

## FEMCo 2018 Year in Review

A tremendous amount of business progress has been made in 2018 including the creation of a governance framework, adoption of a clear Strategic Plan and vision, successful organizational restructuring and team building, and several examples of executing against the Strategic Plan.

### 1 - Organizational Restructuring

This has been an area of great progress. The management team is in place and operating consistent with the Strategic Plan.

Shortly after the Strategic Plan was approved in May, a full management restructuring was executed. This included the elimination of five Managing Director positions (Administration, Finance, Operations, Visitor Experience, Hospitality). Only one remains: Indigenous Relations.

The new structure consists of three Executive positions reporting to the President and CEO: VP Finance and Administration, VP Operations, and VP Customer Experience. The former two positions are filled, leaving VP Customer Experience which is currently managed by Managers at the Programming, Hospitality and Marketing level (all will eventually report to this VP Position when filled). The hiring of this position was intentionally deferred to 2019 as a cost containment effort due to challenging financial performance. It is also noted that Board Committee members were engaged in the two hiring panels which added tremendous value.

Internal staff were assessed and moved to key roles, and others were hired. This resulted in three new management positions (HR Manager, Marketing Manager, Admin Assistant/ Board Secretary). These critical roles were previously absent from earlier Org Structures. These positions have elevated the professionalism of our marketing presence in the region, advanced our HR practice and policies, and help connect FEMCo management and the Board.

The complete restructuring was completed with a positive, annualized effect on total salary dollars.

### 2 - Strategic Business Plan

Efforts commenced in early February to establish the framework for the Strategic Plan. Among these efforts included several cross-functional "Affinity Kaizen" events, where a cross section of disciplines participated. This established the framework for functional disciplines required to fulfill the general direction of the business.

The Governance Committee endorsed the plan to the Board, and it was unanimously accepted.

The Strategic Plan was rolled out to all FEMCo staff in early June where it was presented, discussed, and recorded for absent staff to access later. All Management Objectives for the

balance of 2018 and onward require line of site to each of the three Strategic Pillars within the plan. In September, the management team was trained on a mechanism known as “Z Chart” which is being used to ensure this line of site is employed going forward.

### 3 - Budget

Revenue was budgeted at \$6.888mm and is forecasted to be \$6.655mm which is 97% of budget. Park performance is projected to lose \$4.114 million in 2018, not including the City of Edmonton tax levy. The increase in the loss from 2017 is primarily due to lower admission revenues caused largely by the following factors:

- Being open three weekends less because of the park closure.
- An inoperable steam train due to facility condemnation. This is a critical element of the park which resulted in fewer offerings and increased costs due to bus rentals.
- Forest fire smoke in August kept the public out of open spaces.
- Unreasonable attendance budget based on record 2017 performance (due to Canada 150).
- Unplanned management restructuring in the late spring resulted in one-time costs.

Management’s response to the lagging financial performance in 2018 was to initiate changes in project rationalization, new event planning and cost mitigation. Projects are now judged on a business-case basis and must be income generating. New event, DARK Festival was projected to be profitable and came in with favorable income of approximately \$100k (adding \$327k of revenue).

While the park did not achieve the budgeted financial results, it was an extraordinary year with unusual special causes. Cost mitigation efforts were employed in a manner not considered before, and new product/product rationalization efforts resulted in unplanned financial gain.

### 4 - Capital Plan (FEPE) Execution

The original direction of the design included unsustainable assets with little flow or customer experience considerations. The projects were therefore adjusted, ensuring all projects consistently put commercial value at the forefront.

Further challenging the project was the prospect of closing the park for 3 years. This would have been devastating to our brand presence, reducing our opportunities for non-core programming opportunities. Condensing the closure to two years, and integrated operational planning with construction planning, allowed a full year of park operations to take place.

The train barn presented significant challenges, as it was not integrated with the FEPE, and not funded. This was resolved through approval of City Council.

The Fort Edmonton Foundation fundraising success is lagging, but has not impacted the partner funding at this time. Cooperative efforts are being made to support the Foundation in achieving their fundraising targets.

#### 5 - Governance Framework with Approved Charter

This effort was largely undertaken in the Spring and Summer. A consultant was hired to research, interview board members and staff, and build a framework for FEMCo governance. A board secretary was hired to maintain the process .

The Board approved the Board Charter in April, and it is now the guiding document for current and new board members.

The 2018 AGM took place successfully, and new board members was on-boarded on December 13th through a newly designed Board Orientation process. While this process got off to a slow start, it is now on-track for completion this year.

#### 6 - Indigenous Relations

FEMCo hosts and takes part in most ceremony, as well as meet regularly with Treaty 6 Elders and MNA President Poitras. FEMCo also meets regularly with the COE IR office. The benefits of strong relationships with these partners have allowed open dialogue and open minds during design of the IPE.

Examples:

- A total of 28 IPE content design meetings have been held with MOU partners, CT6FN and MNA.
- IR continues to collaborate with the City of Edmonton Indigenous Relations Office and is presently working on a management strategy for Kichiy Askiy with CoE.
- 90% of FEP's Interpretative Indigenous and 60% of Educational Indigenous narrative programs have been reviewed for historical accuracy and cultural appropriateness.
- 100% of Indigenous Awareness Training for new summer staff and volunteers has been reviewed for historical accuracy and cultural appropriateness.
- Continued collaboration with Stantec and Infusion Design Group (formerly Nassal Design Group) and Clarke Builders.
- Presently developing framework for Indigenous review/vetting committees which will assist in the development of IPE content. This includes development of an Indigenous Information Sharing Agreement that will ensure that the FEPE project adheres to Indigenous research protocols (OCAP – Ownership, Control, Access and Protection).

- Staff Training for 2019 will focus on Treaties and Residential Schools. Proposed “Blanket Exercise” will occur in January 2019. This includes opportunities for FEP staff to participate in Cree ceremonies throughout the new year.