



Art Gallery of Hamilton  
engageyourimagination

## Art Gallery of Hamilton

### 2013 Budget Presentation to the City of Hamilton General Issues Committee

Louise Dompierre  
President and CEO

Friday, January 25, 2012

#### 2012 a banner year for the Art Gallery of Hamilton.

- Outstanding response to the 20 exhibitions presented at the Art Gallery of Hamilton.
- Record breaking attendance – up 50% from 2011.
- More the 250,000 people from the Greater Hamilton Region, across Ontario and farther afield visited the Gallery.
- Success continuing in 2013 with equally high numbers of visitors coming to view *The Eye of Napoléon*, on display until May 5.
- We anticipate that the *Spectacle of Play*, the major exhibition that will be presented for the remainder of 2013, will maintain audience levels.

#### Interest and buzz generated ripple effect across the Gallery

- Adult, children's and school's programmes all at capacity:
  - 8,500 elementary and high school students participated in the School's Programme;
  - 3,500 adults attended a tour, talk or studio class;
  - 4,500 children took part in Family and Children's programming;
  - 900 elementary and high school students from schools in disadvantaged neighbourhoods participated in guided exhibition tours with our specially-trained Docents and experienced hands-on art-making led by professional Artist-Instructors, at no cost.
- Record-breaking attendance of 7,500 at the AGH BMO World Film Festival and ticket sales were up 60% from 2011.
- The CLiC group of young professionals also experienced record breaking attendance in 2012. Almost 1,000 CLiC members and other young professionals attended a CLiC event at the AGH in 2012.
- Membership sales up 15% in 2012 over the previous year.
- Admission revenues increased by 25%.
- Revenues generated through our commercial activities also increased. AGH has become one of the most popular destinations for wedding receptions and meetings with

the result that the Wedding and Event Services group achieved gross revenues of just over \$1 million in 2012.

- Super Auction online and Super Auction Live sales, which were held to establish an art acquisition endowment, the first in the history of the Gallery, attracted bidders from far and wide and generated gross revenue of approximately \$225,000.

### **Curatorial excellence and contribution to scholarship**

- The AGH contributes to art appreciation, knowledge and scholarship through the exhibitions organized by our curators and the publications and the educational programmes, which are extensions of them.
- More than 50% of the exhibitions on view at the AGH in 2012 were developed by our own curators.
- This is an achievement of which I am particularly proud and which many art galleries and museums envy.

### **Award winning exhibitions**

- Excellence of our exhibitions recognized within the arts community.
- Ontario Association of Art Galleries recognized *William Kurelek: The Messenger*, which was co-curated by the Art Gallery of Hamilton, with its Education Award for the exceptional website that accompanied the exhibition.
- The Kurelek exhibition and *Zidane: A 21<sup>st</sup>- Century Portrait* (currently on view) were selected as two of the top three exhibitions in Canada in 2012 by *Canadian Art*, the most highly respected arts publication in the country.

### **Art Gallery of Hamilton as a City Builder**

- The AGH has been a leader in the cultural life of Hamilton for 99 years.
- The AGH Board of Directors and Council of Governors are committed to ensuring that the Art Gallery of Hamilton continues to fulfill its role as a city builder and an engine of revitalization and anchor of renewal in downtown Hamilton.
- The opening of the AGH Design Annex in the heart of the James Street North Arts District last June is the most recent example.
- In addition to offering space where experimental exhibitions are mounted and intimate performances staged, the Design Annex features an exciting home and office Art and Design Store and versatile venue rental space.
- We are very excited and proud to be part of the James Street North Arts District initiative.
- The AGH also undertook a feasibility study in 2012 to examine new space options to enable the Gallery to meet the demand for programmes, increase revenue opportunities and further enhance the downtown core.

- The study will be considered by the Board of Directors in March and I am looking forward to discussing the proposal with you later in the spring.

#### **New community partnerships forged**

- The AGH continued to reach out to bring art into the community.
- Entered into a ground breaking partnership with the staff of St. Peter's Hospital to develop an art appreciation and art making programme for people with dementia and their caregivers, which will roll out this later this year.

#### **Entrepreneurialism woven into the culture of the AGH**

- Our goal is to continue to build the financial strength of the AGH.
- We will continue to invest in new initiatives that will develop new and exciting programme opportunities as well as additional revenue streams so that we sustainably expand the programmes we offer.

#### **AGH now the largest independent public gallery in Ontario**

- In 2013, total revenues from operating grants will contribute just over 30% of the funding required and AGH revenue generating activities will contribute the lion's share of the remaining almost 70%.

#### **The Art Gallery of Hamilton will celebrate 100<sup>th</sup> anniversary in 2014**

- We are working this year to continue the momentum we have built to create an exciting year of celebration that will engage Hamiltonians and art lovers across the country and beyond.

#### **Thank you!**

- I would also like to express our sincere gratitude to the City of Hamilton for providing vitally needed operating funds to enable the Art Gallery of Hamilton to serve the needs of Hamiltonians, continue to contribute the revitalization of the downtown core, and help attract visitors to our city.

## Expense / Revenue Overview

	Actual 2011	Budget 2012	Budget 2013
Total Gallery Exhibition and Programming Expenses	\$3,357,006	\$3,038,838	\$2,914,315
Less Government contributions - Operating	1,528,040	1,472,000	1,537,000
Less Government contributions – Special Projects	202,881	78,032	57,913
<i>Net Operating Shortfall before AGH Contribution</i>	(\$1,625,085)	(\$1,488,805)	(\$1,319,402)
Less AGH Generated Revenue	2,832,331	3,116,937	3,388,471
Less Expenses	1,200,591	1,673,236	2,089,535
Total Net AGH Contribution to Gallery operations	\$1,631,740	\$1,443,701	\$1,298,936
Net Surplus (Deficit)	\$5,655	(\$45,104)	(\$20,466)

## 2013 Budget – Revenues

	Actual 2011	Budget 2012	Budget 2013	Forecast 2014	Forecast 2015
Government Operations Funding	\$1,437,000	\$1,437,000	\$1,437,000	\$1,437,000	\$1,437,000
Endowment Income	91,040	35,000	100,000	100,000	100,000
<b>TOTAL GOV'T &amp; END'T REVENUES</b>	<b>\$1,528,040</b>	<b>\$1,472,000</b>	<b>\$1,537,000</b>	<b>\$1,537,000</b>	<b>\$1,537,000</b>
<b>Project and Exhibitions Funding</b>	<b>\$202,881</b>	<b>\$78,032</b>	<b>\$57,913</b>	<b>\$57,913</b>	<b>\$57,913</b>
<b>Earned Revenues</b>					
Hospitality & Corporate Services (gross)	\$942,123	\$890,000	\$990,000	\$1,009,800	\$1,029,996
Special Events (gross)	256,982	\$319,700	\$320,000	\$426,400	\$332,928
Retail Operations (gross)	501,509	\$615,040	\$650,000	\$663,000	\$676,260
Design Annex	--	\$347,608	\$350,000	\$385,000	\$404,250
Annual Campaign	449,509	\$315,580	\$335,580	\$542,292	\$349,137
Membership	179,851	\$165,000	\$190,000	\$193,800	\$197,676
General Admission Fees	164,453	\$174,000	\$234,891	\$310,056	\$341,062
World Film Festival	169,699	\$182,009	\$198,000	\$201,960	\$205,999
Collection Mgt. Touring Fees	54,168	\$108,000	\$60,000	\$61,200	\$62,424
Super Auction	--	--	\$50,000	\$50,000	--
<b>TOTAL EARNED REVENUES</b>	<b>\$2,718,294</b>	<b>\$3,116,937</b>	<b>\$3,378,471</b>	<b>\$3,843,508</b>	<b>\$3,599,732</b>
Other revenues, Transfers & Grants	\$114,037	\$0	\$10,000	\$10,000	\$10,000
<b>GRAND TOTAL</b>	<b>\$4,563,252</b>	<b>\$4,666,969</b>	<b>\$4,983,384</b>	<b>\$5,448,421</b>	<b>\$5,204,645</b>

## 2013 Budget – Expenses

	<b>Actual 2011</b>	<b>Budget 2012</b>	<b>Budget 2013</b>	<b>Forecast 2014</b>	<b>Forecast 2015</b>
Salaries, contractors and benefits	\$1,724,285	\$1,773,214	\$2,075,136	\$2,106,263	\$2,148,388
Programming	408,033	454,997	407,097	614,107	422,389
World Film Festival	88,170	68,228	53,300	54,100	55,181
Acquisitions	112,853	1,500	--	--	--
Marketing	159,948	162,000	154,000	256,310	159,436
Development	36,171	28,406	27,000	27,405	27,953
Hospitality & Corporate Services	614,781	574,050	634,000	643,510	656,380
Special Events	84,910	106,500	60,000	160,900	62,118
Retail Operations	299,877	357,550	377,000	382,655	390,308
Design Annex	--	213,167	200,000	203,000	207,060
Security	229,131	230,129	237,248	240,807	245,623
Utilities	380,582	379,873	377,155	382,812	390,469
Building	122,216	111,000	129,723	131,669	134,303
Administration and Other	191,838	93,347	109,300	110,940	113,159
Insurance	70,699	72,113	70,000	71,050	72,471
Forward 100	--	0	--	--	--
Centennial	--	0	--	--	--
Net Amortization	34,103	36,000	42,000	42,000	42,000
Super Auction	--	50,000	50,000	50,000	--
<b>Total Expenses</b>	<b>\$4,557,597</b>	<b>\$4,712,074</b>	<b>\$5,003,850</b>	<b>\$5,477,528</b>	<b>\$5,127,238</b>
<b>Surplus (Deficit) Balance</b>	<b>\$5,655</b>	<b>(\$45,104)</b>	<b>(\$20,466)</b>	<b>(\$29,107)</b>	<b>\$77,407</b>

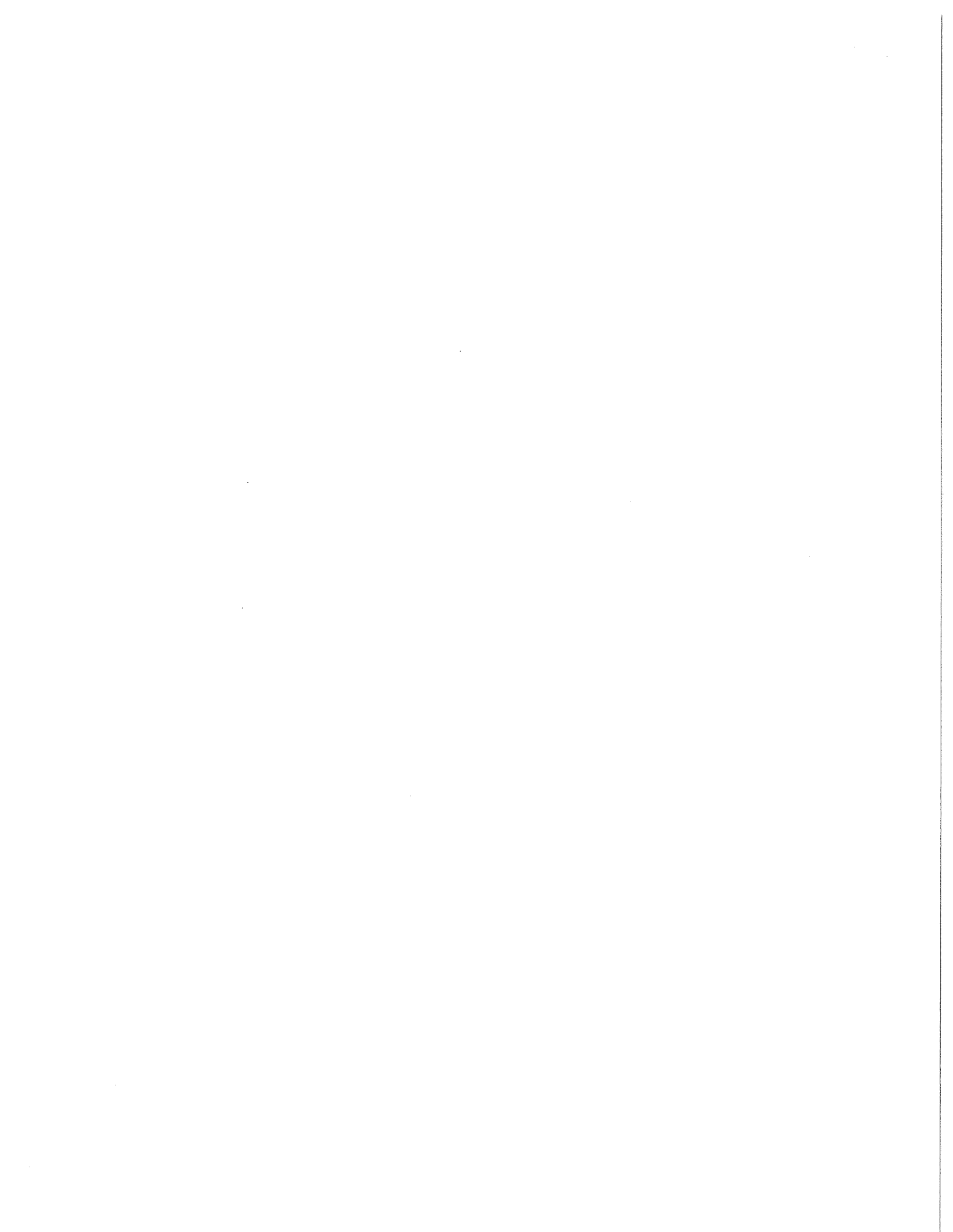
### Our request remains the same

	<b>2007</b>	<b>2008</b>	<b>2009</b>	<b>2010</b>	<b>2011</b>
<b>Operating Grant*</b>	\$762,200	\$785,066	\$808,618	\$832,877	\$857,864
<b>Required Amount</b>	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Stabilization Fund Contribution</b>	\$237,800	\$214,934	\$191,382	\$167,123	\$142,137

	<b>2012</b>	<b>2013</b>	<b>2014</b>	<b>2015</b>	<b>2016</b>
<b>Operating Grant*</b>	\$883,599	\$910,107	\$937,410	\$965,532	\$994,498
<b>Required Amount</b>	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
<b>Stabilization Fund Contribution</b>	\$116,401	\$89,893	\$62,590	\$34,468	\$5,502

One-time stabilization fund (invested by the City at 4%): \$1,134,814

\*Projected Operating Grant based on annual increase of 3% annually

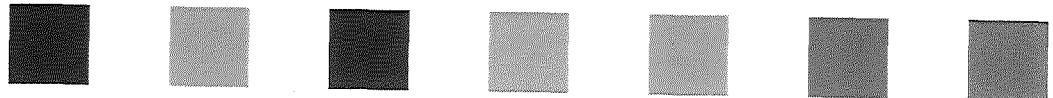




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January 25, 2013**



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# Record Breaking Attendance in 2012



- 250,000+ visitors from the Greater Hamilton Region, across Ontario and beyond
- Up 50% from 2011
- Momentum expected to continue in 2013



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# Programming at Capacity



- Schools: 8,500 students
- Tours, Talks and Studios: 3,500 adults
- Family and Children's: 4,500 children
- 900 students from disadvantaged neighbourhoods attended at no cost



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# Film + Performance Success

Art Gallery of Hamilton  
BMO Financial Group  
**WORLD  
FILM  
2012 ● FESTIVAL**

- Record breaking attendance at AGH BMO World Film Festival: 7,500 film lovers – ticket sales up 60% over 2011
- Highly successful performance series launched at the Design Annex



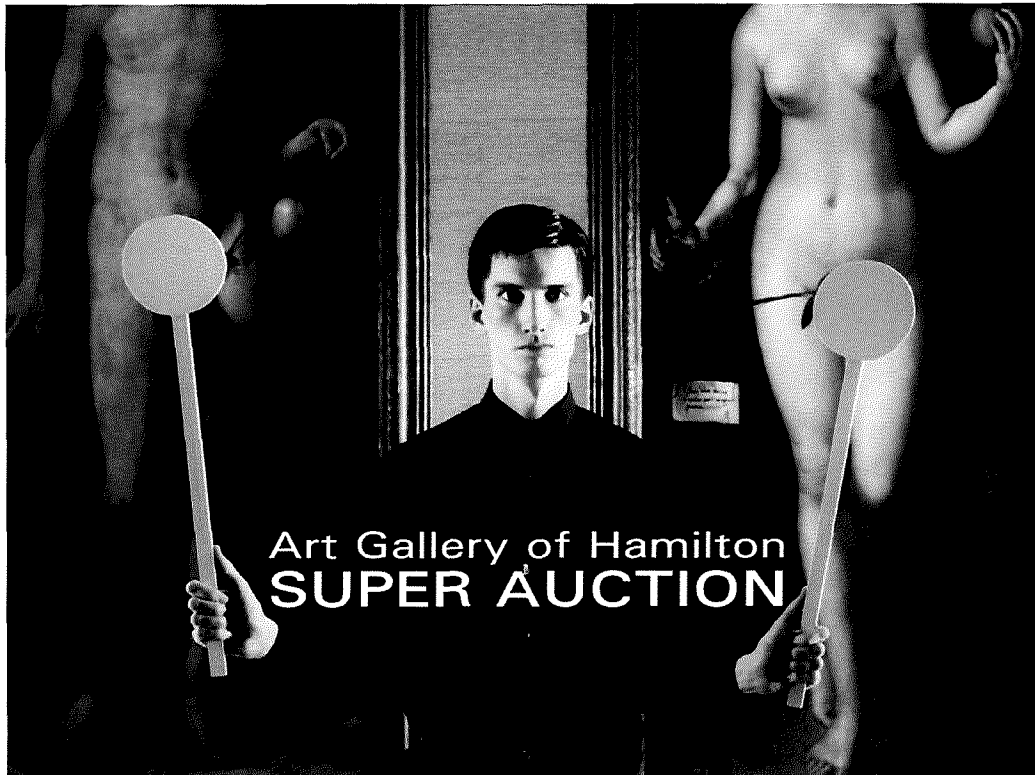
# Increased Membership, Admission and Commercial Revenues in 2012



- AGH Memberships increased 15% over 2011
- Record CLiC Membership and attendance
- Admission revenues up 25%
- Wedding and Events achieve gross revenues of just over \$1 million



# Art Acquisition Endowment Created



Super Auction Live  
conducted by  
Sotheby's and  
Super Auction  
Online generated  
gross revenue of  
\$225,000

**AGH**

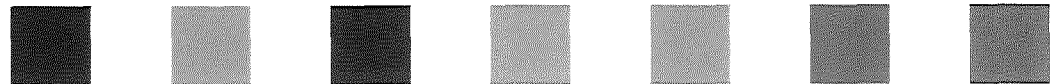
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# Curatorial Excellence



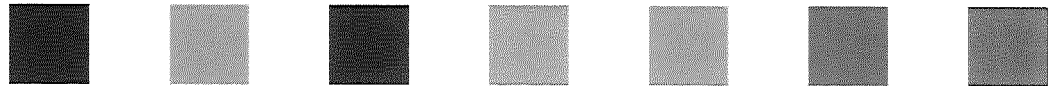
- More than 50% of exhibitions on view at the AGH were developed by our curators
- An achievement envied by many art galleries and museums



# Award Winning Exhibitions



- *William Kurelek: The Messenger* received the Ontario Association of Art Galleries 2012 Education Award
- *Kurelek and Zidane: A 21<sup>st</sup> Century Portrait* exhibitions picked as two of the top 3 exhibitions to see in 2012 by Canadian Art



# AGH as City Builder



- Opening of the AGH Design Annex in the heart of the James Street North Arts District
- Completion of a feasibility study that explores new space options and revenue generation opportunities and further enhances the downtown core



# New Community Partnerships



## St. Peter's Hospital

Ground breaking partnership with St. Peter's Hospital to develop art appreciation and art making programme for people with dementia and their caregivers





# Entrepreneurial Strategy

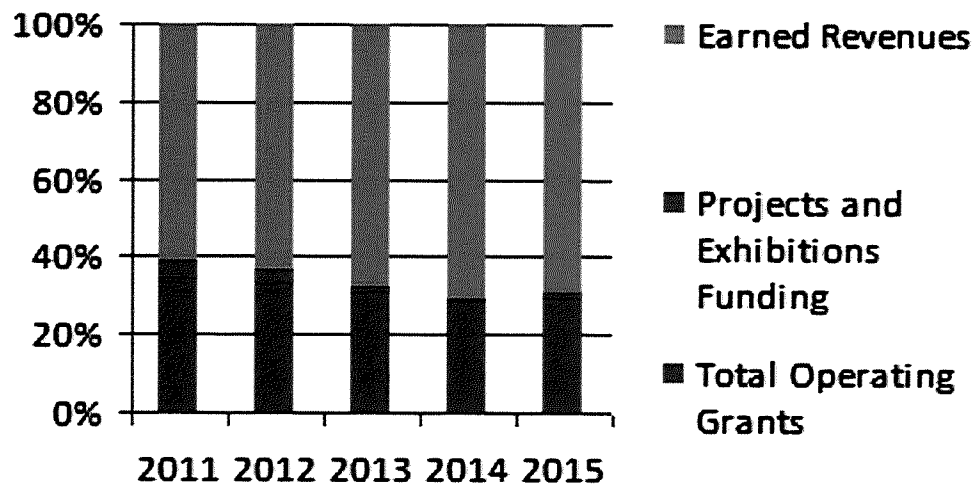


- Goal: To continue to build the financial strength of the AGH
- Strategy: Invest in new initiatives that will develop new and exciting programme opportunities as well as revenue streams

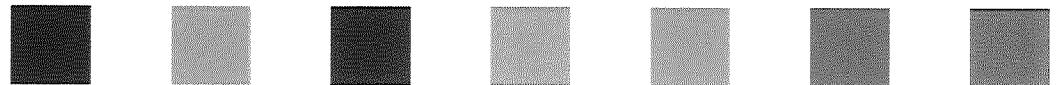


# AGH the Largest Independent Art Gallery in Ontario

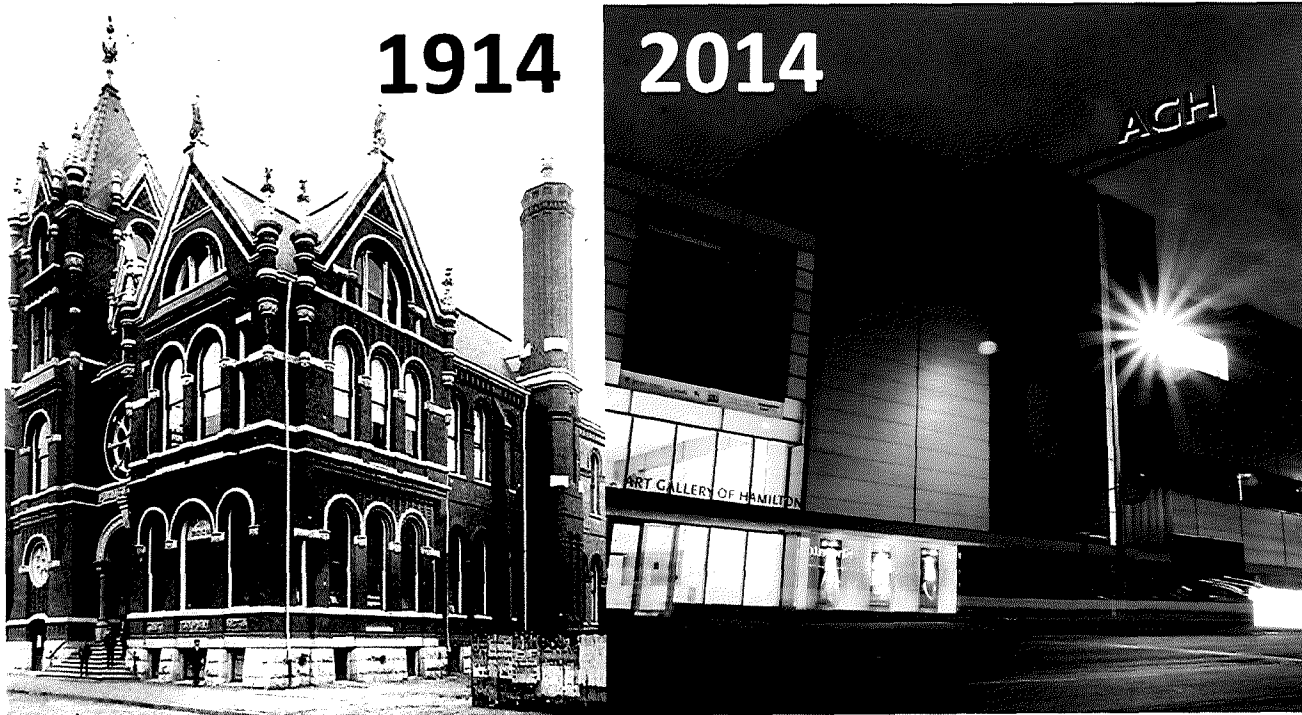
**Revenues - 2011 to 2015**  
**Percentage of Annual Requirement**



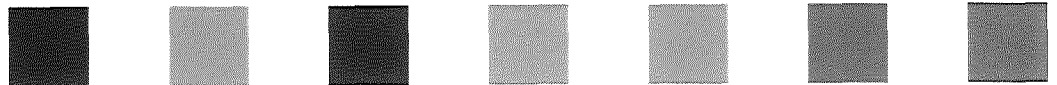
In 2013, AGH revenue generating activities will contribute almost 70% of the total funding required and operating grants will contribute just over 30%



# AGH Celebrates its 100<sup>th</sup> Anniversary in 2014



We are  
planning an  
exciting year  
of  
celebration  
for everyone!



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# Our Request Remains the Same

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