

**Art Gallery of Nova Scotia  
Annual Accountability Report  
Fiscal Year 2007-2008**

## TABLE OF CONTENTS

|  |    |
|--|----|
| <b>Accountability Statement</b> .....          | 3  |
| <b>Introduction</b> .....                      | 4  |
| Our Strategic Goals .....                      | 4  |
| Our Core Business Areas .....                  | 4  |
| <b>Progress and Accomplishments</b> .....      | 6  |
| <b>Outcomes and Performance Measures</b> ..... | 9  |
| <b>Financial Results</b> .....                 | 20 |

## Accountability Statement

The accountability report of the Art Gallery of Nova Scotia for the year ended March 31, 2008, is prepared pursuant to the Provincial Finance Act and government policies and guidelines. These authorities require the reporting of outcomes against the Art Gallery of Nova Scotia's business plan information for the fiscal year 2007 - 2008. The reporting of the Art Gallery of Nova Scotia outcomes necessarily includes estimates, judgments and opinions by Art Gallery of Nova Scotia management.

We acknowledge that this accountability report is the responsibility of Art Gallery of Nova Scotia management. The report is, to the extent possible, a complete and accurate representation of outcomes relative to the goals and priorities set out in the AGNS business plan for the year.




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Minister, Tourism, Culture and Heritage



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Chair, Board of Governors



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Director & Chief Executive Officer

## **Introduction**

This accountability report describes our performance against the goals, priorities and outcomes as set out in the 2007 – 2008 business plan of the Art Gallery of Nova Scotia.

### Our Strategic Goals

The AGNS has several areas of longer-term direction, including:

- I. **Financial Sustainability:** Continue to ensure that financial sustainability is a priority at all times.
- II. **Education:** Facilitate life-long learning by providing greater access to Nova Scotia's visual arts culture and heritage and by providing programs that enhance the learning experience.
- III. **Governance and Accountability:** Continue to implement the governance and management recommendations outlined in the 2004 KPMG report and our AGNS Strategic Plan
- IV. **Stewardship:** Preserve, promote, interpret and develop Nova Scotia's diverse visual arts culture and heritage.

### Our Core Business Areas

#### **1. Education and Public Programming**

AGNS's Education and Public Programming strategy focuses on both on-site and outreach activities. On-site activities surround the support and the interpretation of our temporary exhibitions programming, and of our permanent collection exhibitions. Offerings include special exhibitions, the development of in-house didactic material in exhibitions, daily guided public tours, early childhood education programs, infant and toddler/parent programs, studio/gallery workshops for students and teachers, family programs, a large docent program in support of school visits, an interpretative gallery team and the fostering of life-long learning with a series of lectures, films, artist talks, and other educational activities including access to archives, publications and study materials.

Outreach activities involve many community collaborative partnerships. ArtReach, an innovative program developed in partnership with the Department of Education, brings prints from the AGNS collection to various communities via travelling ArtReach exhibitions at schools, museums, hospitals and other community centres, complemented by educational workshops for people of all ages in their own communities. AGNS also reaches out to schools by continuing to serve as the lead partner for ArtsSmarts Nova Scotia, the provincial partner for the national ArtsSmarts program. ArtsSmarts inspires collaboration between artists and educators to design and offer innovative projects for students that support specific curriculum goals by learning through the arts.

Other outreach programs include programming in these focus areas: *Arts & Wellness* including extensive work with the IWK Health Centre and the Provincial Autism Centre; *Resiliency and Youth* including programs with organizations such as Phoenix Youth Programs, Laing House and HomeBridge Youth Society; and *Young Learners* which involves providing services to daycares including the availability of specially designed art resource kits distributed on loan to day cares throughout the province.

## **2. Exhibitions**

In the area of Exhibitions AGNS is committed to our mission of bringing the art of the world to Nova Scotia, and the art of Nova Scotia to the world. In addition to our annual Sobey Art Award exhibitions, AGNS is committed to presenting a wide range of art in our exhibition program, both in Halifax and in the Western Branch in Yarmouth.

We are committed to building audiences for art, and have a three-part strategy for doing so. The first is the ongoing growth of the Sobey Art Award. The second is to work to broaden our programming of more “museum” style exhibitions, exhibitions of world culture and heritage, which will be paired up with other challenging art exhibitions. The third part of our strategy is to build partnerships to broaden the reach of our contemporary art exhibitions, to tour exhibitions within the province, across the region and the country.

We are committed to assisting in maximizing the export potential of the province’s resources by raising the profile of this region’s art activity across the country. We are committed to developing exhibitions that examine the work of individual artists, and to producing catalogues that do justice to their work. Thematic exhibitions that we develop are drawn almost exclusively from our permanent collection and serve to complement the solo exhibition projects on concurrently in the gallery. Our objective is to be a leader in the advancement of knowledge and understanding of visual art, and in the fostering of the careers of Canadian artists.

## **3. Collections and Conservation**

AGNS acquires artworks for the permanent collection consistent with the mandate of the acquisition policy and of the AGNS Mission Statement. The Gallery maintains related library, film, video and resource support materials, along with institutional archival records pertaining to collections, exhibitions, and institutional history. AGNS ensures proper management of the collection through documentation, maintenance of records and research. The AGNS ensures that the Province of Nova Scotia’s collection is preserved and maintained in an environment that meets museum standards, while conducting conservation and restoration treatments using accepted practices of research, examination, analysis, and documentation.

#### **4. Development and Auxiliary Services**

This business function serves to financially maintain the operations of the AGNS and to encourage the public to visit the Art Gallery of Nova Scotia and engage in the visual arts. AGNS creates market awareness by various public relations tools. AGNS promotes membership to the public, generating revenue and as well, many of these members become volunteers who assist the Gallery in all aspects of its operations including fund raising, governance and program delivery. The Gallery provides auxiliary services that benefit visitors and members while increasing Gallery funding. Services include membership, volunteer programs, a Gallery Shop, facility rentals, Art Sales and Rental and Cheapside Café.

### **Progress and Accomplishments**

We are pleased to report the achievement of many our priorities and progress toward the rest. The following, listed by core business area, includes a progress and status report for each priority.

#### **1. Education and Public Programming**

*Priority 1: Document both the details and overview of the on-site and outreach educational programming.*

We have established excellent on-line documentation of programs which we will continue to develop to ensure a comprehensive and visually inspiring source of information. A series of Power Point presentations have been developed and used which have been very useful for both the public and targeted groups to become aware of programs and the overall vision. Specific programs have also been documented for both awareness and advocacy purposes.

#### **2. Exhibitions**

*Priority 2: To disseminate knowledge in the arts by touring AGNS - developed exhibitions and by bringing in international exhibitions to Nova Scotia.*

Our Touring Exhibition program was larger than planned and greatly exceeded our attendance expectations and revenue targets. This was achieved by touring shows to more venues than planned, and two particular exhibitions that drew large numbers.

Also, the Gallery hosted major world class exhibitions including *Treasures of Ancient Egypt* (continuation from 2006/07), *Mary Lee Bendolph: the Quilts of Gee's Bend*, and *Marilyn: Life as a Legend*. The first two exhibitions met or exceeded expectations in terms of patron visits but the last one fell well short of our goal. Part of the reason for the low numbers was undoubtedly the time of year, as the show was mounted from December 2007 to March 2008. However, the *Marilyn* exhibition did expose us to the fact that putting on plays in the Lecture Theatre could be very successful for future exhibitions.

### **3. Collections and Conservation**

**Priority 3:** *Initiate a strategy to increase capacity of climate-controlled storage for the Crown's growing art collection.*

A study was undertaken by consultants in the winter of 2008 to identify and rank options for addressing our space needs. The comprehensive final report was accepted by the Board in June 2008. As a short-term strategy, approximately half of the fourth floor of Gallery North, formerly gallery space, will be converted to vault space by the installation of art racks and drawers.

**Priority 4:** *Improve the Crown's art collection with the addition of significant, relevant art works.*

Exceeding our goals, we purchased 32 objects and received a further 654 objects by donation. The majority of these gifts are works of contemporary Canadian art which support additions to the international collection.

### **4. Development and Auxiliary Services**

**Priority 5:** *Balance the annual budget by ensuring that expenses are contained within the restrictions of Operating and Programming revenues.*

AGNS achieved (near) break-even results for the second consecutive year. This break-even result was achieved despite major funding shortfalls in the areas of Admissions, Memberships, and Exhibition sponsorships. These shortfalls were compensated by Operating expense reductions, investment revenue from our Endowment Fund assets, and extra donations received for Acquisitions.

**Priority 6:** *Continue to implement the Governance recommendations as outlined in the KPMG Report of April 2004.*

Implementation of the final recommendations outlined in the 2004 KPMG report improved budgeting, planning, and governance processes.

**Priority 7:** *Formulate a comprehensive "Development Plan" that will direct the fund-raising efforts of the AGNS.*

We have as yet not been successful in sourcing and hiring a full-time fundraising professional to lead the crafting and implementation of the Development Plan. As a result, while components of a potential future plan have been put in place and some plan outlines have been proposed by management, the formal Development Plan has not yet been created.

**Priority 8:** *Create a Visitor Services Working Group to (1) rethink our service-delivery model to Gallery patrons, (2) to help drive membership and admissions revenue, and (3) bring complementary services together under one efficient working construct.*

We did not progress with this initiative as planned. Certain components of Visitor Services plan have been worked on, but no comprehensive plan has been generated yet. Certain strategies, which will ultimately be components of a formal Visitor Services Plan, have been developed and implemented even in absence of a formal plan. Also, certain improvements have already been put into effect.

Highlights of the gallery's other accomplishments in 2007/08 include:

- All funds for acquisitions are provided by donations of cash or grants received. The total for 2007/08 was \$435,931, representing a 54% increase over fiscal 2006/07 (\$283,904).
- Held our second annual Patron Dinner, honouring Joan and Jack Craig as "Patrons of the Year", and raising almost \$50,000.
- Received a \$150,000 Supplemental Operating Funds Initiative grant from the Canada Council, enabling us to greatly expand our Touring Exhibitions program. Our touring exhibitions were seen by some 65,000 patrons across the country.
- Hosted a one-woman play, *Marilyn: Forever Blonde*, which played to rave reviews and many sold-out houses in our Windsor Foundation Lecture Theatre.
- Mounted an Education Gallery exhibition, *Reunion*, at Rideau Hall in Ottawa, at the invitation of Her Excellency Governor General Michaëlle Jean, who had been impressed by this exhibition during her visit to the Gallery in February 2007.
- Increased our educational and outreach programming with several new collaborations, including the new *Autism Arts Program*, in partnership with the Provincial Autism Centre.
- Increased the curatorial staff complement to 10 with the addition of a Curator of Exhibitions, a Touring Exhibitions Coordinator, and an Associate Curator of Fine Crafts.
- We achieved these successes despite the mid-year departure of our Director & Chief Curator, Jeffrey Spalding. Former Senior Curator Ray Cronin was appointed as the new Director & CEO on June 1, 2008.

## Outcomes and Performance Measures

When preparing the Business Plan for 2007-2008 the Art Gallery of Nova Scotia established a number of measures in an effort to determine success in the goals we set out to achieve. The following indicates the original outcome expected; how it was to be measured; if it was achieved; and if not an explanation as to why.

|   |
|---|
| <b>Core Business Area 1: Education and Public Programming</b> |
|---|

*Priority 1: Document both the details and overview of the on-site and outreach educational programming.*

### **Outcome #1: Document Education and Outreach Programs**

Measure: Documentation completed

#### **What does this measure tell us?**

Documenting our Education and Outreach programs provides the necessary resource materials to develop new audiences through awareness of programs, and also the materials for further marketing and fund-raising. This documentation helps us further evaluate programs and assess possibilities for further growth. The on-line documentation component also provides a means for us to measure quantitatively the interest in programs.

#### **Where are we now?**

We have established excellent on-line documentation of programs which we will continue to develop to ensure a comprehensive and visually inspiring source of information. A series of Power Point presentations have been developed and used for numerous presentations which have been very useful for both the public and targeted groups to become aware of programs and the overall vision. Specific programs have also been documented such as *Autism Arts* for both awareness and advocacy purposes. A co-publication with the Department of Education on *Young Learners and Art* is currently in its final stages to be ready for publication in late fall 2008. The *Flight Dreams* exhibition also will open with its own publication which will reflect in its content the vision of working with community partners.

#### **Where do we want to be?**

We want to continue to document programs for multiple purposes, especially as new programs are rolled out. We will develop an online archive of curatorial community projects including text panels, visuals, and comments.

## **Outcome #2: Increased Funding for Education and Outreach Programs**

### Measure: Private and public-sector sponsorship grants

#### **What does this measure tell us?**

Our ability to improve and expand our educational and public programming offerings is limited not by our imagination but rather limited resources – both human and financial. Our success in raising private and public funds gives us the ability to hire instructors, facilities and materials to put on new or expanded programs.

#### **Where are we now?**

2007/08 was a very successful year in terms of this measure. Total grant revenues for 2006/07 were \$100,000, and our goal for 2007/08 was \$140,000. We were successful in raising \$161,500 during the year in direct programming grants and contributions.

This level of funding allowed us to improve and increase the scope of all our existing educational & outreach programs, as well as to launch a new initiative, Autism Arts, in collaboration with the Provincial Autism Centre. Autism Arts provided visual arts instruction to 19 young art students on the autism spectrum, culminating in an opening and exhibition of their art at the AGNS in June of 2008.

#### **Where do we want to be?**

We intend to continue to grow and improve our offerings, to the extent that resources – including very cramped physical quarters – will allow. Given our limitations on space for our programs, the focus for 2008/09 will be more on programs offered off-site, including our Western Branch in Yarmouth. We will be hiring a curator in Yarmouth, with dual responsibilities for exhibitions and education/outreach programming. Just under 1,000 students were served in our education/outreach programs at the Western Branch in 2007/08, and our goal for 2008/09 is 2,500 participants.

As always, we will continue to source and apply for grant opportunities and hope that funding levels for 2008/09 will meet or exceed those from 2007/08.

## Core Business Area 2: Exhibitions

**Priority 2:** To disseminate knowledge in the arts by touring AGNS - developed exhibitions and by bringing in international exhibitions to Nova Scotia.

### **Outcome #1: Increased visitations to AGNS - generated touring exhibitions**

Measure: Number of patrons

#### **What does this measure tell us?**

AGNS traveling exhibitions are created to meet our mission of bringing the art of Nova Scotia (or at least art exhibitions created in Nova Scotia) to the world. Our success in touring our shows across the region and the country is reflected in the number of patrons we are able to reach.

#### **Where are we now?**

Assisted by supplemental grant funding from the Canada Council for the Arts, our Touring Exhibition program was larger than planned and greatly exceeded our attendance expectations. While not all attendance numbers are known with certainty, we do know that they were more than double (and closer to triple) our target of 48,000. This was achieved by touring shows to more venues than planned, and two particular exhibitions that drew large numbers. Graeme Patterson's *Woodrow*, was seen by approximately 75,000 people in total (the goal was 38,000), including over 45,000 in his home town of Saskatoon. *Two Artists Time Forgot* was seen by approximately 55,000 people, including more than 50,000 in Hamilton, Ontario.

#### **Where do we want to be?**

Our ongoing aim is to circulate exhibitions generated by AGNS; both solo artists' projects as well as shows based on the Gallery's permanent collection. We will continue to offer our exhibitions to tour nationally, but will also turn our attentions to smaller venues within Nova Scotia. Working with the Gallery's Education team, these touring exhibitions will be a resource in those communities, allowing greater access to the AGNS's collection and allowing the work to be seen by more visitors within the province.

### **Outcome #2: Increased visitations to international exhibitions**

Measure: Number of patrons

#### **What does this measure tell us?**

Large-scale, international "blockbuster" exhibitions have the ability to increase visitorship and bring new visitors into the Gallery. Those people who would not usually frequent the Art Gallery

might feel more inclined to do so if already familiar with the subject matter (mummies and Ancient Egypt, or Marilyn Monroe, for instance.)

### **Where are we now?**

Two of our International exhibitions met or exceeded expectations in terms of patron visits. *Quilts of Gee's Bend* was seen by 20,000 visitors, which was our goal, and *Treasures of Ancient Egypt*, which straddled two fiscal years, was attended by 24,000 patrons during the 2007/08 fiscal year, exceeding the target of 20,000. *Gee's Bend* was also successful on a retail level, as we sold out all our quilt-related materials in the gallery shop.

*Marilyn: Life as a Legend* was a disappointment in this regard, with 15,000 patron visits falling well short of our goal of 40,000. Part of the reason for the low numbers was undoubtedly the time of year, as the show was mounted from December to March, and the exhibition content did not lend itself easily to all audiences, which limited programming possibilities. Given the high cost of bringing in the exhibition, the payback in terms of admissions, shop sales and other spin-offs is questionable. The *Marilyn* exhibition did have one very significant result in that it exposed us to the fact that putting on plays in the Lecture Theatre could be very successful. As a result, we are planning a Maud Lewis play for the summer of 2009.

### **Where do we want to be?**

While we will continue to pursue high-quality art exhibitions from outside galleries, including international colleague institutions, our focus will shift to our own large holding of artwork. AGNS-generated exhibitions will allow us to showcase the artwork acquired by the Gallery in recent years. This model helps us to create context for incoming exhibitions, while celebrating the province's holdings, and doing so in a more budget-friendly manner.

### **Outcome #3: Increased sponsorship revenue for AGNS - generated touring exhibitions**

Measure: Sponsorship revenue

#### **What does this measure tell us?**

Our ability to properly tour our exhibitions hinges on having a dedicated staff member to oversee the program in its entirety: shipping, logistics, and liaising with other galleries. Increasing revenues for this program will allow us to hire an Assistant Curator, Traveling Exhibitions.

#### **Where are we now?**

We exceeded our revenue targets for the Touring Exhibitions program, with nearly \$123,000 raised, exceeding our target of \$55,000. \$75,000 of the revenue was by way of supplemental Canada Council funding, the balance from venues taking our shows.

### **Where do we want to be?**

We will continue to fundraise for this program. By broadening the scope of what is on offer, through more tightly conceived, collection-based exhibitions, our costs will be less and our ability to offer quality exhibitions for touring will be greater.

### **Outcome #4: Increased sponsorship revenue for international exhibitions**

Measure: Sponsorship revenue

#### **What does this measure tell us?**

Sponsorship for large-scale international exhibitions offsets the costs of bringing them in, mounting and programming for them. If these considerable costs are underwritten by sponsorship dollars, exhibitions of this scale and scope become viable at our venue.

#### **Where are we now?**

In this area, we fell short, significantly, of our targets. Neither *Marilyn* nor *Gee's Bend* had lead sponsors. Revenue for these two shows was mainly raised by luncheons and events hosted by the Friends of the AGNS volunteer group, and totalled nearly \$22,000. Our sponsorship target for these two shows was \$115,000. We have not yet, as of this writing, hired a full-time fundraiser, and the lack of sponsors for major exhibitions demonstrates clearly the need for this position to be filled. Curatorial staff should not be expected to shoulder the full responsibility of raising sponsorship funds for their exhibitions, but at present that is the reality.

#### **Where do we want to be?**

We will continue to work with the Province towards hiring a fulltime dedicated Development/fundraising officer. With many untapped fundraising opportunities to be sought, a fundraiser will work with curatorial staff to find creative and appropriate sponsors for gallery exhibitions. In the meantime, the exhibition schedule has been modified to focus more intensely on exhibitions derived from the Gallery's permanent holding (i.e. the Provincial art collection). This offers a more fiscally responsible model, with only four large-scale exhibition projects annually to fundraise for. We will target fewer large, "blockbuster" international exhibitions; instead we will focus our attentions on more targeted exhibitions relating to work in the Gallery's permanent collection. Areas that have proven records of attracting sponsorship - outreach and traveling shows within communities in the province - will play larger roles in the travelling exhibitions program.

### Core Business Area 3: Collections and Conservation

*Priority 3: Initiate a strategy to increase capacity of climate-controlled storage for the Crown's growing art collection.*

**Outcome: Create a task force or working group**

Measure: task force/working group created

**What does this measure tell us?**

The AGNS, in increasing its art collection, exhibition schedule, and educational programming, has outgrown its premises, not only storage for the provincial art collection but also gallery space, educational facilities, visitor service amenities, administrative office space, shipping & receiving, conservation facilities, storage for files and archival materials, and virtually all other areas of operations. The creation of a formal group to study and make recommendations for short- and long-term solutions to our space needs is key to addressing the problem.

**Where are we now?**

An ad hoc Capital Committee was struck in September 2007, consisting of several members from the Board of Governors and senior management staff. A Request for Proposals was issued in December 2007 for consultants to provide a "needs assessment" of current facilities and to identify and rank options for addressing our space needs. The winning bidder, Lord Cultural Resources, undertook their study in the winter of 2008, including a visit the gallery in February, and issued a comprehensive final report that was accepted by the Board in June 2008.

As a short-term strategy, approximately half of the fourth floor of Gallery North, formerly gallery space, will be converted to vault space by the installation of art racks and drawers. A capital grant was received from the Province for the 2008/09 fiscal year to fund this conversion.

**Where do we want to be?**

This Lord document concluded that that AGNS needed 130,000 square feet of space to address its needs for today and the next 20 years; more than double the current space of approximately 61,000 square feet. Among the various options for increasing our space, the Lord document recommended building or leasing a new building in the central Halifax core. The recommendations of the Lord document will guide our next steps in moving forward with a capital campaign.

*Priority 4: Improve the Crown's art collection with the addition of significant, relevant art works.*

**Outcome: Add artworks that fulfill our mission**

Measure: Number of artworks from Acquisition priority document

**What does this measure tell us?**

The AGNS Acquisition Policy states that the “ acquisitions of the Art Gallery of Nova Scotia are directed to the continued planned development of the Gallery's permanent collection of historical and contemporary paintings, sculptures, prints, drawings, photographs, ceramics, decorative arts, video and other materials that may be considered significant.”

An art museum prospers by increasing the perceived intrinsic value of its art collections to meet its mission. AGNS does not have assured budgetary sources of acquisition funds. It must seek patrons and supporters to make donations to improve the public collection. Donors have many options of which institution to assist within the country. A continuing history of gifts from donors across the country aids the fulfillment of the AGNS' primary mission; it also tells us that key individuals value the work done by the AGNS.

The number of relevant additions to our collection is a reflection of our success.

**Where are we now?**

Our business plan target was 20 art objects added to the collection. We greatly exceeded this modest goal by purchasing 32 objects and acquiring a further 654 objects by donation. The majority of these gifts are works of contemporary Canadian art which support additions to the international collection.

**Where do we want to be?**

AGNS continues to target specific art collection needs and identify ways to attract items that are required for study and display to meet our mission. The collection of post-war Canadian art is now well represented. About 75% of the artists of historic record of this period are now represented within the AGNS collection. We need to continue to fill gaps in representation and build superlative holdings that allow AGNS to be a leader and service provider through the excellence of its collections.

## Core Business Area 4: Development and Auxiliary Services

*Priority 5: Balance the annual budget by ensuring that expenses are contained within the restrictions of Operating and Programming revenues.*

### **Outcome: Balanced Budget**

Measure: Revenues equal to or greater than expenses

#### **What does this measure tell us?**

This measure tells us that we have been vigilant about containing costs, or if some costs were higher than budgeted, we were successful in raising funds to cover these excesses (or alternatively if budgeted revenues were not achieved, costs were reduced to mitigate the shortfall).

#### **Where are we now?**

For the 2007/08 fiscal year, we realized total revenues of \$3,998,021 and total expenses of \$4,007,624, for a net loss for the year of \$9,603. This net loss figure is less than  $\frac{1}{4}$  of 1% of revenues; therefore for all practical purposes we can say that we achieved a balanced budget for the year.

This breakeven result was achieved despite major funding shortfalls in the areas of Admissions, Memberships, and Exhibition sponsorships, as outlined above. These shortfalls were largely compensated by Operating expense reductions, investment revenue from our Endowment Fund assets, and extra donations received for Acquisitions.

#### **Where do we want to be?**

We want to continue generating enough revenues to cover our expenses, and despite revenue challenges are forecasting a break-even year again for fiscal 2008/09.

**Priority 6:** *Continue to implement the Governance recommendations as outlined in the KPMG Report of April 2004.*

**Outcome: Completion of six outstanding items from KPMG Report**

Measure: Six items implemented

**What does this measure tell us?**

The 2004 KPMG Report included many recommendations touching on AGNS' governance framework, management roles and responsibilities, financial management and control, and related areas. Completing the implementation of these recommendations is an indication that the necessary changes were done and that the Administrative side of the operation had proper systems in place to support the Programming side.

**Where are we now?**

The Governance & Human Resources Committee of the Board undertook as a project for the 2007/08 fiscal year to do a comprehensive review of the KPMG recommendations and the status of their implementation. In some cases, the Committee concluded that some of the recommendations made in 2004 were no longer appropriate today. In any event, the Committee was able to announce at the Annual Meeting in June 2008 that "we are pleased to report that all of the recommendations made in the report have been addressed".

**Where do we want to be?**

While the formal recommendations of the KPMG report have all been addressed, changes and enhancements to management processes are a never-ending evolution. For the 2008/09 fiscal year, the Governance & HR Committee hopes to oversee changes to the AGNS Act and Bylaws to give the Board and management more authority to perform routine operational items (e.g. changes in membership fee structure are still very cumbersome to implement).

**Priority 7:** *Formulate a comprehensive "Development Plan" that will direct the fund-raising efforts of the AGNS.*

**Outcome: Development plan documented and implemented**

Measure: Development Plan implemented

**What does this measure tell us?**

The 2004 KPMG Report recommended the hiring of a full-time fundraising professional to lead

the development efforts of the AGNS. It was our intention that this person would be the lead for the crafting and implementing this Development Plan, which would guide our fundraising activity in all areas of the operation.

### **Where are we now?**

The Department of Tourism, Culture and Heritage has made funds available to support the fundraiser position for two years. Unfortunately, we have as yet not been successful in sourcing and hiring a person for this position. As a result, while components of a potential future plan have been put in place and some plan outlines have been proposed by management, the formal Development Plan has not yet been created.

The absence of a Development Plan, and more specifically, a staff fundraiser to lead its implementation, has led to funding shortfalls, primarily in the area of exhibition sponsorships, as we have seen above. This continues to place a great strain on our financial performance. The lack of a fundraising position means that the onus has been on curatorial and administrative staff to work in raising the funds to pay for their own programs.

### **Where do we want to be?**

We are continuing to work on the organizational structure to include a full-time fundraising position and hope to have a person hired before the end of 2008. As well, the Development Committee of the Board will be getting a new Chair for the 2007/08 fiscal year. We hope and expect that these two things will re-energize the fundraising efforts and lead to a comprehensive Development Plan to help raise funds for gallery operations and programming in future.

***Priority 8:** Create a Visitor Services Working Group to (1) rethink our service-delivery model to Gallery patrons, (2) to help drive membership and admissions revenue, and (3) bring complementary services together under one efficient working construct.*

### **Outcome #1: Working Group created & strategy documented**

Measure: Visitor Services Plan created

#### **What does this measure tell us?**

The creation of a Visitor Services Plan gives direction to an overall strategy by placing various parts of our “visitor experience”, which can sometimes work in isolation from each other, under one central management to ensure that these parts work in a complementary manner to improve visitor satisfaction - and ultimately increase revenues.

### **Where are we now?**

We did not progress with this initiative as we had planned. An informal group made up of individuals from within the Management Team did meet on occasion and certain components of Visitor Services plan have been worked on, but no comprehensive plan has been generated yet.

### **Where do we want to be?**

It is our intention to move forward with the original plan, as elaborated in the 2007/08 Business Plan. We intend to have a Visitor Services Working Group formally constituted and workable plan fully documented by the fall of 2008.

### **Outcome #2: Implementation of Visitor Services strategy**

Measure: Visitor Services Plan implemented

#### **What does this measure tell us?**

The Visitor Services plan will only be as good as its implementation. Once the Working Group has developed the plan and the full Management Team has had its input, the plan will be put in place.

### **Where are we now?**

Certain strategies, which will ultimately be components of a formal Visitor Services Plan, have been developed and implemented even in absence of a formal plan. Certain improvements have been made in the areas of the Front Desk and Security, for example.

### **Where do we want to be?**

It is our intention to move forward with the original plan, as mentioned above, and have a workable plan in place in the fall of 2008.

## Financial Results

**ART GALLERY OF NOVA SCOTIA**  
**Accountability Report - Financial Results**  
**Year Ending March 31, 2008**

|                                    | <u>Budget</u>    | <u>Actual</u>    | <u>Variance</u>  | <u>Note Reference</u> |
|------------------------------------|------------------|------------------|------------------|-----------------------|
| <b>Operating Revenues:</b>         |                  |                  |                  |                       |
| Province of Nova Scotia            | \$1,793,000      | \$1,835,872      | \$42,872         | (1)                   |
| Admissions & Memberships           | 380,000          | 279,480          | (100,520)        | (2)                   |
| Donations & Other                  | 232,000          | 132,088          | (99,912)         | (3)                   |
| Programming recoveries             | 935,000          | 936,814          | 1,814            |                       |
| Gallery recoveries                 | <u>126,000</u>   | <u>121,936</u>   | <u>(4,064)</u>   |                       |
|                                    | <u>3,466,000</u> | <u>3,306,190</u> | <u>(159,810)</u> |                       |
| <b>Operating Expenses:</b>         |                  |                  |                  |                       |
| Salaries & Benefits                | 1,316,000        | 1,268,110        | (47,890)         | (4)                   |
| Building Operations                | 939,500          | 885,003          | (54,497)         | (5)                   |
| Programming                        | 1,010,500        | 1,110,890        | 100,390          | (6)                   |
| Development & Public Relations     | 105,000          | 125,563          | 20,563           | (7)                   |
| Western Branch                     | <u>250,000</u>   | <u>188,094</u>   | <u>(61,906)</u>  | (8)                   |
|                                    | <u>3,621,000</u> | <u>3,577,660</u> | <u>(43,340)</u>  |                       |
|                                    | (155,000)        | (271,470)        | (116,470)        |                       |
| Gallery Shop                       | 30,000           | 48,570           | 18,570           |                       |
| Product Development                | <u>25,000</u>    | <u>13,499</u>    | <u>(11,501)</u>  |                       |
| <b>Net Operating Income (Loss)</b> | (100,000)        | (209,401)        | (109,401)        |                       |
| <b>Endowment Fund - Net</b>        | 100,000          | 174,388          | 74,388           | (9)                   |
| <b>Acquisition Fund - Net</b>      | <u>-</u>         | <u>25,410</u>    | <u>25,410</u>    | (10)                  |
| <b>Surplus (Deficit)</b>           | <u>\$0</u>       | <u>(\$9,603)</u> | <u>(\$9,603)</u> |                       |

(1) Additional funding received for bargaining unit settlement increases.

(2) The bulk of the shortfall is in Admissions; exhibitions did not bring in number of patrons as projected, therefore Admissions did not meet forecast.

(3) \$80,000 had been projected as a grant from Tourism, Culture & Heritage to cover the cost of a fundraising position, but this position was not filled during the year.

(4) Some positions not filled.

- (5) Savings realized in Utilities, Security, Insurance, and other expenses.
- (6) Added some exhibitions and related programming during the year. Some additional Programming revenue offset part of these added costs.
- (7) Communications costs increased due to increased programming.
- (8) Western Branch was closed part of the year due to flooding.
- (9) Investment income much higher than anticipated.
- (8) Donations received in excess of purchased acquisitions and associated costs.