

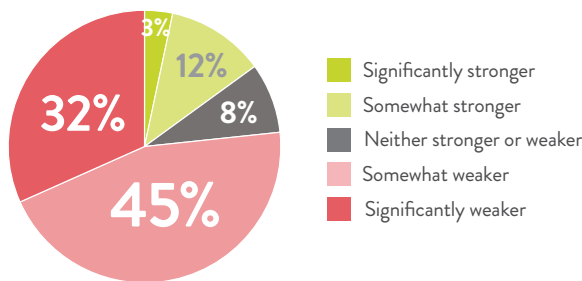
MAY 2, 2023

The Advisory Board for the Arts regularly surveys leaders at arts organizations — including operas, ballets, symphonies, festivals, theaters, venues, schools, advocacy organizations, and museums — about issues relevant to the arts world. This online survey was fielded **April 17–26, 2023**. This is the seventy-second survey of the series and was designed to help arts leaders benchmark themselves on how the overall state of expenses and revenues for this fiscal year compare to that of the last pre-pandemic season (i.e., 2019), projections for the upcoming year, as well as anticipated changes to business models.

OVERALL STATE OF ORGANIZATION

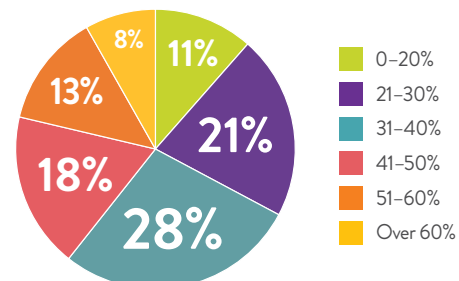
Overwhelming Majority Are Sensing a Weaker Arts Sector

Strength of Arts Sector Currently v. Pre-Pandemic (2019)



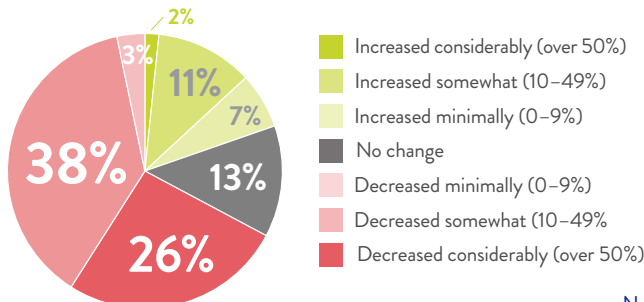
Range in Weight of Earned Revenue as a Part of the Budget

% of Current FY23 Budget From Earned Revenue



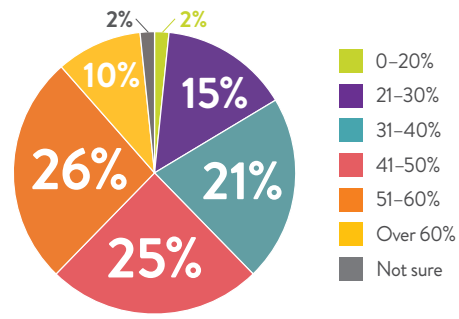
More Orgs Have Experienced a Decrease in % of Budget from Earned Income than Increase

% of FY23 Budget From Earned Income In Current FY23 Budget v. Pre-Pandemic (2019)



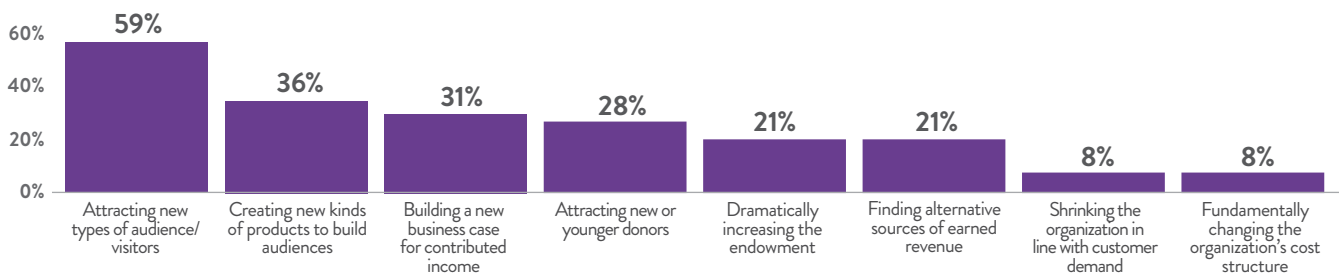
Generally, Orgs Would Want More Earned Income Than They are Currently Receiving

Ideal % of Budget from Earned Revenue



Majority of Orgs Intent to Focus on Attracting New Audiences/Visitors in FY24

Top 2 Aspects of Business Model to Modify in FY24



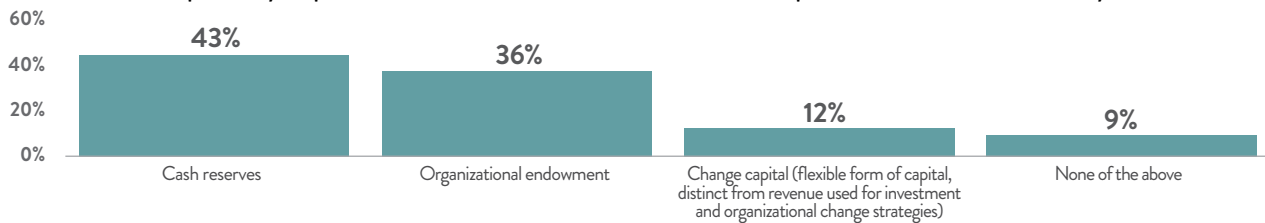
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OVERALL STATE OF ORGANIZATION

Enhancing Cash Reserves and Org Endowment Are Top Improvement Areas for Future Capitalization Efforts

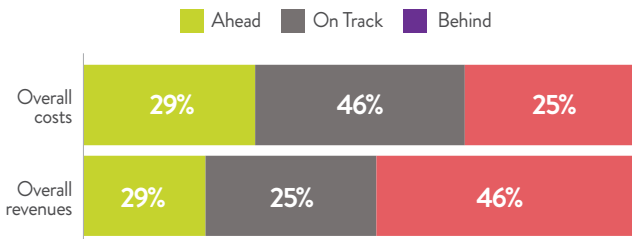
Top Priority Capitalization Area to Enhance in Near Future to Improve Overall Financial Viability



STATE OF BUDGETS

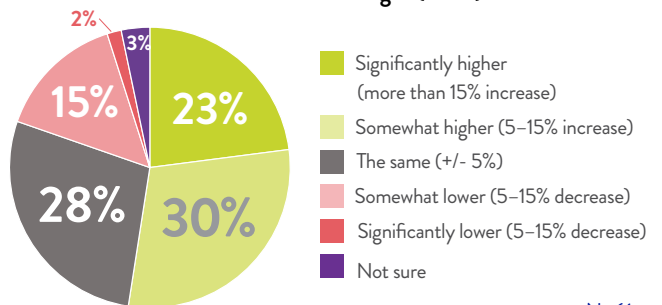
FY23 Revenues Are More Behind Original Projections Than FY23 Costs

Performance of FY23 Budget Against Projections from When Budget was Approved Last Year



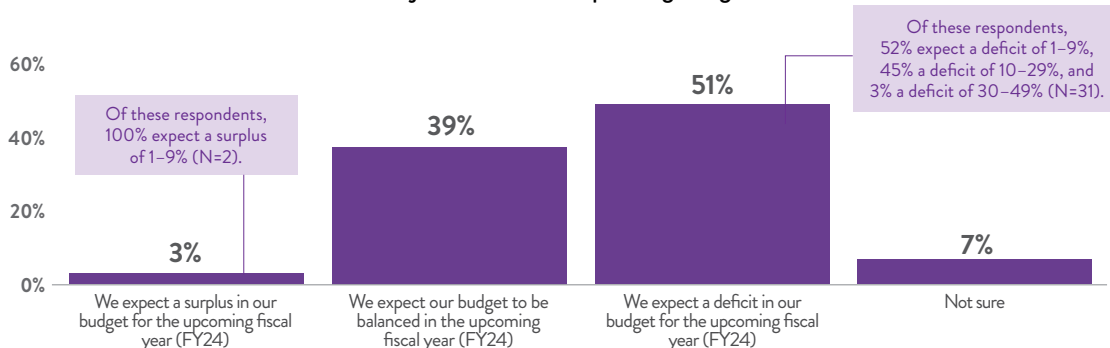
Range in Size of FY24 Budget Compared to Most Recent Pre-Pandemic Budget

Projected FY24 Overall Operating Budget v. Pre-Pandemic Budget (2019)



Half Expect a Deficit in FY24 – Most Are Expecting a Deficit Up to 29%

Projection of FY24 Operating Budget



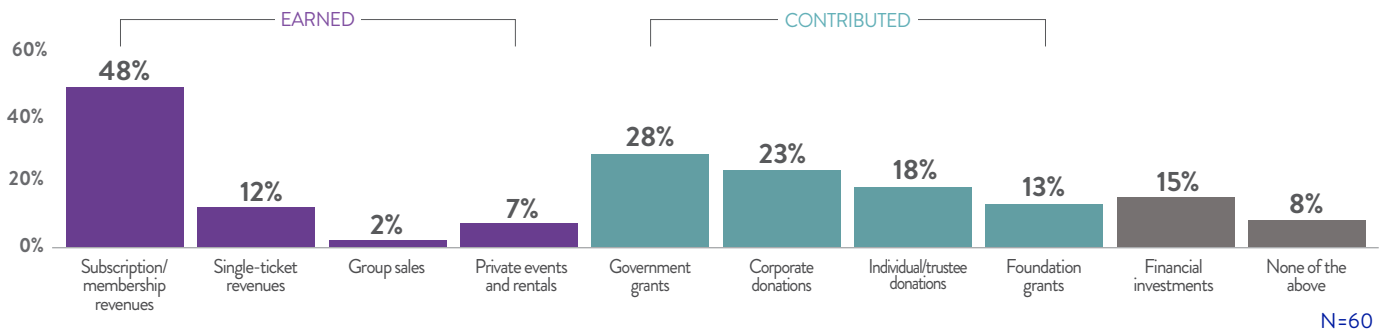
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ANTICIPATED REVENUE/EXPENSE CHANGES

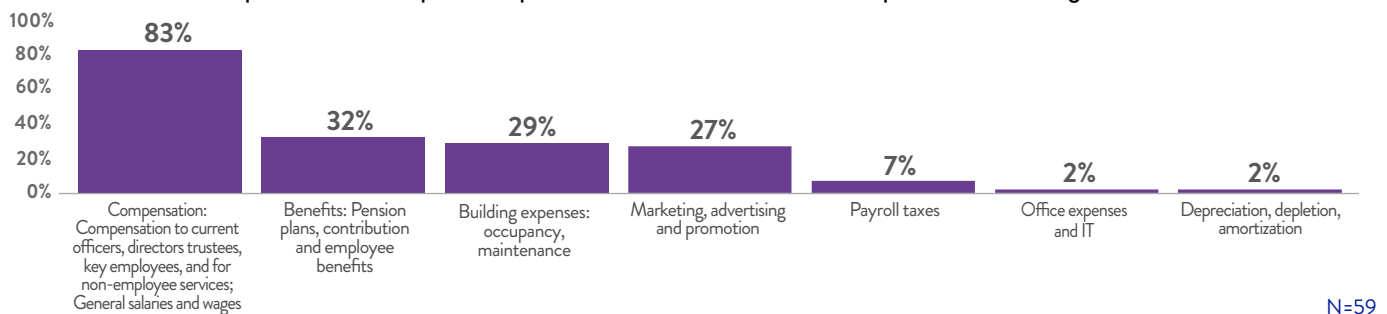
Subscriptions/Memberships Lead as Most Concerning Revenue Stream in Value Decrease; Government and Corporate Donations Follow

Top 2 Revenue Sources Anticipated to Decrease the Most in Value in FY24



Majority Expect High Growth of Expenses from Compensation

Top 2 Functional Expenses Expected to Increase the Most as a Proportion of the Budget in FY24



Plurality Expect Contributed Income to Cover More Expenses Next Fiscal Year than the Current Fiscal Year

Proportion of Expenses Covered by Contributed Income for FY24 v. FY23

