSION ITEMS

13.1 Board Representation Result & Board Recruitment Next Steps

With the exit of Jamie Clinton from the Muse Board a recruitment call went out. As part of the recruitment process Board members were asked to fill out a representation matrix. The results of the matrix process determined that there were several significant gaps in representation on the Muse Board. A member of the community who fills a number of these gaps applied to be on the board. Their name will go forward to council at the December Committee of the Whole meeting and if confirmed will be invited to the December 21 Board meeting.

13.2 Muse Business Officer job description

There was a discussion on the distributed Muse Business Officer. The name of the position and wording in the job description is borrowed from other museums and galleries in Canada and the UK, and represents the fact that this position is working on the business side the Museum/ Art Centre— deposits, gift shop(s), grants, rentals, etc.

The discussion around the position centred around what comes next. The next step is waiting for the operating budget to be passed. If that happens then we can move onto the next step(s) which will include posting the job, doing interviews, and finally hiring a candidate in the role. In the interim, if the hiring process is going to take a long time we may seek to have the current contract extended. We cannot afford to have this position vacant.

14 INFORMATION ITEMS - Distributed Prior to Meeting

14.1 Director’s Report - October 2023

14.2 Action Plan update

14.3 Advisory Committee Minutes

14.4 Meeting with Spotify

There was a brief discussion about the possibility of advertising with Spotify. Currently the Muse has advertising contracts with Q104 & 89.5. There was an issue this past summer that due to staffing changes and some inner turmoil at the stations they didn't start advertising our summer exhibits until the summer ended. Museum staff have been investigating other options for advertising.

Spotify came up as an option because Muse staff members listen to Spotify and hear local advertising. We met with a Spotify ad rep. The method of bidding per thousand impressions up to a certain cap was talked about, as well as how audiences can be targeted. Overall a very positive meeting. We don't want to put all of our eggs in one basket, but the ability to micro target advertising for specific exhibits could be an important tool for us. For example, we could advertise this summer's POW exhibit to everyone in Manitoba and NW Ontario who is listening to podcasts about WW2. We will also be able to see our impact in real time, looking up stats for listens and listener locations.

This will be an ongoing conversation as we navigate the modern media landscape.

15 CORRESPONDENCE

15.1 Renderings of Proposed Improvement of the Museum Entrance

There was a discussion about the proposed renderings of the front of the Museum building. In the 2024 capital budget there is funding to make the upper door accessible. That is to say to build a ramp so the door of the museum is the door for everyone. The architect proposed a wholesome redesign of the entranceway as well. At the moment we don't have the funds to complete a wholesale change of the front of the museum building, but it is something that can be included in capital planning for 5-10 years down the road. It is possible that in the lead up to the 2025 federal election or the 2026 provincial election that the grant environment becomes a little more lucrative, so having the more complex design in the loop could allow us to move more quickly on granting opportunities.

16 IN CAMERA SESSION

None

17 OTHER BUSINESS

In the summer of 2023 former Enterprise Editor Reg Clayton donated all of his photographs from his time at both the Enterprise and the Miner and News. There are 2818 images in digital format. In the fall of 2023, Museum staff successfully applied for funding from the Community Foundation to have these digital images printed on archival paper for preservation. Those photos have now arrived at the Museum and will be processed, catalogued, and accessioned over the next few months. The thought now is that a summer student will be able to help with sorting and archiving.

18 NEXT BOARD MEETING

December 21st, at 4:30 in the Museum Board Room

18 ADJOURNMENT

Motion: Moved by Reid Thompson to adjourn the board meeting at 6:24 pm.