

**CITY OF SAULT STE. MARIE GRANT AGREEMENT**

**THE AGREEMENT** is effective as of the 1<sup>st</sup> day of January, 2025.

**BETWEEN:**

**THE CORPORATION OF THE CITY OF SAULT STE. MARIE**

(hereinafter referred to as the "City")

-and-

**The Art Gallery of Algoma**

(hereinafter referred to as the "Recipient")

**WHEREAS**

The City provides a grant to the Recipient to assist with the provision of art and culture to the residents of the City of Sault Ste. Marie and other visitors,

**NOW THEREFORE** the parties hereto agree as follows:

**1. TERM**

The Agreement will commence on the Effective Date and will expire on December 31, 2025 (the "Term") unless terminated by the City pursuant to the terms contained herein.

**2. USE OF FUNDS**

The Recipient acknowledges and agrees to the following:

- i. To use the Funds solely for the activities and/or services eligible for funding as set out in Schedule "A" and that the City retains the right to assess the Recipient's use of Funds at any time;
- ii. That the Funds shall not be used to cover any expense that has or will be funded or reimbursed by a third party, ministry, agency, or other organization; and
- iii. That the amount of Funds available to it pursuant to this Agreement is determined by calculating the actual costs to the Recipient and subtracting any income including taxes, rebates, credits or refunds, for which the Recipient has received, will receive, or is eligible to receive during the Term. The Recipient shall immediately notify the City of any change to its costs or income.

### **3. FUNDS PROVIDED**

The City shall:

- i. Provide the Recipient up to \$328,550, (the "Funds") for the purpose of operational requirements, as apportioned in Schedule "A";
- ii. Provide the Funds to the Recipient in accordance with Schedule "A"; and
- iii. Provide the Funds by depositing same into an account designated by the Recipient provided that the account:
  - a) Resides at a Canadian financial institution; and
  - b) Is in the name of the Recipient organization.

The Recipient acknowledges that it is not eligible to receive any funding or grants from any City source in addition to the Funds agreed to herein for the Term of the Agreement. The Recipient further acknowledges that any and all amounts owing to the City must be paid in full before the Funds will be released. Funds will not be disbursed until two (2) signed copies of the legal agreement are returned to the City.

#### **3.1 Funds upon Expiry of Agreement**

The Recipient shall, upon expiry of the Agreement, forthwith return to the City any remaining Funds in its possession using a method of payment that is agreeable to the City.

#### **3.2 Repayment of Overpayment**

If at any time the City provides Funds to the Recipient in an amount excess to that which the Recipient is entitled to under the Agreement, the City may:

- i. Deduct an amount equal to the excess Funds from any further instalments; or
- ii. Demand that the Recipient repay an amount equal to the excess Funds to the City, wherein the Recipient shall forthwith comply.

### **4. INDEMNITY**

The Recipient agrees to indemnify the City, its respective officers, employees and agents of, from and against all actions, suits, claims, costs, damages, executions and demands of any nature whatsoever which may be brought against or made upon the City, its respective officers, servants and agents, by reason of or on account of loss or damage to property or injury (including death) occasioned by any party arising out of the activities or services listed in Schedule "A" to this Agreement and all activities or services ancillary thereto.

### **5. ACCOUNTING RECORDS**

The Recipient shall maintain accounting records that document the receipt of the City Funds and all expenditures related to same. The Recipient shall keep its accounting records for at least seven (7) years after the expiration of the Term. The City retains the right to review or audit the

Recipient's accounting records at any time and the Recipient shall provide full access to any and all such records as requested by the City.

## **6. REPORTS**

The Recipient shall:

- i. Submit to the City all documents in accordance with Schedule "B";
- ii. Ensure that all Reports are signed on behalf of the Recipient by an authorized signing officer; and
- iii. Upon the request of City Council, annually present to City Council in the last quarter of calendar year on a date specified by the City a summary of the Recipient's financial state, including but not limited to a summary of its funding, revenue and expenses, and a summary of the impact that the City funding has had, if any, on fulfilling the mandate of the organization; in accordance with Schedule "C". This presentation will also include the following metrics (which are tied to a supplied copy of the organizations business plan):
  - a. Number of visitors – paid admissions
  - b. Number of events or programs
  - c. Number of visitors – events or programs
  - d. Number of virtual visits (if any)
  - e. Visitors from outside of Sault Ste. Marie and location
  - f. Annual revenue

## **7. TERMINATION**

The City may, at its sole discretion, cancel this Agreement on sixty (60) days' written notice to the Recipient. In the event of such early termination of this Agreement, the Recipient acknowledges that same shall result in the immediate stoppage of any future payment of Funds from the City up to the date of termination, provided however, that in the event that the City elected to terminate the Agreement as a result of a default of the terms and conditions of the Agreement, the sole determination of which shall be made by the City in its sole discretion, the remedies, terms and amounts set out in Section 9 herein shall apply.

## **8. INSURANCE**

The Recipient agrees to maintain at its own cost and expense for all times during the currency of this agreement, a minimum of Two Million (\$2,000,000.00) Dollars comprehensive general liability insurance in respect of personal injury, death, loss or damage of or to any person or property of third parties, with insurers licenced to conduct business in Ontario. The City shall be added as an Additional Insured to the required liability insurance policy or policies and no such policy shall be cancelled or allowed to lapse without at least thirty (30) days written notice having been given to the City. An Insurance Certificate, on the C.S.I.O. form and satisfactory to the City's Risk Manager, shall be provided to the City prior to the commencement of the Effective Date.

**9. DEFAULT**

The Recipient agrees that any default to the terms and conditions contained herein by the Recipient shall result in the immediate stoppage of payments from the City and immediate termination of the Agreement. The Recipient further agrees that a default arising from any use of Funds that is contrary to the terms of this Agreement as determined by the City may also result in the repayment of Funds to the City in an amount proportionate to the Funds that were improperly used in a method of payment specified by the City.

**10. NOTICE**

Any notice pursuant to any of the provisions of this Agreement shall be given in writing addressed:

***In the case of notice to the City:***

Chief Financial Officer/Treasurer  
The Corporation of the City of Sault Ste. Marie  
99 Foster Drive  
Sault Ste. Marie, ON P6A 5N1

***In the case of notice to the Recipient:***

**IN WITNESS WHEREOF** the parties hereto have executed this Agreement the day, month and year first above written.

EXECUTED IN THE PRESENCE  
OF

**THE CORPORATION OF THE CITY OF  
SAULT STE. MARIE**

\_\_\_\_\_  
MAYOR – MATTHEW SHOEMAKER

\_\_\_\_\_  
CITY CLERK – RACHEL TYCZINSKI

**The Art Gallery of Algoma**

\_\_\_\_\_  
NAME  
*(I have the authority to bind the corporation.)*



## **SCHEDULE "B"**

### **REPORTING**

The following documents shall be filed with the Finance Department of the City:

- 1) Annual financial statements for the Recipient organization, preferably accompanied by an auditor's report, if available by February 1 of the year following each year funding was received;
- 2) Interim Report, in the form provided in Schedule "C" by September 1 of the year the funding was received;
- 3) Written summary of Eligible Expenses/Final Report, in the form provided in Schedule "D" by February 1 of the year following each year funding was received.
- 4) Schedule of meetings:
  - a) Late December/Early January – review agreement and KPI's
  - b) June/July – mid-term review of KPI's and application processes
  - c) Fall – review of request submitted for financial assistance
  - d) Notification of Annual General Meeting

**SCHEDULE “C”  
INTERIM REPORT**  
**Agency: The Art Gallery of Algoma**  
Year To Date: January 1 – July 31

1. Use of Funds: Provide a detailed description of the approved use of funds.
  
2. Financial Information: Have expenditures been in accordance with the agreement and all claims filed to date? Yes  No  If not, please provide an explanation.

Metrics:	YTD 2025	2024	YTD 2024	2023	2022	2021	2020	2019
Number of Visitors (Paid Admissions to Gallery Space)			5120	8,700	4,745	1,035	1,500	5,800
Visitors from Outside of Sault Ste. Marie (>40km)			830	2300	1,650	918	n/a	n/a
Number of Education Programs Delivered (ADSB & HSCDSB, etc.)			146	173	157	1,959 students, 48 art classes, 1 workshop, artists, online	n/a	n/a
Number of Students via Education Programs			n/a	n/a	n/a	n/a	n/a	n/a
Number of Programs or Events (i.e. art classes, etc.)			173	258	245	185	57 (live and virtual)	277
Number of Visitors - Events & Programs (exhibition opening, workshops, etc.)			7,800	12,500	7,345	4,517	1400, 763, 50000 virtual	27,000
Number of Virtual Visits (if any)			105,562	125,887	73,670	83,391	n/a	n/a
Total Number of Memberships (all tiers)			n/a	n/a	n/a	n/a	n/a	n/a
Number of Facility Rentals (#)			n/a	n/a	n/a	n/a	n/a	n/a

Revenue:								
Metrics:	YTD 2025	2024	YTD 2024	2023	2022	2021	2020	2019
City Grant		298,550	n/a	199,083	280,275	280,275	140,392	280,785
Other Grants			42,000	361,786	142,138	61,707	90,913	66,213
Monetary Donations Received			8,500	9,715	8,347	8,867	4,758	8,000
Admissions (\$)			7,850	12,364	11,750	5,397	1,500	31,000
Membership (\$)			n/a	n/a	n/a	n/a	n/a	n/a
Facility Rentals (\$)			n/a	n/a	n/a	n/a	n/a	n/a
Fundraising Events/Programs/Initiatives			n/a	n/a	n/a	n/a	n/a	n/a
Gift Shop Sales			n/a	n/a	n/a	n/a	n/a	n/a
Other (specify)			14,500 (shop)	54,135(shop)	28,927(shop)	23,559(shop)	8,650	66,213
Total Revenue			n/a	n/a	n/a	n/a	n/a	n/a
Annual Financial Surplus/Deficit				(3,395)	55,699	82,976	74,823	34,592
Notes: (please add any clarifying notes here, if required)								

3. Other Performance Measures:

a. Note any milestones/activities/objectives as set out in the agreement and if they have been completed. Describe the benefits that resulted for the community.

b. Please describe any actions or initiatives that your organization has undertaken in this fiscal year that have had a positive effect on your revenue streams.

4. 2026 Funding Request: \$ \_\_\_\_\_ (Reason for increase if applicable.)

Signature:

Date:

Name                      of                      Signatory:

Title:

I/We have authority to bind the Recipient.

**SCHEDULE "D"**

**SUMMARY OF ELIGIBLE EXPENSES/FINAL REPORT**

