

# REPORT ON INVESTMENT IN CALGARY'S CORNERSTONE ARTS ORGANIZATIONS

*Priorities and  
Finance Committee  
December 5, 2017*



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## Previous Council Direction

On 2017 July 31, Council approved the Priorities and Finance Committee's recommendations to:

- I. Approve a one-time budget of \$2 million to Program 449 for Calgary Arts Development Authority funded from the Fiscal Stability Reserve (FSR) to invest immediately in the 10 Cornerstone arts organizations and report back in Q4 2017 on the investment of the funds.
- II. Direct Calgary Arts Development to work with the Cornerstones to develop a sustainability framework and report back to Council through Priorities and Finance Committee with an update no later than Q2 2018.

## Allocation Process

- CADA developed the Cornerstone Bridge Funding Program to provide for effective peer assessment of the appropriate allocations for each Cornerstone.
- The Program consisted of two parts:
  - i. a case for investment developed by each Cornerstone organization
  - ii. a comprehensive analysis, by CADA, of each Cornerstone's liquidity and risk of insolvency based on financial statements going back to 2012;
- Proposed investment schedule moved every organization from the current municipal funding average of 3.5% of their annual budgets to 5% minimum and 9.5% maximum





## Final Allocations

Company	2017 Municipal Grant	Municipal Grant % of Budget	Proposed One-Time Bridge Fund Allocation	Final One-Time Bridge Fund Allocation	NEW Municipal Grant % of Budget
Alberta Ballet	\$466,070	3%	\$252,734	\$263,647	5%
Alberta Theatre Projects	\$297,285	8%	\$ 62,067	\$ 72,980	9.5%
Calgary Opera	\$213,180	3%	\$158,663	\$158,663	6%
Calgary Philharmonic Orchestra	\$303,050	2%	\$318,266	\$318,266	5%
Folk Festival Society of Calgary	\$156,863	4%	\$110,510	\$110,510	6.5%
Glenbow	\$141,075	1%	\$367,793	\$367,793	5.5%
National Music Centre	\$ 57,475	1%	\$324,206	\$324,206	6%
One Yellow Rabbit	\$ 78,375	5%	\$ 79,008	\$ 89,921	9.5%
Theatre Calgary	\$303,050	3%	\$198,611	\$198,611	5%
Theatre Junction	\$ 80,465	4%	\$ 84,490	\$ 95,403	9.5%



## Investment of the Funds

This Bridge Funding allows the Cornerstones to do the following:

- To move out of a deficit position and  
Alberta Ballet, Calgary Philharmonic Orchestra, One Yellow Rabbit
- To implement new plans and navigate changes in direction  
Alberta Theatre Projects, Calgary Opera, Glenbow, Theatre Calgary,  
Theatre Junction Grand
- To focus on programming as they take a different approach to handling  
facility costs and mortgages:  
National Music Centre, Folk Festival

## Next Step: Sustainability Framework

Work is already underway to determine:

- A. how to best sustain and strengthen these Cornerstone arts organizations; and
- B. how they can work to sustain Calgary in their role as a city-building force that is vital to the success of the creative economy, tourism and a vital urban centre.