

CANADIAN MUSEUM FOR HUMAN RIGHTS



Photo: Aaron Cohen

SUMMARY OF THE 2016-2017 TO 2020-2021 CORPORATE PLAN AND THE 2016-2017 OPERATING AND CAPITAL BUDGETS



1.0 Executive Summary

Corporate Overview:

On September 20, 2014, Canadians gathered in Winnipeg to open the doors to a museum unlike any other. The official opening of the Canadian Museum for Human Rights marked a once-in-a-generation achievement – the completion of a distinctly Canadian centre for human rights education and dialogue that would leave visitors inspired to make a difference in others' lives. As dignitaries noted on the day of the CMHR's inauguration, Canada's new national museum would serve to symbolize our highest ideals as a nation, while celebrating Canadians' countless contributions to fundamental freedoms and democratic rights, both at home and abroad.

The journey of bringing the Canadian Museum for Human Rights to life was itself a uniquely Canadian undertaking. More than 8,000 individual donors came together in common purpose in what would become one of the most successful private fundraising efforts of its kind among cultural institutions in Canada. These generous citizens were joined by elected officials at all three levels of government, who supported the vision of a national human rights museum irrespective of political affiliation. Indeed, it was a unanimous vote in the House of Commons that enshrined the CMHR in federal legislation under Canada's *Museums Act*.

In the year since the Canadian Museum for Human Rights opened its doors, visitors from more than 40 countries have come to Winnipeg to be moved and inspired by an immersive, innovative and interactive museum experience that stands unique in the world. In the CMHR's first year of operations, the Museum welcomed more than 346,000 visitors. Revenue, aided by an elevated interest in facility rentals for conferences, lectures and other events, exceeded first-year projections. Educational programs directed at youth and school groups were fully subscribed.

Most significant of all, a vast majority of visitors surveyed throughout the first year of operations found their experience at the Museum to be informative, accessible, inspiring and relevant. Visitors also indicated they would not only be likely to return to the Museum in the near future but would be very likely to recommend a visit to the Museum to others. In the most recent survey, 97 per cent of respondents said they were satisfied or very satisfied with the Museum experience, while 92 per cent indicated they were left feeling inspired by their visit to the CMHR. The Museum continues to conduct visitor satisfaction surveys as part of its commitment to measuring the impact and success of its operations and to assist us with continuous improvement.

In addition, the Museum has been honoured to win 27 local, national and international awards for innovation in digital media, accessibility, interactive exhibits, design, engineering, short videos, workforce planning and talent management, immigration employment, outstanding employer and new tourist attraction and destination. New York based *Travel + Leisure* magazine called the Museum “one of the top five coolest” new attractions in the world. The Museum was also instrumental in Winnipeg being named one of the top 20 must-see destinations in the world for 2016 by *National Geographic Traveler* magazine, a prestigious list seen by millions.

Strategic Goals

The Board of Trustees has adopted goals under five strategic pillars to guide Museum operations and activities through the CMHR’s first five years of operations.

Our Goals

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|----------------------------------|--|
| Visitor Experience: | To be one of the most visited museums in Canada, providing educational and inspiring experiences based on human rights, including virtual opportunities. |
| Infrastructure: | To complete and maintain our world-class building, exhibitions, galleries and Museum assets to maximize visitor experience and reach. |
| Stakeholder Relations: | To foster healthy and productive relations with our stakeholders and partners which advance the CMHR’s mandate and strategic priorities. |
| Financial Sustainability: | To achieve long-term, diversified, sustainable funding and financial stability. |
| Our People: | To create a workplace where people are engaged, productive and responsible for meeting and exceeding expectations. |

Key considerations through 2016-17 and beyond:

Looking ahead to future years, the Board and Executive of the CMHR are committed to building on the Museum’s considerable successes. A defining hallmark of the Canadian Museum for Human Rights is its ability to inspire generations and change lives.

The results achieved during the Museum's inaugural year demonstrate that sustained federal support for the Canadian Museum for Human Rights will deliver identifiable and significant benefit not just to the CMHR's future visitors, but to all of Canada and beyond.

The Museum, under the guidance of the Board and the President and CEO, aspires to continue on its path of innovation, achieving new "firsts" in the world and taking the Museum into exciting new areas to help its mandate flourish. The staff and Board of the Museum have a desire to constantly push the limits of what the Museum can accomplish and more fully achieve on its mandate over the planning period with the following:

- **Expand remote and web-based offerings** to more fully deliver on its mandate to reach citizens – youth in particular – in all regions of Canada by expanding mobile, app-driven and web-based offerings and enhancing opportunities for human rights education and dialogue for audiences that are not able to visit the Museum in person. Long-term initiatives include the use of digital tools to provide more personalized experiences and allow students and classrooms to share experiences and interact with other youth both in Canada and around the world.
- **Launch a travelling exhibition program** by developing CMHR branded travelling exhibitions to bring an in-person Museum experience to Canadians in their own communities. CMHR aims to further bolster Canada's reputation at home and abroad through exhibiting partnerships with national and international museums, galleries and universities and celebrating Canada's stories, shaped by our immense diversity, and sharing them with the world.
- **Continue to exhibit temporary exhibitions loaned by other institutions** and align them with the CMHR's mandate, ensuring that the leading and award-winning CMHR standards of inclusivity and engagement continue to be met.
- **Expand the reach of the National Student Program:** A cornerstone of the original business plan, the program will gradually be expanded from the current pilot project and be delivered both on-site and online, including support for a portion of travel costs to bring students from across Canada to experience the Museum first-hand.
- **Continue to foster a culture of human rights innovation** to achieve additional global "firsts," such as the Museum's inclusive-design benchmarks that today set the standard for cultural institutions around the world.

- **Expand formal and informal linkages with the national and international community** to continue to draw high-profile conferences, academics and dignitaries to help pursue the mandate of the Museum, in turn delivering increased reputational and economic benefits to Winnipeg, Manitoba and Canada.
- **Develop new, nationally relevant learning resources** for educators and students in all parts of Canada, building on the success of initiatives such as the CMHR's Human Rights Teaching Toolkit.

As the first national museum built in the digital age, in which core museum content is comprised not only of objects and artifacts but also by bytes and data, the CMHR has a distinct, ongoing need to ensure its IT infrastructure remains current as technology continues to evolve. The Museum's IT infrastructure and its unique CMHR-developed Enterprise Content Management System are the "backbone" of all exhibit content; maintenance and renewal are critical to ensuring the Museum can maintain and build upon existing visitor numbers by delivering a contemporary visitor experience and a defined "reason to return" for years to come.

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1.0 Mandate

1.1 Mandate and Guiding Principles

The mandate of the Canadian Museum for Human Rights (CMHR), as described in the *Museums Act*, is:

“To explore the subject of human rights, with special but not exclusive reference to Canada, in order to enhance the public’s understanding of human rights, to promote respect for others and to encourage reflection and dialogue.”

The CMHR aspires to offer its visitors an inspiring encounter with human rights while exceeding Canadians’ expectations for balance, transparency, sound business practices and meaningful public consultation. The Museum aims to reflect, celebrate and build on Canada’s rich human rights heritage and to become a globally recognized destination for its definitive, iconic architecture and unique-in-the-world visitor experience. The CMHR is an embodiment of Canadians’ commitment to fundamental freedoms and democratic rights.

The Museum’s mandate, mission and vision are reflected in its five guiding principles:

Inspiring human rights reflection and dialogue

The Museum fosters an appreciation for the importance of fundamental freedoms and democratic rights, spurs informed dialogue and invites participants to identify the contemporary relevance of past and present human rights events, both at home and abroad. The museum is committed to an inspiring visitor experience unlike any other in the world.

Celebrating Canadians’ commitment to human rights

The citizens of Canada are endowed with inherent human rights and responsibilities, codified over time in treaties, policies, laws and declarations. The CMHR provides a safe and engaging space to cultivate respect, gratitude, understanding and ongoing improvement of this human rights inheritance. The Museum connects its visitors with opportunities to explore the global development of human rights concepts and Canada’s important role within it.

Meaningful encounters between architecture and human rights

The CMHR is purposefully situated at a historic junction where two rivers meet: an important meeting place and starting point for new journeys for more than 6,000 years. The Museum honors this tradition by inviting guests to participate in a human rights journey of their own, in a building significant for its architectural symbolism of human rights advancement.

Dynamic and accessible human rights content

The Museum aims to deliver an immersive, interactive and memorable experience for visitors of every background, age and level of ability. All participants will have access to an ever-changing museum experience that reflects a design approach that sets new Canadian and world standards for inclusion and universal accessibility.

A credible and balanced learning resource

As a global human rights learning resource, the Museum bears a responsibility to ensure the accuracy, integrity and credibility of its research and collected knowledge. The Museum strives to serve as a trusted national and international source for human rights learning, at all times encouraging critical engagement with museum scholarship and content.

1.2 Alignment with Government Priorities

As a national museum, the CMHR is a member of the Canadian Heritage Portfolio and actively contributes toward Government of Canada policy objectives as they relate to Canadian culture and heritage and a diverse society that promotes linguistic duality and social inclusion.

Throughout its 2016-17 fiscal year, the CMHR will continue to support and contribute to the Government of Canada's Road to 2017 initiative, marking the 150th anniversary of Confederation. Specifically, the CMHR will be developing activities and programming related to the 2016 anniversary of women's right to vote and the 50th anniversary of the Canada Summer Games in 2017. The CMHR will also begin planning for its first major travelling exhibition, timed to launch in 2018. Working with other national museums and collaborators, the CMHR will encourage exploration of fundamental freedoms and democratic rights, Canada's human rights traditions and their role in shaping Canada as a nation.

Some stories in the Museum represent our growth as a nation and some represent the growth we still have in front of us. In recent years, important discussions have been taking place across this country about the devastating

legacy of Indian residential schools. The Museum has a number of exhibits that present the story of residential schools. The Truth and Reconciliation Commission (TRC) has called on all of us, including the Canadian Museum for Human Rights, to play a role in reconciliation. We recognize that reconciliation is a long process. The TRC, in its summary report, called on the Museum to represent, "...the history of residential schools and Aboriginal people in ways that invite multiple, sometimes conflicting, perspectives, yet ultimately facilitate empathy, mutual respect and a desire for reconciliation that is rooted in justice." The Museum will continue to listen, learn and collaborate to make a meaningful contribution towards reconciliation. We are committed to participating in the process. As Justice Murray Sinclair has said, we must endeavor to become a society that champions human rights, truth and tolerance, not by avoiding this difficult history, but rather by facing it head on.

2.0 Corporate Profile

2.1 Governing Legislation

The Canadian Museum for Human Rights is a Crown corporation established in 2008 by an amendment to the *Museums Act*.

In addition to the *Museums Act*, the CMHR is governed by Part X of the *Financial Administration Act*. It also complies with other statutes, including: the *Access to Information Act*; the *Privacy Act*; the *Public Servants Disclosure Protection Act*; the *Official Languages Act*; and the *Canada Labour Code*.

2.2 Governance Structure

The Board of Trustees serves as the governing body for the corporation and is accountable to Parliament for the stewardship of the Museum through the Minister of Canadian Heritage. The *Museums Act* provides for a Board of up to eleven members, appointed by the Minister of Canadian Heritage with the approval of the Governor in Council. The Board of Trustees has the primary responsibility for ensuring that the Museum fulfils its mandate and public policy role, that the financial, capital, and human resources entrusted to the institution are administered in the best interests of the Museum, and that strategic issues affecting the Museum's business and affairs are given proper consideration.

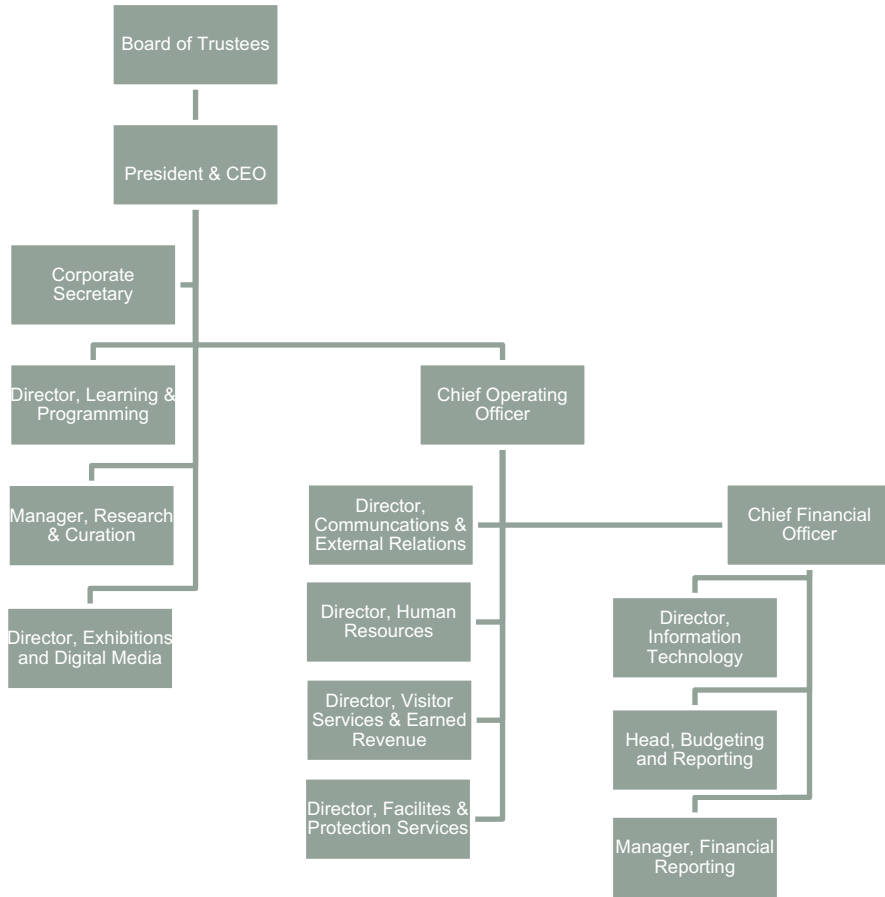
The Board of Trustees is responsible for developing the strategic priorities for the Museum. The strategic priorities for this planning period are included in Section 4.0.

The work of the Board is supported by four Committees: the Executive Committee, the Audit, Finance & Risk Committee, the Human Resources & Governance Committee and the Museum Programs Committee.

The Museum's fifth Annual Public Meeting was held at the CMHR on December 10, 2015. The meeting included an update on Museum activities since its inaugural weekend and provided members of the public with an opportunity to ask questions. The Chair of the Board and the President and Chief Executive Officer delivered opening remarks, followed by first hand visitor accounts of the impact of their visitor experience at the Museum.

Governance and Management Structure

(As of December 2015)



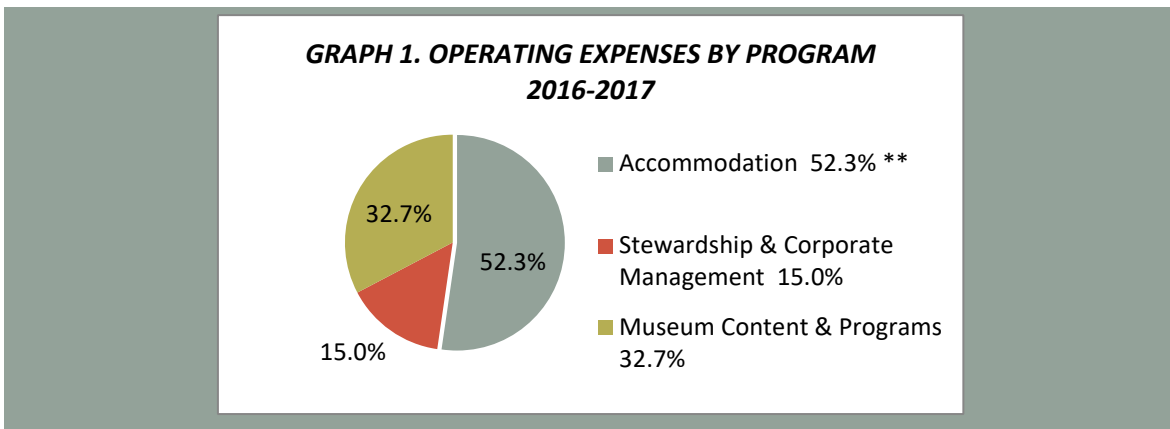
2.3 Program Alignment Architecture

The Museum's parliamentary appropriations are allocated according to its Program Alignment Architecture as follows:

1. Stewardship and Corporate Management:
 - Corporate governance
 - Administration
 - Earned-revenue generation
 - Marketing, communications & collaborative relationships
2. Accommodation:
 - Building operations
 - Protection services
 - Information technology infrastructure
3. Museum Content and Programs:
 - Accessible and engaging exhibitions
 - Educational programming that promotes reflection and dialogue
 - Sound and balanced research and scholarship
 - National outreach, engagement and service

2.4 Expenses by Program

Graph 1 shows the breakdown of the Museum's 2016-17 operating budget, on an accrual basis of \$44.0 million in expenses by Program (including amortization, annual PILT and potential retroactive PILT). For a description of expenses under each Program, see section 5.1.



** Accommodation includes annual PILT of \$2.7 million and amortization of \$14.9 million.

3.0 Strategic Issues

3.1 Environmental Scan

The CMHR must be responsive, adaptive and connected to the environment in which it operates. Social, economic and technological trends have the potential to impact the success of the Museum in both the short and long term.

Tourism: New top-tier attractions such as the unique-in-the-world Journey to Churchill exhibit at the Winnipeg Zoo, a new international airport, an expanded convention centre and an influx of new retailers help create an attractive tourism environment and considerable opportunities to extend the CMHR's marketing reach through collaborative relationships and cross-promotion. The Museum recognizes further opportunity to leverage benefit through organizations such as the Winnipeg Folk Festival and Folklorama that already enjoy significant and sustained patronage from out-of-town visitors. At a national level, the Museum recognizes the considerable opportunity to position the CMHR as a signature attraction and a definitive part of the Canadian cultural experience.

Education and programming environment: Growing public awareness, interest and advocacy related to human rights is evident across Canada and abroad, particularly within the education system. Accessible programs and resources for educators that support curricula in all provinces and territories are in high demand and can create opportunity for new types of revenue, donors, grants and sponsorships.

Economic environment: The five-year planning cycle anticipates a period of continued economic challenges. The Museum is committed to fiscal responsibility, collaboration with the other National Museums, effective and efficient operations and innovative revenue generation opportunities. The Museum also strives to make a significant economic impact in Winnipeg, Manitoba and Canada through job creation, increased visitation and tourism, and heightened conference appeal and event attraction.

Shifting demographics: The Museum is committed to providing full accessibility to all visitors that meets or exceeds international inclusivity standards. The CMHR aims to achieve national relevance through engaging Canadians of all ages and backgrounds, including those who have not traditionally patronized museums or the arts.

New media and technology: As the first Canadian museum built in the digital age, the CMHR has a distinct opportunity to offer visitors an interactive, participatory and personally meaningful experience both in person and across connected devices. The Museum recognizes the continued need to provide rich media related to its collections, leverage technology to create meaningful opportunities for dialogue and engage visitors through impactful and relevant

interactive exhibits, digitize collections, and facilitate other forms of civic and social engagement. New media also provides an opportunity for the Museum to reach prospective audiences anywhere on the globe.

3.2 Results achieved in 2015-16

The 2015-16 fiscal year saw significant progress in the Museum's first full year of operations.

The Museum exceeded its visitor projections of 263,000 on-site visitors for 2015-16, welcoming more than 346,000 visitors. The Museum continues to be a sought-after venue for events large and small, and has met the combined revenue targets for the year for restaurant and catering commissions and facility rentals.

The Level 1 Gallery, which houses temporary exhibitions, was completed in July 2015 on schedule and on budget, with funding provided by Friends. Completion of this temporary exhibit space allows the CMHR to bring travelling exhibitions from other institutions, attract new visitors and encourage repeat visitation to the Museum.

A two-part exhibition opened to the public in the newly completed space on August 15, attracting 11,600 visitors. The exhibit, *Magna Carta – Law, Liberty and Legacy*, is a national travelling exhibition celebrating the 800th anniversary of the great charter that laid the foundation for basic principles of democracy and human rights. A unique companion exhibit created by the CMHR, called *Canada's Magna Carta: Meaning and Misconceptions*, included some of Canada's most important foundational documents and explored their connection to rights and freedoms, including Indigenous peoples' rights.

The Magna Carta exhibit was followed by *XOXO: An Exhibit about Love and Forgiveness*, crucial elements of human rights, aimed at families and younger audiences.

In the Level 6 temporary exhibition gallery, *Peace: The Exhibit*, the inaugural temporary exhibit, explored the ways Canadians have defined, made and kept peace at home and around the world, which was loaned to the CMHR by the Canadian War Museum, was replaced with *Witness Blanket* an exhibition about Indian residential schools. The *Witness Blanket* is a major art installation, created as a national monument to the children affected by Indian residential schools. A multi-media presentation within the exhibition, and interactive components developed by the CMHR, help connect visitors to the experience in personal ways. Remediation of the core exhibitions was also undertaken in 2015-16.

The Museum completed its third visitor survey in the summer of 2015 with excellent results. Ninety-seven per cent of respondents said they were satisfied

or very satisfied with the Museum experience, while 92 per cent indicated they were left feeling inspired by their visit to the CMHR. The Museum is developing a robust museum evaluation plan, allowing for ongoing evaluations to gauge visitor satisfaction over time.

The Museum leveraged relationships with tourism partners to reach target markets in Canada (Saskatchewan, Alberta, Ontario and Quebec), the US (North Dakota and Minnesota) and abroad (Japan, UK, Germany and France).

The Museum is establishing baseline operating costs and has assessed the life cycles of the facility equipment and IT infrastructure.

The Museum continued to provide a series of eight curriculum-based, age-appropriate school programs, offering relevant, accessible and inclusive educational programming for students from K-12. The Canadian Human Rights Toolkit, a teaching and learning resource for Canada's K-12 education developed in collaboration with the Canadian Teachers' Federation continues to be accessed by teachers across Canada. The pilot project for the National Student Program was launched in collaboration with organizations that fund or otherwise facilitate student travel to Winnipeg. Speak Truth to Power was also added to the Museum's web-site providing an additional teaching resource.

The Museum continues to build on the Enterprise Content Management system, the digital tool that allows the CMHR to share its digital offerings across multiple platforms and will result in significant long-term cost savings by allowing the Museum to more efficiently update and refresh exhibit content.

In 2015-16, the first-ever employee engagement survey was developed and implemented. The results of the survey will be used to develop detailed action plans to continuously grow the employee engagement factor and increase employee attraction and retention. The Visitor Services Excellence training is also being reviewed and enhanced.

Finally, the President and Chief Executive Officer (CEO) has participated in the Council of CEOs, which provides a forum to review opportunities to work collaboratively across the national museums to reduce costs, increase revenues and efficiencies and to maximize strategic opportunities.

The Museum is participating in a joint proposal with other national museums for a review of contract and tendering templates. Work will also continue on sharing exhibits, artifacts, research and best practices.

The Council of CEOs continues to galvanize and inform the work of other committees of Museum representatives, such as the Procurement Officers, Corporate Secretariat and Public Affairs working groups.

For further information on the Museum's recent results, please refer to the 2015-16 Annual Report.

4.0 Goals, Strategies and Performance Measures

The 2016-17 Corporate Plan covers the CMHR's second full year of regular operations.

The priority areas for the five-year planning period are: to expand the Museum's reach and impact across Canada and the world by developing online offerings that are more personalized and allow for more interaction and dialogue; attracting new and repeat visitation by refreshing and evolving exhibitions, content and programming to ensure offerings remain impactful and relevant; continuing to deliver a world-class museum experience that consistently exceeds visitor expectations; and building long-term financial sustainability.

In 2014, the Board of Trustees adopted five core goals to guide Museum operations and activities through the CMHR's first five years of full-time operations. The goals were reviewed and confirmed again in 2015.

These goals serve as a roadmap in five strategic key result areas:

- Visitor experience;
- Infrastructure;
- Stakeholder relations;
- Financial sustainability; and
- Our people.

The five core goals and the related strategies, key initiatives and performance measures are provided under each of the key result areas in sections 4.1 to 4.5.

The Museum continues to refine its strategic and business-planning processes and performance indicators and targets as data from full-time operations continues to become available.

4.1 Key Result Area #1: Visitor Experience

Goal: To be one of the most visited museums in Canada, providing educational and inspiring experiences based on human rights, including virtual opportunities.

Strategies:

- Position the Museum as an internationally celebrated symbol of Canada, globally recognized both for its definitive, iconic architecture and unique-in-the-world visitor experience;
- Broaden marketing efforts to attract new visitors, strengthen the CMHR's demographic reach, foster year-round visitation and affirm a continual "reason to engage" with the Museum;
- Evolve exhibitions and programs to ensure the Museum can consistently deliver a highly satisfying, relevant and memorable experience both to individual visitors and organized school, tour and professional groups;
- Actively ensure both existing and proposed Museum content and programs provide balance, multiple perspectives, and explore themes germane to Canada's commitment to fundamental freedoms and democratic rights; and
- Leverage collaboration opportunities to drive visitation and promote complementary local investment that supports the type of transformative economic activity realized in destinations such as Bilbao, Spain.

Key Initiatives:

1. *Review gallery content, core exhibitions and programs to ensure the Museum consistently exceeds visitor expectations for excellence, accuracy and balance. Actively identify opportunities to renew and refresh exhibit content of human rights issues including equality rights, fundamental freedoms and democratic rights. Encourage repeat visitation and promote respectful dialogue.*

The CMHR is committed to regular reviews of exhibit content to ensure the visitor experience is consistently engaging, memorable and relevant. In 2016-17, the Museum will begin to refresh the core exhibitions and programs, including addressing human rights issues as they unfold, to promote repeat visitation and ongoing engagement and dialogue both on-site and online.

The Museum will continue to solicit and act on visitor and stakeholder feedback and respond to advances in human rights scholarship to ensure exhibit content best supports the Museum's commitment to deliver inspiring encounters with human rights while creating opportunities for meaningful reflection and dialogue.

The Museum will continue to explore opportunities to best leverage its predominately digital content delivery to more fully deliver on its mandate to reach citizens – youth in particular – in all regions of Canada and the world. Planned initiatives to expand mobile and web-based offerings include the use of digital tools to allow students and classrooms to share experiences with other youth both in Canada and around the world. Over the five-year planning period, the Museum plans to increase its capacity to engage audiences, irrespective of geographic location, through content aggregation, publication and, in particular, dialogic interaction with its human rights subject matter. This will ensure the Web site remains “active” and does not appear static. The end-goal being the Web site as a destination for human rights content nationally and internationally.

The Museum would like to continue to achieve additional global “firsts” in human rights innovation, such as the Museum's inclusive-design benchmarks that today set the standard for cultural institutions around the world.

- 2. Develop and implement a National Student Program (NSP) as a cornerstone of the Museum's educational mandate. Under the NSP, actively engage high-school and post-secondary students in relevant, meaningful learning opportunities that promote broader understanding and dialogue around human rights issues.*

The CMHR's NSP is a key component of the Museum's long-term strategy to attract new visitors and broaden the CMHR's demographic reach. In 2015-16, the Museum initiated a three-year pilot of the NSP. Evaluative criteria for the pilot will be geared toward optimizing the program for different age groups, identifying appropriate complementary programming and accommodation, and evaluating the success of different program modules. The Museum will continue implementation of the pilot projects and testing, including student conferences, video conferencing and working with tourism operators. Prospective program sponsors and

collaborators will continue to be pursued through 2016-17. Full implementation of the National Student program will be dependant of securing donations, sponsorships or other sources of funding.

The Museum also plans to develop new, nationally relevant online learning resources for educators and students in all parts of Canada, building on the success of initiatives such as the CMHR's Human Rights Teaching Toolkit and Speak Truth to Power over the five-year planning period.

3. *Expand collaboration, marketing and earned-media opportunities in target markets to increase visitation and enhance awareness and interest in the CMHR.*

A sustained media presence and creative, impactful marketing in target markets is essential to meeting visitor projections and positioning the CMHR as a unique, internationally significant tourism destination. The Museum will develop and deploy campaigns in key markets that both adhere to marketing best practices and fully leverage the CMHR's brand promise of an inspiring visitor experience unlike any other in the world. The Museum will continue to build awareness and relevance across Canada via focused marketing and enhanced earned-media efforts that build on the significant media attention generated through the Museum's inaugural year. Focused regional campaigns in 2016-17 will be directed toward target demographics and markets including U.S. markets within driving distance or with direct flight access to Winnipeg.

The Museum will continue to enhance collaborative opportunities with organizations such as the Winnipeg Folk Festival and Folklorama that have enjoyed considerable long-term success in bringing cultural audiences from other markets to Winnipeg. The Museum will continue to pursue destination-marketing opportunities with organizations such as the Canadian Tourism Commission to further position the CMHR as a must-see attraction for new visitors to Canada. Marketing efforts including the Museum's membership sales campaigns and more frequent direct communication via the Museum's electronic mailing lists and social media will further support long-term patron relations, both to cultivate project loyalty and to affirm a continual "reason to return" to the CMHR.

4. *Leverage opportunities for national and international promotion including alignment with the Government of Canada’s Road to 2017 initiative to enhance understanding of human rights and explore Canada’s commitment to fundamental freedoms and democratic rights. Develop and market travelling and temporary exhibitions and programs that affirm and explore the role of human rights in shaping the Canadian identity and national character.*

The temporary exhibition program was launched in 2015-16 with the Magna Carta exhibition. The Government of Canada’s Road to 2017 initiative marking the 150th anniversary of Confederation yields considerable opportunity for the CMHR. Key areas of focus through 2016-17 include the 100th anniversary of women gaining the right to vote; the temporary exhibition *Empowering Women*, which examines women’s economic rights in an international context; preparations for 2017-18 and the 150th anniversary of Confederation and the 50th anniversary of the Canada Summer Games.

In 2016-17, development of the CMHR’s own travelling exhibition program will commence. The plan is to develop the Mandela exhibition as well as a National Human Rights Photography exhibition themed around Canadians’ commitment to human rights. These exhibitions would be completed and presented in 2017-18 and 2018-19.

Visitor Experience Performance Measures:

Indicator	2016-17 Target
Attendance: # of on-site visitors	291,300
Attendance: # paid admission	115,500
Memberships: Total # of members	9,600
Satisfaction: % of Visitors satisfied or very satisfied	> 90%
General Impact: % Visitors inspired by the Museum	> 90%
Student Impact: # of students in person	28,300
Student Impact: # of students engaged virtually	160,000
National Engagement: # of opportunities showcasing CMHR on a national scale, including digital components for remote audiences	10

4.2 Key Result Area #2: Infrastructure

Goal: To complete and maintain our world-class building, exhibitions, galleries and Museum assets to maximize visitor experience and visitor reach.

Strategies:

- Complete the Digital Learning Centre; and
- Develop and implement plans for sustainable infrastructure development and management.

Key Initiatives:

1. *Complete the Digital Learning Centre*

The Museum will develop and begin to implement plans to complete the auditorium as a Digital Learning Centre, depending on funding availability. The CMHR continues to move forward with its project plan including pursuing donor and sponsorship opportunities and other fundraising strategies in collaboration with Friends.

2. *Implement future innovations as well as a capital life-cycle maintenance and replacement program for facilities equipment, IT infrastructure, exhibitions and galleries.*

Leveraging new technologies and a focused effort to keep pace with technological advancement is essential to the CMHR's long-term success. The Museum will implement energy utility management programs for water, hydro and gas; begin a three-year capital life-cycle replacement of exhibit touchscreens; leverage private sector and government funding programs, such as Power Smart, where appropriate; and implement the structured capital replacement cycles for core exhibitions.

The Museum will begin planning for the next generation of its server and storage infrastructure through 2017-18.

3. *Renewal of exhibitions and galleries in conjunction with the Program Activity Framework (a framework to ensure that the Museum's resources are focused on agreed upon themes), the continued revitalization of content or the life-cycle management plan.*

Efforts to update and renew gallery content to keep pace with visitor expectations and promote a continual "reason to return" must align

both with the Museum’s Program Activity Framework and the CMHR’s life-cycle management plans. In 2016-17, the Museum will begin to implement the annual exhibit renewal strategy in accordance with the plan developed in 2015-16.

Infrastructure Performance Measures:

Indicator	2016-17 Target
Facility expenses: Total Operating Cost per gross m ²	\$160 - 167/ m ²
IT: Total uptime of IT systems during business hours	98%

4.3 Key Result Area #3: Stakeholder Relations

Goal: To foster healthy and productive relations with our stakeholders and partners which advance the CMHR’s mandate and strategic priorities.

Strategies:

- Align the goals and operations of Friends and the CMHR to:
 - maximize mutually beneficial opportunities for marketing and promotion;
 - cultivate enduring loyalty and relations with patrons and donors; and
 - identify avenues to share resources to further realize operational efficiencies.

- Continue to develop existing strategic collaborative working relationships and create new relationships and cooperative initiatives with organizations or experts to achieve the CMHR priorities related to museum, scholarship, education or financial needs; and

- Continue to enhance relations with all levels of government.

Key Initiatives:

1. *Develop and implement a new MOU with Friends and a shared services agreement.*

Both the Museum and Friends recognize the mutual benefit in aligning resources and sharing services wherever possible. Presentations, workshops and keynote addresses led by CMHR personnel are recognized as conducive to supporting Friends' fundraising efforts. A new MOU will be completed and approved in 2016-17. A shared services agreement between the Museum and Friends is still under consideration.

- 2. Develop strategic collaborative agreements and cooperative initiatives with relevant academic, museum, human rights or other organizations, scholars or experts to bolster the Museum's reputation as an esteemed and internationally significant destination for human rights scholarship, learning and dialogue.*

External collaborative relationships are essential to the Museum's mission and mandate and a critical aspect of its long-term success. The Museum's continued collaboration with universities, cultural organizations, educators, human rights advocates and governments serves to raise the Museum's national and international profile and affirm its position as an internationally recognized centre for human rights education and scholarship. The Museum will continue to foster relations with reputable organizations to strengthen its public and educational programs; identify new opportunities for the exchange of ideas on relevant human rights issues; and ensure that the approach to collaborative relationships remains consistent with Museum priorities.

- 3. Leverage local and national partnerships to identify new economic development opportunities for Winnipeg, Manitoba and Canada. With like-minded organizations, position Winnipeg as a "human rights education city" – a preeminent destination for human rights conferences and events, and a supportive and economically viable centre for advocacy and research.*

The Museum has enjoyed brisk and sustained interest in its rental operations through its inaugural year. Interest in the CMHR as a venue for events, meetings and conferences remains significant, and the Museum's presence continues to enhance Winnipeg's standing as a high-value destination for human rights-themed conferences and symposia. The Museum's focus will continue to include leveraging new collaborative relationships to ensure the Museum and Winnipeg continue to be recognized as top-tier destinations within the national and international event-planning community.

Working with its academic and economic development collaborators, the Museum will continue to support efforts to market Winnipeg as a

natural home for organizations that conduct research or advocacy work related to human rights and humanitarian causes. The CMHR will also continue to collaborate with the Canadian Tourism Commission, Travel Manitoba and Tourism Winnipeg to build the Museum’s national and international profile and increase visitation.

In 2015-16, the Museum was designated as one of Manitoba’s STAR Attractions by the provincial Tourism Secretariat. It also began the process of applying for a federal official tourism designation as a Canadian Signature Experience, which it expects to receive in 2017-18.

The Museum plans to continue to expand its formal and informal linkages with the international community, in turn delivering increased reputational and economic benefits to Winnipeg, Manitoba and Canada.

Stakeholder relations performance measures:

Indicator	2016-17 Target
Donor relations/Friends: New agreement in place w/ Friends	In place
Partnerships: # of new agreements with strategic benefits (benefits reported annually)	3
Government relations: frequency of meetings, quality of analytics & presentations	18

4.4 Key Result Area #4: Financial Sustainability

Goal: To achieve long-term, diversified, sustainable funding and financial stability.

Strategies:

- Capitalizing on the CMHR's distinct status as the world's only museum of its kind solely dedicated to human rights, identify and leverage new opportunities for earned revenue;
- Create a culture of philanthropy that helps drive increased donations and sponsorships;
- Implement sustainable financial plans which embed responsible cost management and value for money; and
- Receive long-term, sustainable federal funding.

Key Initiatives:

1. *Launch specialized, revenue-generating human rights education programs for professionals and specialized audiences (such as peace officers, teachers and tourism organizations) to be delivered at the Museum and online.*

As the only organization of its kind solely focused on fundamental freedoms and democratic rights, the CMHR is uniquely positioned not only to capitalize on tourism opportunities that leverage its distinct status, but also to develop education and training initiatives that fulfil the Museum's mandate and serve as a reliable source of ongoing revenue. Building on the focus groups and workshops held in 2015-16, the Museum will begin to develop and test programs in 2016-17.

2. *Position the Museum as a premier tour destination. Target and secure national and international tour operator business by providing unique product offerings.*

The Museum recognizes that effective positioning of its unique spot in the national and international marketplace is essential to successful marketing and to meeting long-term revenue targets. Apart from deploying focused marketing campaigns that leverage the CMHR's distinct brand promise,

the Museum will continue to develop and market unique product offerings including specialized tours as a consistent source of ancillary revenue.

3. *Support Friends in enhancing donor stewardship, cultivating lifelong relations with donors and affirming tangible, relevant and continual “reasons to give.” Challenge all, across the organization, to identify unique and marketable fundraising and sponsorship opportunities and with Friends develop and implement strategies to raise funds.*

The work of promoting and protecting human rights is never done. The CMHR will work with Friends to foster a culture of giving focused on long-term donor relations that affirm both the need and benefit of sustained financial support. The Museum will support Friends as the organization transitions from a primary focus on fundraising for the capital project to longer-term priorities including support for public and educational programs.

4. *Embed the concepts of fiscal responsibility throughout the organization.*

All departments within the CMHR will achieve their mandates within the context of the organization’s fiscal requirements and will be held accountable for their profit centres, cost recovery units or cost centres as appropriate, including delivering on revenues and ensuring responsible cost management and value for money.

5. *Continue discussions regarding long-term sustainable federal funding and the \$35 million reduction of appropriations.*

Financial sustainability performance measures:

Indicator	2016-17 Target
Profitability: Sum of Appropriations & Earned Revenue to exceed expenses (excluding PILT)	Breakeven
Earned revenue: Achieve budgeted revenue targets	\$3.7 million
Revenues & expenses: Benchmarking	In place
Friends: Contributions from Friends	Nil

4.5 Key Result Area #5: Our People

Goal: To create a workplace where people are engaged, productive and responsible for meeting and exceeding expectations.

Strategies:

- Encourage and recognize entrepreneurial thinking that supports innovative practices and internal efficiencies;
- Create a culture of accountability, service excellence and improvement;
- Support the advancement of employee skills, knowledge and ability; and
- Participate in a range of external and independent award programs that recognize excellence in leadership, employee engagement and innovation.

Key Initiatives:

1. *Implement a rewards and recognition program for staff and volunteers who go "above and beyond" in demonstrating our values of Respect, Integrity, Service and Excellence.*

The CMHR is a centre of rich innovation, informed, thoughtful debate and new thinking and ideas. The Museum actively encourages its staff to embrace these ideals and to continually seek opportunities for innovation within their working environment. The CMHR actively supports a workplace that is respectful, inclusive and which allows members of the Museum team to work at their highest potential. Following implementation of a peer-to-peer recognition program and the organization's first service recognition awards in 2014-15, the Museum continued to build on its recognition program through 2015-16. In 2016-17, the Museum will assess the effectiveness of the reward programs and make adjustments as required to implement best practices and continue to encourage entrepreneurial thinking and recognize staff who exceed expectations.

2. *Execute a leadership development training strategy targeted at enhancing the leadership skills of people managers and identifying/developing high potential employees with consideration given to succession planning.*

As a start-up organization completing the transition from inauguration to permanent operations, the CMHR continues to recognize the need to invest in its employees' advancement, acquisition of new skills and ongoing development. Similarly, the Museum appreciates the need to implement effective strategies to appropriately respond to the succession and turnover common to all start-up organizations. The Museum will continue to build on the Core Leadership Training initiative implemented in 2014-15 and develop and implement succession planning programs based on best practices from well-regarded Canadian organizations of similar size. Through 2016-17, the Museum aims to have key internal candidates identified and placed within the CMHR's succession plan to support continuity, ongoing advancement and retention of high-performing employees.

3. *Continually examine and refresh processes and training to sustain performance and encourage excellence.*

Following the development and implementation of the CMHR's first-ever employee engagement survey in 2015-16, the Museum will develop and implement a strategic response to the employee engagement survey results focusing on key drivers to augment employee satisfaction.

Our People Performance Measures:

Indicator	2016-17 Target
Engagement: Employee engagement index	No survey in 16/17
Engagement: Volunteer engagement index	No survey in 16/17
Employee retention: % retention	78%
Service excellence: % visitor satisfaction w/ staff & volunteers	> 95%
Contributed revenue: % of staff & board participation in Friends fundraising campaigns	30

5.0 Financial Statements

5.1 Financial Overview

The Corporate Plan covers the five-year planning period from 2016-17 to 2020-21.

The projections in the Corporate Plan are the Museum's best estimates based on the actual operating revenues and expenses in the first year.

The net income from operations for the 2015-16 fiscal year was \$1.0 million. The positive operating results were due to the prudent management of resources and the deferral of facility projects as well as exhibit and program development due to the impact of completing the Level 1 Gallery and the uncertainty of CMHR's long-term funding. The settlement of PILT, prior to the financial statements being finalized, required an additional accrual of \$8.0 million for retroactive PILT which resulted in a net excess of expenses over revenue of \$7.0 million in the financial statements.

Table 1: Summary of Revenues and Operating and Capital Costs

(Prepared on an accrual basis, in millions)	2014-15 Actual	2015-16 Actual	2016-17 Budget (Note 1)	2017-18 Projection (Note 1)	2018-19 Projection	2019-20 Projection	2020-21 Projection
Main Estimates	\$21.7	\$21.7	\$21.7	\$24.9	\$21.0	\$18.6	\$17.15
Supplementary Estimates B	0	0	\$11.9	0	\$0.1	\$0.1	\$0.1
Amounts used to purchase depreciable assets	(\$1.9)	(\$0.3)	(\$2.0)	(\$1.8)	(\$4.1)	(\$3.8)	(\$2.6)
Contributions (deferred) used	0	(\$2.4)	\$1.8	\$1.7	\$0.1	0	0
Recognition of deferred contributions	\$7.0	\$8.0	\$7.6	\$7.6	\$7.6	\$7.6	\$7.6
Used for items expensed for accounting purposes	1.3	0	0	0	0	0	0
Contributed revenue	\$5.5	\$7.5	\$7.3	\$7.3	\$7.3	\$7.3	\$7.3
Earned Revenue (Table 3)	\$1.8	\$3.6	\$3.7	\$3.4	\$3.5	\$3.6	\$3.7
Other Revenue	0	\$0.4	0	0	0	0	0
Expenses:							
Museum Content & Program	\$12.7	\$11.4	\$14.4	\$14.6	\$13.9	\$14.6	\$14.9
Accommodation - facility operations	\$4.8	\$4.9	\$5.4	\$4.9	\$5.4	\$5.6	\$5.7
Accommodation - Amortization	\$12.1	\$15.2	\$14.9	\$14.9	\$14.9	\$14.9	\$14.9
Accommodation - PILT	\$1.5	\$8.5	\$2.7	\$2.8	\$2.9	\$2.9	\$3.0
Stewardship & Corporate Management	\$6.5	\$5.5	\$6.6	\$5.9	\$6.0	\$6.2	\$6.3
Excess of Revenue over Expenses (Expenses over Revenue *)	(\$2.1)	(\$7.0)	\$8.0	Nil	(\$7.6)	(\$10.8)	(\$11.55)

Note 1: The funding approved as part of federal Budget 2016 is included beginning in 2016-17.

*The financial pressures were resolved with \$35 million in funding for operations to be provided over six years through Budget 2018, that will offset the planned reduction in appropriations.

5.2 Financial Planning Assumptions and Projections

5.2.1 Parliamentary Appropriations

The CMHR is receiving \$33.6 million to fund both operating and capital expenditures in 2016-17 (\$21.7 million through the Main Estimates and \$11.9 million through Supplementary Estimates B).

5.2.2 Earned Revenues

Table 2: Earned Revenue and Projections

	2014-15 Actual	2015-16 Actual	2016-17 Budget	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection
Total Earned Revenue	\$1,808,000	\$3,634,000	\$3,763,000	\$3,409,000	\$3,511,000	\$3,618,000	\$3,726,000

Table 3: On-site visitation by category

Visitor category	2015-16 Actual	2016-17 Budget	2017-18 Projection
Individuals	122,101	106,500	103,000
Groups	9,620	9,000	7,500
PAID ADMISSION	131,721	115,500	110,500
Students with school groups	30,445	28,300	28,100
Members	16,294	12,300	15,600
Special Events Tours	9,151	4,200	9,100
TOTAL PAID VISITORS	187,611	160,300	163,300
Complimentary admissions	29,633	30,500	30,600
Other ①	129,474	100,500	114,300
TOTAL ON-SITE VISITATION:	346,718	291,300	308,200

① Includes guests attending facility rental events, participating in CMHR public programming and visiting the Boutique and Era Bistro.

5.2.3 Contributed Revenue

The financial statements reflect recognition of prior years' contributions. Capital contributions received from the Province of Manitoba, City of Winnipeg and Friends to fund the capital project are recognized as revenue over the same period as the capital assets purchased with the contributions are amortized. The recognition of the prior years' contributed revenue is totally offset by the amortization expense (included in Accommodation) for the related capital assets. The 2016-17 budget for recognition of prior years' contributions is \$7.3 million.

5.3 Operating Budget 2016-17

Table 9: Operating Expenditures by Program (PAA)

(Prepared on an accrual basis)	2014-15 Actual	2015-16 Actual	2016-17 Budget	2017-18 Projection	2018-19 Projection	2019-20 Projection	2020-21 Projection
Expenses:							
Museum Content & Program	\$12.7	\$11.4	\$14.4	\$14.6	\$13.9	\$14.6	\$14.9
Accommodation – facility operations	\$4.8	\$4.9	\$5.4	\$4.9	\$5.4	\$5.6	\$5.7
Stewardship & Corporate Management	\$6.5	\$5.5	\$6.6	\$5.9	\$6.0	\$6.2	\$6.3
Operating Expenses – before PILT & Amortization	\$24.0	\$21.8	\$26.4	\$25.4	\$25.3	\$26.4	\$26.9
Accommodation – PILT	\$1.5	\$8.5	\$2.7	\$2.8	\$2.9	\$2.9	\$3.0
Operating Budget (cash)	\$25.4	\$30.3	\$29.1	\$28.2	\$28.2	\$29.3	\$29.9
Accommodation - Amortization	\$12.1	\$15.2	\$14.9	\$13.9	\$14.9	\$14.9	\$14.9
Total Expenses (accrual)	\$37.5	\$45.5	\$44.0	\$42.1	\$43.1	\$44.2	\$44.8

5.3.1 Operating Expenditures by Program (PAA)

Expenses in the Operating Budget have been allocated as per the Program Alignment Architecture, in accordance with the priorities of the Museum outlined in the Corporate Plan.

The operating expenses before PILT and Amortization are budgeted to be \$26.4 million for 2016-17. This amount, net of the budgeted earned revenue of \$3.7 million, is \$22.7 million.

5.4 Capital Budget 2016-17

CMHR was able to set aside \$1.0 million from the \$24.4 million in annual appropriations (\$21.7 million plus \$2.7 million for PILT) for capital projects. This budget includes \$0.4 million for early development costs for CMHR’s first branded travelling exhibitions.

Through federal Budget 2016, \$5.0 million of capital funding was provided to CMHR over five years to address specific projects, largely of a health and safety nature. The funding will be appropriated as follows:

- \$988,000 in 2016-17;
- \$449,000 in 2017-18;
- \$567,000 in 2018-19;
- \$2,203,000 in 2019-20; and
- \$751,000 in 2020-21.

5.4.1 Capital Assets Overview

The capital assets owned by CMHR include the iconic building and core exhibitions that were developed as part of the \$351 million capital project and the fit-up for the Level 1 Gallery. CMHR also owns its IT infrastructure (network, servers and storage), computer hardware and software.

Development of the website, the enterprise content management system, films and the mobile program also form part of the capital assets. These systems are integral to the delivery of the digital exhibits.

5.5 Major unfunded capital projects

The Digital Learning Centre for the Museum was not completed as part of the original \$351 million capital project.

The Digital Learning Centre would increase the capacity for education and public programming opportunities. New programs, such as adult human rights training programs, could be added to the offerings of the Museum if the space were available. The space would have broadcasting and live-streaming capabilities and would enhance student programming with national reach, connecting and engaging classrooms digitally across Canada and around the world.

The Digital Learning Centre would also increase the facility rental opportunities therefore also increasing the catering commissions.

5.6 PRO-FORMA STATEMENT OF FINANCIAL POSITION
YEARS ENDING MARCH 31, 2015 TO 2021 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

	FY 2014-2015 Actual	FY 2015-2016 Actual	FY 2016-2017 Budget	FY 2017-2018 Projection	FY 2018-2019 Projection	FY 2019-2020 Projection	FY 2020-2021 Projection
Assets							
Cash & cash equivalents	9,866	12,511	5,442	3,742	542	542	542
Accounts receivable and other current assets	1,569	1,460	1,460	1,460	1,460	1,460	1,460
Current portion of holdback account	79	53	42	-	-	-	-
Collections	1	1	1	1	1	1	1
Capital assets: in use							
Land	4,979	4,976	4,976	4,976	4,976	4,976	4,976
Building	291,101	294,113	294,857	295,305	295,743	296,131	296,711
Equipment and furnishings	10,127	11,046	11,778	12,928	15,638	16,138	17,088
Exhibits	48,659	48,971	49,428	49,635	50,592	53,549	54,656
Accumulated depreciation	(16,001)	(31,205)	(46,105)	(61,005)	(75,905)	(90,805)	(105,705)
Capital assets: under construction	586	449	449	449	449	449	449
Holdback account	-	-	-	-	-	-	-
Total Assets	<u>350,966</u>	<u>342,375</u>	<u>322,328</u>	<u>307,491</u>	<u>293,496</u>	<u>282,441</u>	<u>270,178</u>
Liabilities & Equity of Canada							
Accounts payable and other current liabilities (Note 1)	9,900	16,869	3,600	3,600	8,100	18,900	30,450
Current portion of holdback account	79	53	42	-	-	-	-
Deferred revenues	27	39	39	39	39	39	39
Deferred contributions (Note 2)							
Government of Canada	150,288	152,668	152,668	152,668	152,668	152,668	152,668
Province	40,000	40,000	40,000	40,000	40,000	40,000	40,000
City	19,000	19,000	19,000	19,000	19,000	19,000	19,000
Friends	119,976	123,903	123,903	123,903	123,903	123,903	123,903
Other deferrals	7,125	7,125	7,125	7,125	7,125	7,125	7,125
	336,389	342,696	342,696	342,696	342,696	342,696	342,696
Interest earned	4,940	4,959	4,959	4,959	4,959	4,959	4,959
Less: deferred / recognized	(340,349)	(344,802)	(346,602)	(348,302)	(348,402)	(348,402)	(348,402)
	980	2,853	1,053	- 647	- 747	- 747	- 747
Deferred contributions related to capital assets							
Government of Canada (Note 3)	165,629	163,617	165,550	167,355	171,460	175,305	177,942
Other than Government of Canada	182,882	189,668	189,668	189,668	189,668	189,668	189,668
	348,511	353,285	355,218	357,023	361,128	364,973	367,610
Amortization	(16,001)	(31,204)	(46,104)	(61,004)	(75,904)	(90,804)	(105,704)
Deferred contributions - net	332,510	322,081	309,114	296,019	285,224	274,169	261,906
Holdback account	-	-	-	-	-	-	-
Net Assets:	7,470	480	8,480	8,480	880	(9,920)	(21,470)
Total Liabilities & Equity of Canada	<u>350,966</u>	<u>342,375</u>	<u>322,328</u>	<u>307,491</u>	<u>293,496</u>	<u>282,441</u>	<u>270,178</u>

Notes to the Pro-forma Statement of Financial Position

Note 1:

Accounts payable in 2015-16 includes the total payable for PILT of \$11.9 million which was paid in 2016-17.

In 2018-19 accounts payable also includes a portion of the Potentially Unfunded Operations as there is no remaining cash available and includes all of the Potentially Unfunded Operations (See Proforma Statement of Operations) thereafter.

Note 2:

Deferred contributions represent the contributions in cash and in kind by the parties to the Definitive Agreement, Friends contribution to the Level 1 Gallery in 2015-16 and appropriations deferred for future capital purchases. The contributions are transferred to the Deferred contributions related to capital assets as they are used to fund the Capital assets.

Note 3:

Effective April 1, 2011 the Corporation adopted the Canadian Public Sector Accounting Standards and Section 4200 applicable to government not-for-profit organizations (GNPO). Accordingly, parliamentary appropriations are accounted for in accordance with PS4210 (Contributions Revenue Recognition) and therefore appropriations implicitly or explicitly restricted for the purchase of capital assets subject to amortization continue to be deferred and recognized as revenue on the same basis and over the same periods as the related capital assets acquired.

5.7 PRO-FORMA STATEMENT OF OPERATIONS								
YEARS ENDING MARCH 31, 2015 TO 2021 (IN THOUSANDS OF DOLLARS)								
Prepared on an accrual basis								
		FY	FY	FY	FY	FY	FY	FY
		2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021
		Actual	Actual	Budget	Projection	Projection	Projection	Projection
						(Note 1)	(Note 1)	(Note 1)
Government Funding								
Parliamentary Appropriations								
Main Estimates	(Note 2)	21,700	21,700	21,700	21,700	21,700	21,700	21,700
Main Estimates - Annual PILT	(Note 2)				2,700	2,700	2,700	2,700
Main Estimates - Specific capital projects	(Note 2)				500	600	2,200	750
Main estimates - Repayment of appropriations	(Note 3)	-	-	-	-	(4,000)	(8,000)	(8,000)
Supplementary Estimates	(Note 2)	-	-	11,900	-	100	100	100
Subtotal		21,700	21,700	33,600	24,900	21,100	18,700	17,250
Amounts used to Purchase Depreciable Assets/Capital		(1,900)	(300)	(2,000)	(1,800)	(4,100)	(3,800)	(2,600)
Restricted for capital acquisitions (deferred) used			(2,400)	1,800	1,700	100		-
Used for items expensed for accounting purposes		1,300	-					
Amortization of Deferred Capital Funding, restricted amounts used in current year		7,000	8,000	7,600	7,600	7,600	7,600	7,600
Total Parliamentary Appropriation		28,100	27,000	41,000	32,400	24,700	22,500	22,250
Contributed Revenue								
Recognition of prior years' contributions		5,500	7,500	7,300	7,300	7,300	7,300	7,300
Contributions or new Revenue		-	-	-	-	-	-	-
		5,500	7,500	7,300	7,300	7,300	7,300	7,300
Revenue of the Corporation (Note 1)								
Earned revenue		1,800	4,000	3,700	3,400	3,500	3,600	3,700
Program sponsorships & grants		-	-	-	-	-	-	-
		1,800	4,000	3,700	3,400	3,500	3,600	3,700
Expenses (Note 1)								
Museum Content and Program		12,700	11,400	14,400	14,600	13,900	14,600	14,900
Accommodation - before PILT & Amortization		4,800	4,900	5,400	4,900	5,400	5,600	5,700
Amortization		12,100	15,200	14,900	14,900	14,900	14,900	14,900
PILT - Annual amount	(Note 4)	1,500	500	2,700	2,800	2,900	2,900	3,000
PILT - Retroactive amount	(Note 4)		8,000					
Stewardship & Corporate Management		6,500	5,500	6,600	5,900	6,000	6,200	6,300
		37,600	45,500	44,000	43,100	43,100	44,200	44,800
Excess of (expenses over revenue) revenue over expenses		(2,200)	(7,000)	8,000	-	(7,600)	(10,800)	(11,550)
Potentially Unfunded Operations	(Note 1)		-	-	-	7,600	10,800	11,550
Net operations		(2,200)	(7,000)	8,000	-	-	-	-

Notes to the Pro-forma Statement of Operations

<i>Note 1:</i>	2018-2019	2019-2020	2020-2021
Potentially Unfunded Operations are due to:			
Reductions to reflect \$35 million advance on appropriations	4,000	8,000	8,000
Capital requirements funded out of annual appropriations of \$21.7 million	3,500	1,600	1,850
Increases in PILT and other costs	100	1,200	1,700
Total Potentially Unfunded Operations	7,600	10,800	11,550

The projections beginning in 2018-19 are based on the following assumptions:

Earned revenues increase by 3%

Salaries increase by 2.5% (Does not currently include an allowance for additional costs from the new collective agreement.)

PILT increases by 4%

Other expenses increase by 2% inflation

Capital expenses - based on updated capital replacement plan

Note 2:

Budget 2016 provided \$8.2 million for retroactive PILT, \$2.7 million ongoing for annual PILT and \$5.0 million over 5 years of funding specific capital projects. The Budget 2016 funding is included in 2016-17 Supplementary Estimates and Main Estimates for 2017-18 through 2020-21.

Supplementary Estimates B for 2017-18 and ongoing includes Compensation Funding of 1.25% of the base wage rates, a hypothesis based on the expired collective agreement, with 2017-18 including the estimated amounts for both 2016-17 and 2017-18.

Note 3:

Appropriations in the fiscal framework are reduced to reflect the \$35 million advance of parliamentary appropriations, with annual reductions planned to begin in 2018-19. The planned reductions in appropriations result in Potentially Unfunded Operations.

This pressure was resolved through Budget 2018 with \$35 million in funding for operations to be provided over six years.

Note 4:

As a Federal Crown Corporation, CMHR falls under the Federal PILT Act and accordingly will pay property taxes to the City of Winnipeg. The final amount of PILT was settled resulting in an \$8 million accrual for retroactive PILT in 2015-16 and actual PILT of \$2.7 million beginning in 2016-17. Future years are escalated at 4% per year based on the advice of Public Works and Government Services Canada.

5.8 PRO-FORMA STATEMENT OF CASH FLOWS

YEARS ENDING MARCH 31, 2015 TO 2021 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

	FY 2014-15 Actual	FY 2015-2016 Actual	FY 2016-2017 Budget	FY 2017-2018 Projection	FY 2018-2019 Projection	FY 2019-2020 Projection	FY 2020-2021 Projection
Operating activities:							
Cash receipts (parliamentary appropriation)	21,700	20,843	31,600	23,100	17,000	14,900	14,650
Cash receipts (customers)	1,730	3,654	3,700	3,400	3,500	3,600	3,700
Cash receipts (contributions)		300					
Cash paid (employees and suppliers) <i>(Note 1)</i>	(23,206)	(21,271)	(42,380)	(28,242)	(23,700)	(18,500)	(18,350)
Other income	115	102	0	0	0	0	0
	<u>339</u>	<u>3,628</u>	<u>(7,080)</u>	<u>(1,742)</u>	<u>(3,200)</u>	<u>-</u>	<u>-</u>
Capital activities:							
Acquisition of assets under construction	(18)	(166)	-	-	-	-	-
Acquisition of assets available for use	(27,480)	(5,621)	(1,933)	(1,805)	(4,105)	(3,845)	(2,637)
	<u>(27,498)</u>	<u>(5,787)</u>	<u>(1,933)</u>	<u>(1,805)</u>	<u>(4,105)</u>	<u>(3,845)</u>	<u>(2,637)</u>
Financing activities:							
Parliamentary appropriation for the investment in building project and related income	243	857	1,933	1,805	4,105	3,845	2,637
Restricted contributions from non-owners and related investment income	17,381	3,921	0	0	0	0	0
	<u>17,624</u>	<u>4,778</u>	<u>1,933</u>	<u>1,805</u>	<u>4,105</u>	<u>3,845</u>	<u>2,637</u>
Increase (decrease) in cash and cash equivalents	(9,535)	2,619	(7,080)	(1,742)	(3,200)	-	-
Cash and cash equivalents, beginning of year							
Operating cash	17,922	9,866	12,511	5,442	3,742	542	542
Holdback account	1,558	79	53	42	0	0	0
	<u>19,480</u>	<u>9,945</u>	<u>12,564</u>	<u>5,484</u>	<u>3,742</u>	<u>542</u>	<u>542</u>
Cash and cash equivalents, end of year							
Operating cash	9,866	12,511	5,442	3,742	542	542	542
Holdback account	79	53	42	0	0	0	0
	<u>9,945</u>	<u>12,564</u>	<u>5,484</u>	<u>3,742</u>	<u>542</u>	<u>542</u>	<u>542</u>

Note 1:

Cash paid represents total expenses excluding amortization adjusted for changes in accounts payable and holdback payable.

5.9 CAPITAL BUDGET

YEARS ENDING MARCH 31, 2015 TO 2021 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

	FY 2014/15 Actual	FY 2015/16 Actual	FY 2016/17 Budget	FY 2017/18 Projection	FY 2018-2019 Projection	FY 2019-2020 Projection	FY 2020-2021 Projection
Projected Capital Expenditures:							
Temporary Gallery (Note 1)		3,000	-	-	-	-	-
Digital Learning Centre (Note 1)		-	-	-	-	-	-
Travelling exhibits			400	-	420	420	420
IT infrastructure		263	-	850	1,750		
End user computer equipment			37	100	100	100	100
Info security			100	100	100	100	100
Software renew/replace			495	-	400	-	500
Digital exhibit hardware			57	207	57	2,057	207
Built exhibit renewal		70	-	-	380	380	380
Film production			-	-	100	100	100
Web/internet		350	100	100	360	300	250
Facility projects		162	518	448	288	238	230
Contingency		-	226	-	150	150	350
Capital Replacement	965		-	-			
Total capital cost	965	3,845	1,933	1,805	4,105	3,845	2,637
Funded by:							
Government of Canada							
Annual Appropriations (Note 2)	965	429	945	-	3,538	1,642	1,886
Budget 2016			988	449	567	2,203	751
Deferred Appropriations		416		1,356	-	-	-
Friends of CMHR							
Additional funding agree (Note 1)		3,000	-	-	-	-	-
Total Sources	965	3,845	1,933	1,805	4,105	3,845	2,637
Potentially Unfunded Capital Req'ts (Note 3)	0	0	0	0	0	0	0

Note 1:

Fit-up of the Museum's Temporary Gallery and Digital Learning Centre was not included in the original capital project. Fit-up of the Temporary Gallery was included in the 2015-16 Corporate Plan and completed in 2015-16 with funding from Friends. The Digital Learning Centre is included in Section 5.4.3.1 of the 2016-17 Corporate Plan as a major capital project that is planned to be completed when funding is available. The final design, budget and funding sources for the Digital Learning Centre are still to be determined therefore the cost and source of funds are not included in the Capital Budget.

Note 2:

The capital budget assumes funding from the Annual Appropriations. This assumption is a major contributor to the total Potentially Unfunded Operations beginning in 2018-19 and ties into note 1 in the Pro-forma Statement of Operations.