

## Executive Summary

The Canadian Clay & Glass Gallery (CCGG) enjoyed 17 years (1992 to 2009 fiscal years) of sustainable operations. Funding for the gallery came from the City of Waterloo grants to cover the building costs, earned revenue from the Gift Shop and programs, private sector donations, and federal and provincial grants.

A combination of problems (recession, accounting practices, and an acquisition decision) led to a significant looming deficit that became apparent in September 2009. A December, 2009 appeal to the City of Waterloo for emergency funding led to the City extending a 10 year loan to CCGG for \$76,343, and a providing a \$20,000 grant to develop a Sustainability Plan.

The project team conducted detailed analysis of existing operations and held substantial consultation with stakeholders to determine what was going right with the Gallery, and what could be done better. Additional public input was received via email by City of Waterloo councillors, who shared key themes with the project team.

The gallery has many stakeholders. Federal and provincial arts councils and artists from across Canada see CCGG as an important organization to foster the development of contemporary art in clay and glass. Visitors to our Region and local audiences appreciate the varying and interesting exhibits of contemporary artists. Our donors sponsor significant annual awards in ceramics (now in its tenth year) and more recently, in glass. Artists from across Canada apply for these prestigious, unique, awards.

Over 4,000 youth participate in curriculum-based education programs and camps each year, and another 1,000 youth participate in recreational Play with Clay sessions. All these programs feature interpretive tours of the exhibits as an integral part of the session. Over 10,000 people – local visitors appreciating the “One of a Kind” venue all year round, and visitors to our Region – visit the Gift Shop, which in turn supports 38 artists from Waterloo Region and another 100 Canadian artists.

The objectives set in defining the strategies to succeed were twofold: to assure long-term financial stability and to improve CCGG’s perceived community relevance. Improved community relevance is essential for successful municipal support of the arts, something the Prosperity Council and the local municipal governments have embraced as being essential to the prosperity of Waterloo Region.

The key programming decisions that led out of the public consultation and analysis were to:

- We will continue to hold professionally-curated exhibitions, which are well recognized by funders today. However, the exhibition environment needs to be more welcoming which we’ll achieve through elimination of the general admission fee, layout changes to make a seamless transition from the Gift Shop to the exhibits, and investment in interpretive materials designed for the general public. These changes will, we believe, lead to a significant percent of today’s

Gift Shop only attendees, and more of our neighbours to also enjoy the exhibits. If the gallery environment isn't intimidating, and there's no barrier to entering the exhibit space, we believe that "they will come".

- Education and Programming offerings will be expanded through collaboration in program design with neighbours of CCGG, allotment of additional program space, and addition of a contract programs resource. We believe expanded programs, with an emphasis on demonstrations by artists and interesting discussions and tours, are a second way to get more local visitors into the gallery. These guests are in turn, a potential expanded market for the Gift Shop, and candidates for becoming members and/ or donors.
- Marketing CCGG more effectively is critical. We need to both develop local and tourist audiences, and to build a better community image.
- Finally, we identified the need to get our internal "house" in order to support the implementation of these strategies.

These changes will result in increased attendance figures. Based on clear needs from the school boards, we project attendance to Programs can increase 75% in this fiscal year, and 130% (more than double) in next fiscal year, resulting in stronger earned revenues from Programs both years. Our attendance to the exhibits doesn't have a direct financial benefits, but does in increased community relevance; while it's difficult to forecast how much affect a welcoming environment will have in increasing attendance, we believe a conservative forecast, especially with more effective marketing, is we will see a 50% increase in this fiscal year, and a doubling in next fiscal year.

However, donations and foundation grants will still fluctuate with the economy and investment returns, causing unstable operations revenue. We looked at how 13 other art galleries in Ontario are funded, and realized that municipal funding for CCGG is half the average level of municipal funding for other galleries, and lags behind all but one other Ontario gallery studied. The conclusion of the project team is that, essential to CCGG's sustainability, is the need to acquire a more equitable portion of municipal funding within Waterloo Region. With an increase in municipal funding (from all sources) of \$70,000 annually, we project balanced future budgets, generating enough surplus to repay our loan to the City of Waterloo on a somewhat accelerated basis. This level of municipal funding is not excessive – CCGG's level of funding would still be second last of the reference group.

We are respectfully requesting the City of Waterloo to have faith in the new Board, and invigorated staff, and provide one-time funding in 2010 of \$51,000. That money will address the largest part of CCGG's 2010 need. Since CCGG operations benefit citizens across the Region, the Region of Waterloo will be asked to provide the remaining \$20,000 needed for 2010.

We have built a strong Board, and strong Board committees. The Sustainability Plan sets a 100 day challenge (September 1<sup>st</sup> to December 10<sup>th</sup>) to get a substantial number of changes in place, and start to deliver financial results in this fiscal year. We project, if

the requested 2010 municipal funding requested is realized, to realize a net income of \$9,278 for this fiscal year, allowing us the cash to make our loan payment. Net fiscal year, we project a net income of \$24,000, and \$13,000 the following year. We anticipate being able to accelerate the repayment of the loan to the City of Waterloo.

We would like to thank everyone involved in developing the Sustainability Plan, and the City of Waterloo staff who have been very helpful throughout the process in providing meeting space, research on the history of the CCGG and City of Waterloo partnership, and general support.

CCGG Sustainability Plan Project Team

Bob Williams, Past Chair, CCGG Board of Directors

Alison Burkett, Chair, CCGG Board of Directors

Jan d'Ailly, City of Waterloo Council

Bill Poole, Interim Executive Director

Carrie Brooks-Joiner, Carrie Brooks-Joiner & Associates