

August 31, 2017

Mayor Konrad and Council
Corp. City of Grand Forks
7217- 4th Street
Grand Forks, BC

Re: Fee For Service Request beginning January 1, 2018

Dear Mayor Konrad and Councilors,

In accordance with the 2017 Funding Agreement with the City of Grand Forks, the Grand Forks Art Gallery Society hereby submits the request for continued Fee For Service Funding effective January 1, 2018.

A renewal option letter for an extended fee for service period was delivered to staff at the COTW meeting July 17, 2017 notifying the city of our intent to exercise the five year option per Clause 1, Term of Fee For Service Funding Agreement.

The Grand Forks Art Gallery Society (GFAGS) is requesting a 3+2 year agreement; with the first 3 years based on our existing \$142000 funding plus a CPI increase year over year of 2% in each of the first three years resulting in:

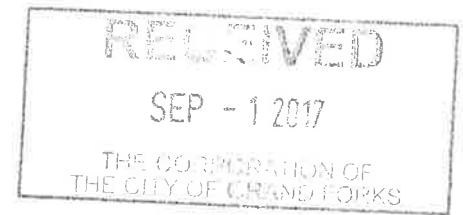
2018-\$144,800, 2019-147,736, and 2020 -150,691.

We would suggest the final two of five years be open to review CPI at that time. This request reflects the Bank of Canada inflation rate outlook of 2% for 2018 and beyond.

Please see the attached 3 year forecasted budget for GFAGS with the increases in operations, including salary adjustments long overdue. The GFAGS board and staff take on the responsibility of raising additional money through fundraising endeavors, responsible fiscal management, and grant application sourcing. The majority of funding available is project based, however the opportunity exists to request operations assist funding (meaning they will assist, not cover main operating) through the BC Community Gaming Grant for some curatorial and programming costs, and the British Columbia Arts Council providing funds to assist with exhibitions and artist fees. We will apply for increases to those grants as they come due for renewal. We continue to provide stable employment in our community- two full time and three part time jobs, including the visitor's centre. The summer student opportunities, supported in part by Young Canada Works and Service Canada grant applications, provide up to three university students work in July and August each year.

We continue to maintain our classification as a Canadian Art Museum –defines as a gallery with a permanent collection and continuous contemporary exhibitions.

I have been actively involved for the past two years working directly with the staff, volunteers, patrons and visitors and I am more certain than ever of the value we provide in our community. Every day I see and hear how much the Gallery and Visitor's Centre is appreciated, including the foresight of the City to provide such a beautiful venue and support for arts and culture. It became clear to me we are an intentional destination stop for visitors to our City and region as well as a prideful asset for our residents. That carries the responsibility to maintain the high level of programming and exhibitions, the visitor services, and act as ambassadors for the City and our community. We are well respected in our



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G5 - Fee
for Service Request
2018

field, recently evidenced by the quality of art and culture professionals applying for the Director Curator position effective September 1, 2017.

Our retiring curator Ted Fogg, the board, staff, and I are so proud of the work that has been done to raise us to that level. We will be pleased to introduce Mr. Tim van Wijk to you at the October COTW meeting, where we will review this submission and be available for any questions.

Thank you for your past support, we are looking forward to the future.

Best regards,

Terry Woodruff
Executive Director, on behalf of
Grand Forks Art Gallery Society

Forecasted Budget through March 31 2021

	Approved Budget 2016-17	Approved Budget1 2017-18	Forecast 2018/19	Forecast 2019/2020	Forecast 2020/2021
Earned Revenue					
Memberships	\$ 4,000.00	\$ 4,000.00	\$ 4,200.00	\$ 4,400.00	\$ 4,600.00
Giftshop	\$ 17,000.00	\$ 40,000.00	\$ 42,500.00	\$ 42,500.00	\$ 42,500.00
Gallery Sales & Catalogues					
Art Rental Sales	\$ 12,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00	\$ 8,000.00
Art Rental		\$ 6,500.00	\$ 6,500.00	\$ 6,500.00	\$ 6,500.00
Beer & Wine sales	\$ 1,500.00				
Visitor Information Sales	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
PST Vendor's Commissions					
Facility Rentals	\$ 6,000.00	\$ 2,000.00	\$ 2,500.00	\$ 3,000.00	\$ 5,000.00
Other Earned Revenue					
Total earned rev	\$ 43,500.00				
Investment Income					
Endowments etc		\$ 500.00	\$ 600.00	\$ 700.00	\$ 800.00
Total investm income					
Private Sector Revenue					
Donations, Unreceipted	\$ 5,000.00	\$ 1,000.00	\$ 1,200.00	\$ 1,500.00	\$ 1,500.00
Individ Donations, Receipted		\$ 5,000.00	\$ 5,000.00	\$ 5,500.00	\$ 5,500.00
Corporate Donations		\$ 500.00	\$ 1,000.00	\$ 1,200.00	\$ 1,500.00
Fundraising Events	\$ 15,000.00	\$ 25,000.00	\$ 26,000.00	\$ 27,000.00	\$ 27,000.00
In-Kind Goods and Serv.					
Total private sector	\$ 20,000.00				
Federal Public Revenues					
Young Canada Works	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00
Service Canada Student	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00	\$ 4,000.00
Dept Canadian Heritage					
Total federal revenue	\$ 12,500.00				
Provincial Public Revenues					
BC Tourism Operating Grant	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
BC Tourism Project Grant					
BC Gaming and Lottery Proceeds	\$ 50,000.00	\$ 32,000.00	\$ 35,000.00	\$ 37,500.00	\$ 40,000.00
BC Heritage					
BC Arts Council Operating Grant	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 18,000.00	\$ 25,000.00
Total provincial revenue	\$ 78,000.00				
Municipal and Regional Revenues					
City of GF Operating	\$ 142,000.00	\$ 142,000.00	\$ 144,800.00	\$ 147,700.00	\$ 150,700.00
Regional District	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 7,500.00	\$ 10,000.00
Boundary Arts Council	\$ 1,200.00				
Phoenix Foundation		\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00
Total Munic and Regional	\$ 148,200.00				
TOTAL ACTUAL GROSS REVENUE	\$ 302,200.00	\$ 316,000.00	\$ 326,800.00	\$ 337,500.00	\$ 355,100.00
Total Budget/Forecasted monthly					

Expenses, running totals

Approved Budget 2016-17 | approved 2017-18

forecast 2018-19

forecast 2019-2020

forecast 2020-21

Artistic and Programming					
Artists & Professional Fees	incl in exh/progr bgt item				
Artist Fees re Art Rentals					
Artistic Salaries	\$ 40,000.00	\$ 55,000.00	\$ 56,000.00	\$ 57,500.00	\$ 60,000.00
Exhibition, Programming	\$ 18,000.00	\$ 20,000.00	\$ 27,000.00	\$ 27,000.00	\$ 30,000.00
Professional Development					
Collection Management					
Audience Development, Outreach		\$ 1,500.00	\$ 1,500.00	\$ 3,000.00	\$ 3,500.00
Membership, Registration	\$ 1,200.00	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 1,500.00
Total Artistic & Programming	\$ 59,200.00				
Facility Operating Expense					
Operating Salaries	\$ 60,000.00	\$ 60,000.00	\$ 61,000.00	\$ 62,000.00	\$ 63,000.00
General Facility Expense	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 26,000.00	\$ 28,000.00
Facility Rental Expense	\$ 5,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 2,500.00
Other Facility Expense					
Total Facility Operating Expenses	\$ 91,000.00				
Marketing & Communications					
Marketing & Comm Salaries	\$ 30,000.00	\$ 30,000.00	\$ 31,000.00	\$ 32,000.00	\$ 32,000.00
Advertising Purchases	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,500.00	\$ 4,000.00
Other Marketing/Production		\$ 500.00	\$ 500.00	\$ 500.00	\$ 500.00
Total Marketing & Communications	\$ 33,000.00				
Fundraising Expenses					
Fundraising event expense	\$ 3,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,500.00	\$ 5,500.00
Wine & Beer expense re Fundrs	\$ 1,500.00				
Gift Shop Purchases retail incl comm	\$ 10,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00	\$ 25,000.00
Cash Short (Over)					
Visitor Centre Purchases retail	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00	\$ 1,500.00
Board/Volunteer FR exp	\$ 1,000.00	\$ 1,000.00	\$ 1,000.00	\$ 1,500.00	\$ 1,500.00
Other Fundraising exp AR fees etc		\$ 5,000.00	\$ 5,000.00	\$ 5,000.00	\$ 5,000.00
Total Fundraising expenses	\$ 17,000.00				
Administration Expenses					
Admin Salaries	\$ 75,000.00	\$ 50,000.00	\$ 50,000.00	\$ 51,000.00	\$ 55,000.00
EI Expense	\$ 4,000.00	\$ 4,000.00	\$ 4,500.00	\$ 5,250.00	\$ 5,500.00
CPP Expense	\$ 5,000.00	\$ 5,000.00	\$ 5,200.00	\$ 6,200.00	\$ 6,000.00
Admin Professional Fees	\$ 8,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00	\$ 10,000.00
Equipment Lease		\$ 3,000.00	\$ 3,000.00	\$ 3,000.00	\$ 3,000.00
Other Admin Expenses	\$ 10,000.00	\$ 8,500.00	\$ 8,500.00	\$ 8,500.00	\$ 9,500.00
Total Admin Expenses	\$ 102,000.00				
Total Expenses	\$ 302,200.00	\$ 316,000.00	\$ 326,700.00	\$ 336,950.00	\$ 352,500.00
running net income		\$ -	\$ 100.00	\$ 550.00	\$ 2,600.00

Note: Artistic Salary (Curator) and Admin Salary reflect Curator/Director position combined eff. Sept 2017