

CANADIAN MUSEUM FOR HUMAN RIGHTS



Photo: Aaron Cohen/CMHR

SUMMARY OF THE 2022-2023 TO 2026-2027 CORPORATE PLAN OPERATING AND CAPITAL BUDGETS 2022- 2023

Canada

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EXECUTIVE SUMMARY

The Canadian Museum for Human Rights (“CMHR”) is located on ancestral lands on Treaty One territory in the Red River Valley, the homeland of the Métis. The Museum’s relationship to these lands and to the water sourced from Shoal Lake 40 First Nation, is central to its work as a national museum dedicated to the evolution, celebration and future of human rights.

The CMHR’s strategic direction drives its work to create a world where everyone values human rights and takes responsibility to promote respect and dignity for all. The Museum will **Be relevant** through truth-telling and meaningfully contributing to reconciliation with First Peoples, and by inspiring human rights defenders more generally to entrust the Museum with their stories. It will also **Be sustainable** by establishing a safe, healthy and respectful work culture and ensuring that it has a strong infrastructure that anticipates growth, and will **Grow engagement** by ensuring it is a welcoming space, where it shares interactive and inspiring human rights stories that reach across the country and internationally.

During this planning period, the CMHR will maintain its focus on building a representative workforce and a more equitable and inclusive work culture. The Museum will grow its virtual reach and will decolonize its processes as it works to renew the core exhibits and address gaps identified in Black, LGBTQ2+ and Indigenous content on-site. It will invest in operational and capital projects that position the Museum for recovery, but also for growth (i.e., customer relationship management system, human resources information system, recapitalization of the IT infrastructure, development of the community plaza and main floor community access spaces, new food and beverage model), and will continue to look for opportunities to supplement funding for these projects as well as the now “shovel-ready” Digital Learning Centre.

Earned revenues were significantly impacted by the pandemic and the CMHR has, accordingly, forecasted a staged recovery. For example, in 2021-22, onsite visitation was 80% lower than pre-pandemic levels so in 2022-23, the plan is to almost double visitation (114,000 visitors), up to 40% of pre-pandemic visitation. Online visitation to content-rich web pages increased from 22% of all page views in 2019-20, to 49% of all page views in 2020-21. In 2021-22, it is at 32% of all page views, still a significant increase from 2019-20. The plan is to increase total website visits by 20% in 2022-23 (1,000,000 visitors) and to focus on growing online education and programming offerings.

The Museum’s foundation, an independent organization named Friends of the Canadian Museum for Human Rights (“Friends”), has also been challenged to raise funds and there is increased competition locally in Winnipeg and online. Emergency relief funding in 2021-22 provided assistance to offset the impact of the global pandemic.

A balanced budget is projected for 2022-23 with the assistance of \$5.3 million of emergency relief funding but, assuming that revenues will take five years to return to pre-pandemic levels, deficits totalling \$24.4 million are projected for the balance of the planning period.

The Board of Trustees approved this 2022-23 Corporate Plan on January 27, 2022.

1.0 OVERVIEW

1.1 GOVERNING LEGISLATION AND PUBLIC POLICY ROLE

The CMHR was established as a national museum under the *Museums Act*, on August 10, 2008. It is accountable under Part X of the *Financial Administration Act* as a Crown corporation, operating at arm's length from the Government in its day-to-day operations, activities and programming. Accountable to Parliament through the Minister of Canadian Heritage, the CMHR contributes to the achievement of the Government of Canada's broad cultural policy objectives.

As with all of Canada's national museums, the CMHR plays an essential role in:

- preserving and promoting Canadian heritage at home and abroad;
- contributing to the collective memory and sense of identity of all Canadians;
- being a source of inspiration, research, learning and entertainment for all Canadians; and
- providing, in both official languages, a service that is essential to Canadian culture and available to all.

The CMHR receives funding from the Government of Canada through appropriations that it supplements with earned revenue from general admission, memberships, programs, traveling exhibits, Boutique sales, facility rentals, and restaurant and catering sales. The CMHR also receives donations and sponsorship revenue and contributions from its foundation, Friends.

The CMHR's [2020-21 Annual Report](#) is available on its website for additional information.

1.2 VISION, MANDATE AND VALUES

Vision:

We imagine a world where everyone values human rights and takes responsibility to promote respect and dignity for all.

Mandate:

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.

Values:

Respect, inclusion, ingenuity, trust and humility.

1.3 CORE RESPONSIBILITIES

Consistent with the Treasury Board of Canada Secretariat's Policy on Results (July 1, 2016), the CMHR adopted two core responsibilities in addition to Internal Services, to support achievement of its Vision and Mandate:

1. Content, programs and engagement:

- research and collections management
- accessible and interactive storytelling and exhibitions (onsite and online)

- education programming
- visitor experience, outreach, and communications

2. Accommodations:

- building operations
- protection services
- IT infrastructure

3. Internal services:

- governance and administration
- earned-revenue generation

2.0 OPERATING ENVIRONMENT

2.1 ENVIRONMENTAL SCAN

External

- **COVID-19** – *Destination Canada* projects that travel will not return to pre-pandemic levels for 4-5 years, and there is a heightened health consciousness around public gatherings and events. Given that 70% of the CMHR's annual paid visitors before the pandemic were from outside of Winnipeg, including 20% from outside of Canada, restrictions on travel have significantly impacted visitation and earned revenue and restrictions on gatherings have significantly impacted rentals and catering commissions.

The CMHR has the opportunity to use its digital platforms and programming to offer safe, sustainable and interactive experiences across Canada and internationally, including virtual field trips, digital stories, webinars and other online offerings. In 2020-21, website visitation grew to 1.3 million and over 8,000 students participated in virtual field trips.

- **Focus on identity and rights** – Findings of systemic racism and other forms of discrimination at the CMHR, combined with collective social rights movements calling for racial and gender equity and inclusion, and acknowledgement of historical and current harms against Indigenous people, have placed human rights and the CMHR at the centre of many conversations. The pandemic and vaccine mandates have also spurred dialogue about human rights and, more specifically, the CMHR's work. The Museum has the opportunity to use a values-based approach to engage in direct and open discussion with individuals and organizations around partnerships, collaboration, interest and, via Friends, donor support.
- **Competition** – Museums have been increasingly challenged to offer programs that are accessible, relevant and engaging. New onsite or virtual cultural experiences in Winnipeg at Canada's Diversity Gardens at Assiniboine Park and Qaumajuq, at the Winnipeg Art Gallery, impact our visitation numbers, rentals, partnerships and donor support. The Museum has the opportunity to leverage its digital platforms and collaborate within the arts and culture sector and other sectors to access untapped local audiences and increase visitation.

- **Technology** – Technology continues to evolve at a furious pace, resulting in short life cycles for equipment, increasing the risk that equipment will quickly become incompatible or obsolete, and leading to high recapitalization requirements. The Museum has the opportunity to use new media and technology for innovative solutions to maintaining or increasing engagement and inspiring action, but at lower cost.

Internal

- **Rethinking the workplace** – Employee mental health, morale, and productivity have been impacted by working remotely during the pandemic. Over time, working remotely has also encouraged greater empathy for colleagues, innovative teambuilding initiatives, new communication channels and a greater ability to attract and retain a broader talent pool. The Museum has the opportunity to apply its learnings through the pandemic to optimize workforce adaptability in a hybrid work environment.
- **Equity and inclusion** – The recommendations set out in an external review finding systemic racism and homophobia at the Museum prompted the CMHR to develop a framework to address systemic barriers and create a more positive and equitable workplace culture. The Museum has the opportunity to identify and address systemic barriers in all areas and to share its journey openly with the public. Its work has included establishing a mandatory internal human rights education program, revisiting human resources processes, and implementing anti-racism practices and inclusion policy across the organization.
- **Human resources** – Beginning in the third quarter of 2020-21 and continuing through 2021-22, the CMHR undertook a comprehensive organizational review to ensure its structure supports achievement of its strategic goals and Vision. The review also addressed workforce reliability, workflow and capacity, pay equity and increased advancement pathways and training and development opportunities.

All CMHR employees are members of the Public Service Pension Plan and have access to group insurance benefit plans. They are compensated based on a job classification system. 79% of all employees are represented by the Public Service Alliance of Canada (PSAC) under the terms of a collective agreement that expired March 31, 2020. As of December 1, 2021, negotiations for a new agreement are underway but have not been concluded.

The CMHR launched a new performance management program in 2021-22 that emphasizes performance competencies (quality and standard of work, communication and interpersonal skills, ingenuity, accountability, problem solving and values leadership) and includes setting annual individual performance goals. The CMHR will review all human resources practices and has created a new People, Culture and Growth division to capture its work in focus areas such as leadership development, equity building, human rights capacity building, succession planning, coaching and performance management.

The Museum continues to thoughtfully approach increasing diversity at all levels, including in leadership. A focused demographic survey to gather benchmark data that will inform a plan to build a representative workforce is being implemented in 2022-2023.

- **Evaluating impact** – The CMHR continues to evolve its use of impact measurement to inform decision-making. As it employs anti-bias and decolonizing practices, the Museum has opportunities to review data collection policies and evaluation frameworks, and to focus on impact measurement in new ways. It has developed new tools to incorporate diverse

perceptions and decolonize traditional evaluation methodology that it is piloting on key projects such as the Digital Witness Blanket.

- **Digital infrastructure** – The CMHR is a digitally based museum and the short life cycles for equipment and infrastructure necessary for digital programming during the pandemic as well as to operate exhibits, commercial operations and administration put significant pressure on our available funds. Recapitalization based on industry standard life cycles is required to enable life cycle monitoring and upgrading processes, and to source new technology.

2.2 COMPLIANCE WITH LEGISLATIVE AND POLICY REQUIREMENTS

The CMHR ensures compliance with legislative and policy requirements, including those set out in the *Access to Information Act*, *Privacy Act*, *Conflict of Interest Act*, *Official Languages Act*, *Pay Equity Act*, and the *Accessible Canada Act*, as well as specific directives that may apply including the directive on Travel, Hospitality, Conference and Event Expenditures.

2.3 GOVERNMENT PRIORITIES

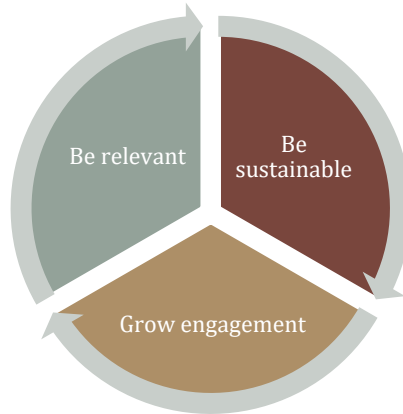
The CMHR's plans are developed to align with government priorities, particularly those that best align with its mandate, including: diversity and employment equity, Indigenous issues, sustainable development and greening government operations, transparent and open government, safe workspaces, accessibility, gender-based analysis plus, addressing systemic racism and support for cultural industries.

3.0 GOALS, STRATEGIES AND PERFORMANCE MEASURES

The strategic direction set by the Board in 2019 for 2020-21 to 2024-25 was a bold vision, drawing on the strengths and accomplishments of the first five years of operations. The Strategic Plan identified strategies and projects that would build the CMHR's national and international reputation as a world-class museum dedicated to human rights and set indicators to measure progress.

In 2021-22, taking into consideration the impact of the pandemic and the effort required to incorporate anti-racist and anti-oppressive practices into all areas of the CMHR's work, the Board reviewed and refined those goals to better reflect the importance of a healthy workplace and meaningful external relationships.

In 2022-23, CMHR will continue to build on those strategic goals to **Be relevant, Be sustainable** and **Grow engagement**, acknowledging that each goal works in concert with the others and progress towards one benefits the others. The CMHR will ensure that equity work is embedded in all aspects of its work and is not undertaken in isolation, and will continue to refine and streamline the strategies it will undertake to deliver on its Vision.



The CMHR looks forward to the challenges and rewards ahead for human rights education, as it strives to become the best in the world.

3.1 OPERATIONAL FRAMEWORK AND KEY INITIATIVES

The framework below operationalizes the strategic direction set by the Board. Detailed divisional and individual performance plans will align with this framework.

STRATEGIC GOAL	OUTCOME	STRATEGY	KEY INITIATIVES
Be relevant	We will honour our location on ancestral lands.	Encourage the acknowledgement of our colonial history.	Acknowledging our place and space With guidance of Elders, learn Indigenous ways of living and being (2022-23+)
	We will inspire human rights defenders to entrust us with their stories.	Strengthen relationships with Indigenous and other equity-seeking communities. Care for and preserve the stories that have been entrusted for future generations.	Advisory councils Deepen engagement (2022-23+) Oral history program Re-launch program with focus on filling content gaps (2022-23+) Core gallery remediation Upgrade gallery content informed by external advice and content audit processes; remediation (2022-23+)

Performance Indicators		2020-21 Actual	2021-22 Forecast	2022-23 Target
Content audits	Content audits completed	In process	Black content audit complete	LGBTQ2+ content audit complete; Indigenous content audit begun
Contemporary content	# of programs/events on contemporary issues delivered onsite and online	n/a	39	17
Champions, changemakers and influencers	# of visits by human rights champions, national and world leaders, changemakers, influencers and government reps	0	25	45
Co-productions	# of exhibitions, programs, conferences, events or projects executed in collaboration with external partners	n/a	30	13

STRATEGIC GOAL	OUTCOME	STRATEGY	KEY INITIATIVES
Be sustainable	We will create a safe, healthy and respectful work environment.	Develop or maintain robust systems that value people and time.	<p>Ceridian Dayforce project Optimize Phase 1 and implement Phase 2 (2022-23); implement additional phases (2023-24+)</p> <p>Customer Relationship Management system Implement (2022-23)</p> <p>Digital Asset Management Plan (2022-23); implement (2023-24)</p> <p>Rethinking the workplace Complete implementation of remote work model and processes (2022-23)</p> <p>Spaces welcoming of all genders Convert gendered washrooms to all gender, inclusive washrooms (2022-23+)</p>
		Promote an engaged, equitable and performance-driven work culture.	<p>Equity council initiatives Offer staff education, input and engagement opportunities (2022-23+)</p>

	We will be a financially sustainable organization	Identify and implement innovative revenue-building opportunities.	<p>Human rights education Implement program (2022-23)</p> <p>Data-driven decision-making Develop data and performance measures (2022-23) and implement (2023-24+)</p> <p>Return-to-market strategy Develop strategy (2022-23) and implement (2023-24+). To include expanded community engagement, membership opportunities, joint productions, Friday Night Rights.</p> <p>New food and beverage (F&B) model Identify and rollout new F&B Model (2022-23+)</p>
	We will maintain a strong infrastructure that anticipates growth	<p>Alignment of CMHR experience and the F&B experience.</p> <p>Optimize use of new technology and platforms.</p> <p>Optimize our physical spaces</p>	<p>Network renewal Plan (2022-23) and implement (2023-24)</p> <p>Creation Lab Create strategy (2022-23) and implement pilot (2023-24+). An opportunity to share ideas and collaborate with other technology innovators.</p> <p>Digital Learning Centre Raise funds for construction (2022-23+) and start construction (2023-24)</p> <p>Greening initiatives Create model (2022-23) and implement (2023-24+)</p>

Performance Indicators		2020-21 Actual	2021-22 Forecast	2022-23 Target
Training	% of staff and volunteers to complete mandatory training on systemic racism and oppression	n/a	90%	91%
Workplace engagement	% of employees engaged	No survey	Baseline established	tbd

Diversity	% of employees who self-declare from an equity-seeking group	Tracking to be reviewed	Baseline established	tdb
Earned revenue	Achieve budgeted operating and other revenue targets	\$0.55 million	\$0.7 million	\$1.2 million
Sponsorships and donations	Sponsorship/donations received directly by CMHR plus Friends total revenues	\$1.4 million (\$0.06 m /\$1.36 m)	\$2.0 million (\$0.0 m./ \$2.0 m)	\$2.5 million (\$0.3 m/ \$2.2 m)

STRATEGIC GOAL	OUTCOME	STRATEGY	KEY INITIATIVES
Grow engagement	We will establish ourselves as a welcoming space to learn and dialogue around human rights.	<p>Create a lively and engaging space for the public through an improved and enhanced arrival experience</p> <p>Provide tools to actively engage and educate students and the public on human rights.</p>	<p>Museum arrival experience and community plaza Community and stakeholder consultation and design and development (2022-23); construction (2023-24)</p> <p>Community access spaces and activities Implement (2022-23+)</p> <p>Online and onsite programming Plan and implement (2022-23+)</p>
	We will share interactive and inspiring human rights stories that build understanding and inspire action	Provide interactive and engaging onsite and online exhibits	<p>LGBT Purge Exhibition Develop onsite and traveling modules to open in 2024-25</p> <p>Beyond the Beat: Music of Resistance and Change Exhibition 10th anniversary exhibition to open in 2022-23+</p> <p>Behind Racism Exhibition Traveling exhibition open in 2022-23</p> <p>Witness Blanket Suite of Exhibits Continue development of digital Witness Blanket (2022-23); develop 2nd replica to travel (2023-24)</p>

			<p>Truth and Reconciliation Gallery Planning and development (2022-23+) for launch by the end of the planning period</p> <p>Diplomatic Human Rights Summit Plan (2022-23) and implement (2023-24)</p>
	<p>We will establish a strong national and international reputation</p>	<p>Develop relationships and partnerships with government and other stakeholders locally, nationally and internationally</p>	

Performance Indicators		2020-21 Actual	2021-22 Forecast	2022-23 Target
Digital Learning Centre	Secure funding and complete construction	Design/development in process	Funding not secured	Fundraising in process
Onsite visitation	Total onsite visits	18,600	56,500	114,000
Online engagement	Total website visits	1,037,000	825,000	1,000,000
Student visitation	# students in-person or virtually	8,067	17,500	21,000
Digital Witness Blanket	Launched in 2021-22	In process	Launched March/22	Online

4.0 FINANCIAL OVERVIEW

The CMHR receives annual appropriations from the Government of Canada, which it supplements with revenue-generating activities and contributions from Friends. Deficits created by the pandemic and lack of visitors were entirely covered by emergency support from the government in 2020-21 and 2021-22 of \$2.2 million and \$3.9 million respectively.

The pandemic has significantly reduced the earned revenues and affected the ability of Friends to raise donations and sponsorships. There is also competition in the Winnipeg market from new cultural experiences as well as competition in the crowded social media and digital landscape. In 2022-23, onsite visitation is expected to double to 114,000 visitors, which is still 60% lower than pre-pandemic levels. Website visitation is expected to increase to 1,000,000 website visits, 25% more than forecasted, and virtual programs are expected to continue to expand.

The CMHR is projecting a balanced budget for 2022-23, but continues to forecast deficits for the balance of the planning period due to the ongoing impact of the pandemic at a time when the CMHR needs to invest in its leadership capacity and overall human resources and respond to

recommendations of the external review to address gaps in Black, LGBTQ2+ and Indigenous content. These projections assume that visitation and revenues will take five years to recover to pre-pandemic levels.

In 2022-23, appropriations to fund the operating and capital budgets are \$30.7 million, including \$5.3 million in emergency relief funding, and are up slightly from \$29.4 million in appropriations received in 2021-22, which included \$3.9 million in revenue loss funding.

Once the ongoing impact of the pandemic is better understood and additional contributions or funding is known, the extent to which strategic initiatives can be undertaken will become clearer and the projections will be revisited.

Capital and operating appropriations will continue to be deferred as required for the completion of projects of a capital nature and for capital requirements that are not currently funded.

4.1 OPERATING BUDGET

The CMHR is projecting a balanced budget in 2022-23 with the assistance of \$5.3 million in emergency relief funding.

The operating budget for 2022-23 on a cash basis is \$30.5 million and is allocated between the core responsibilities as follows:

- Museum content, programs and engagement of \$15.5 million
- Accommodation of \$8.9 million (including PILT)
- Internal services of \$6.1 million.

The budget is higher than the \$26.8 million forecasted for 2021-22. It includes greater investment in content, programs and engagement through core exhibition renewal and the development of new exhibits and programs to address identified content gaps, as well as efforts to make the CMHR a more welcoming space for all. There is also an increased investment in internal services including leadership roles, staff training and education to respond to recommendations in the 2020 external review on systemic racism and as committed by the Board. The budget also includes increased accommodation costs related to increased personnel, reduced savings in security, utilities and other building costs due to fewer pandemic closures and additional facility projects, including making the CMHR a more welcoming space.

4.2 CAPITAL BUDGET

The capital budget for 2022-23 is \$2.3 million, higher than the 2021-22 forecast of \$1.5 million.

With the recent completion of a shovel-ready design for the Digital Learning Centre (DLC), construction of the DLC continues to be a priority. Construction will commence as soon as funds are secured or if the CMHR has excess reserves to invest in the project. The direct impacts of the DLC would be increased virtual and onsite visitation, expanded access and reach virtually to all Canadians including those in rural and northern communities, sustainable participation – minimizing our carbon footprint, increased onsite offerings to attract more tourism and conferences to Winnipeg, significantly increased opportunities to have a more powerful Canadian voice for the protection and promotion of human rights for all, enhancing Canada's reputation as a leader in the promotion of human rights.

The capital budget includes development of two new major exhibitions that include traveling modules, core exhibit renewal to address content gaps, the first stages of an IT infrastructure renewal, facility projects to develop a community plaza and visitor arrival experience and ongoing digital life cycle recapitalization.

Life cycles are maximized whenever possible and identified capital projects will be reassessed over the planning period.

4.3 FINANCIAL STATEMENTS

The financial statements on an accrual basis include recognition of deferred appropriations and deferred contributions which represent recognition of appropriations received from the Government of Canada and used to purchase capital assets, as well as capital contributions from Friends, the Province of Manitoba and the City of Winnipeg for the original capital project and the Level 1 Gallery. The deferred appropriations and contributions are recognized on the same basis as the assets are amortized.

The total 2022-23 operating expenses on an accrual basis in the financial statements are \$44.0 million. This includes the operating budget on a cash basis of \$30.5 million plus the amortization of fixed assets of \$13.5 million.

4.3.1 Financial Statements

The financial statements are prepared on an accrual basis using the Canadian Public Sector Accounting Standards and Section 4200 applicable to government not-for-profit organizations (GNPO). The financial statements are included at 2.1 through 5.8.

The forecast for 2021-22 is based on the actual results for the first two quarters.

Table 1: Summary of revenues and operating costs (cash basis, in \$ millions)

(Prepared on a cash basis)	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Projection	2024-25 Projection	2025-26 Projection	2026-27 Projection
Parliamentary Appropriations (Mains)	\$26.9	\$27.0	\$25.4	\$25.4	\$25.4	\$25.4	\$25.4	\$25.4	\$25.4
Statutory Funding (Emergency/Recovery)		\$2.2	\$3.9	\$3.9	\$5.3				
Parliamentary Appropriations deferred	(\$4.5)	(\$5.5)	\$0.0	(\$2.9)	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Amounts used to purchase depreciable assets	(\$1.4)	(\$0.4)	(\$10.5)	(\$1.5)	(\$2.3)	(\$4.6)	(\$3.4)	(\$1.5)	(\$1.5)
Deferred Contributions used	\$1.8	\$0.2	\$0.0	\$0.6	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Contributed revenue - Friends	\$0.3	\$0.2	\$0.5	\$0.5	\$0.6	\$0.6	\$0.7	\$0.8	\$0.8
Contributed revenue - LGBTQ* Purge	\$0.1	\$0.0	\$0.2	\$0.2	\$0.3	\$0.4	\$0.6	\$0.0	\$0.0
Contributed and/or FAST-Digital Learning Centre	\$0.00	\$0.0	\$8.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Operating Revenue (Table 2)	\$3.3	\$0.4	\$0.6	\$0.6	\$1.2	\$2.0	\$2.6	\$3.1	\$3.3
Other Revenue	\$0.4	\$0.2	\$0.0	\$0.1	\$0.0	\$0.0	\$0.0	\$0.0	\$0.0
Total Revenues	\$26.9	\$24.3	\$28.1	\$26.9	\$30.5	\$23.8	\$25.9	\$27.8	\$28.1
Expenses:									
Museum Content, Programs & Engagement	\$14.2	\$11.1	\$15.4	\$13.4	\$15.5	\$15.9	\$16.3	\$16.8	\$17.2
Accommodation – facility operations	\$4.6	\$4.1	\$4.5	\$5.2	\$6.1	\$6.2	\$6.3	\$6.6	\$6.8
Accommodation - PILT	\$2.7	\$2.7	\$2.8	\$2.8	\$2.8	\$3.0	\$3.1	\$3.1	\$3.1
Internal Services	\$5.0	\$4.8	\$5.4	\$5.4	\$6.1	\$6.2	\$6.3	\$6.5	\$6.6
Total Operating Expenses	\$26.5	\$22.7	\$28.1	\$26.8	\$30.5	\$31.3	\$32.0	\$33.0	\$33.7
Excess (Deficit) of Revenue over Expenses	\$0.4	\$1.6	\$0.0	\$0.1	\$0.0	(\$7.5)	(\$6.1)	(\$5.2)	(\$5.6)

4.3.2 Financial planning assumptions and projections

The CMHR projects a balanced budget in 2022-23, which includes \$5.3 million in emergency relief funding.

In 2021-22, the CMHR is forecasting to break even as it received \$3.9 million in additional federal funding to offset the reduced revenues due to COVID.

There continues to be much uncertainty in the revenue and expense projections for the planning period as the ongoing impact of the pandemic and the length of recovery is still very much unknown. Future additional funding support related to COVID is also uncertain.

The projections assume that revenues will take five years to recover to pre-COVID levels. They provide for the human resource capacity to be rebuilt under the new CEO and will allow the CMHR to invest in the work to address systemic racism and to rebuild the trust of staff, stakeholders and the public. The projections also include development of on-site and online programming to allow the CMHR to deliver on its mandate. These assumptions result in deficits for the four years after 2022-23, totalling \$24.4 million.

In 2022-23, once the ongoing impact of the pandemic is better understood, the extent to which strategic initiatives can be undertaken will become clearer and the projections will be revisited.

4.3.3 Parliamentary appropriations

The CMHR's parliamentary appropriations in 2022-23 are \$30.7 million.

4.3.4 Operating budget 2022-23

The operating budget for 2022-23 on a cash basis is \$30.5 million. Total expenses on an accrual basis in the financial statement are \$ 44.0 million, comprised of the operating budget of \$30.5 million plus amortization of fixed assets of \$13.5 million.

Table 4: Operating expenditures by core responsibility (in \$ millions)

(Prepared on an accrual basis)	2019-20 Actual	2020-21 Actual	2021-22 Budget	2021-22 Forecast	2022-23 Budget	2023-24 Projection	2024-25 Projection	2025-26 Projection	2026-27 Projection
Expenses:									
Museum Content, Programs & Engagement	\$14.2	\$11.1	\$15.4	\$13.4	\$15.5	\$15.9	\$16.3	\$16.8	\$17.2
Accommodation - facility operations	\$4.6	\$4.1	\$4.5	\$5.2	\$6.1	\$6.2	\$6.3	\$6.6	\$6.8
Internal Services	\$5.0	\$4.8	\$5.4	\$5.4	\$6.1	\$6.2	\$6.3	\$6.5	\$6.6
Operating Expenses – before PILT &	\$23.8	\$20.0	\$25.3	\$24.0	\$27.7	\$28.4	\$29.0	\$29.8	\$30.6
Accommodation – PILT	\$2.7	\$2.7	\$2.8	\$2.8	\$2.8	\$3.0	\$3.1	\$3.1	\$3.1
Operating Budget (cash)	\$26.5	\$22.7	\$28.1	\$26.8	\$30.5	\$31.3	\$32.0	\$33.0	\$33.7
Accommodation - Amortization	\$14.6	\$13.7	\$13.5	\$13.5	\$13.5	\$13.5	\$13.5	\$13.5	\$13.5
Total Expenses (accrual)	\$41.1	\$36.4	\$41.6	\$40.3	\$44.0	\$44.8	\$45.5	\$46.5	\$47.2

4.3.5 Operating expenditures by core responsibility

Expenses in the operating budget have been allocated by core responsibility, in accordance with the priorities of the CMHR outlined in this Corporate Plan.

Operating expenses before amortization are budgeted to be \$30.5 million for 2022-2023

4.3.6 Capital Budget 2022-23

The capital budget for 2022-23 is \$ 2.3 million.

The budget for 2021-22 was \$10.5 million as it included \$8.0 million for the Digital Learning Centre (DLC) and \$2.5 million for other capital projects. As funding for the DLC has not been secured, only the design development and construction drawings phases are being completed in 2021-22 in order to have a shovel ready project. The total capital spend in 2021-22 is forecast to be \$1.5 million and the balance of funding will be carried-forward to complete projects.

The CMHR has developed a five-year capital plan for exhibits, facilities and IT that is evergreen and is updated as required. The selection criteria for choosing capital projects includes required life-cycle refresh based on industry standards, risk to staff, volunteers or the public, risk for increased damage to the building or equipment, projects that most contribute to the strategic goals and available resources.

5.5 PRO-FORMA STATEMENT OF FINANCIAL POSITION
YEARS ENDING MARCH 31, 2020 TO 2027 (IN THOUSANDS OF DOLLARS)

Prepared on an accrual basis

	FY 2019-2020 Actual	FY 2020-2021 Actual	FY 2021-2022 Budget	FY 2021-2022 Forecast	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection	FY 2025-2026 Projection	FY 2026-27 Projection
Assets									
Cash & cash equivalents	12,022	9,582	12,785	9,682	9,682	2,182	-	-	-
Investments	3,175	12,267	6,512	14,567	13,621	12,329	11,262	10,551	10,107
Accounts receivable and other current assets	1128	853	1,128	853	853	853	853	853	853
Collections	1	1	1	1	1	1	1	1	1
Capital assets: in use									
Land	4,979	4,979	4,979	4,979	4,979	4,979	4,979	4,979	4,979
Building	294,940	294,921	296,185	295,024	295,730	296,190	296,610	297,050	297,490
Equipment and furnishings	14,918	13,962	15,300	14,087	15,472	16,658	17,930	18,314	19,094
Exhibits	51,014	51,029	51,956	51,596	52,716	54,961	57,697	59,104	59,805
Accumulated depreciation	(88,586)	(100,563)	(115,686)	(114,063)	(127,563)	(141,063)	(154,563)	(168,063)	(181,563)
Capital assets: under construction	783	393	9,033	1,118	1,118	3,118	3,118	3,118	3,118
Total Assets	294,374	287,424	282,193	277,844	266,609	250,208	237,887	225,907	213,884
Liabilities & Equity of Canada									
Accounts payable and other current liabilities	3,475	2,934	3,275	2,934	2,934	2,934	6,852	12,052	17,652
Deferred revenues	247	202	247	202	202	202	202	202	202
Deferred contributions	7,592	12,933	10,192	15,233	14,287	12,995	11,928	11,217	10,773
Deferred contributions related to capital assets	273,069	259,742	256,988	247,762	237,473	229,864	220,792	209,523	197,944
Net Assets:									
Unrestricted	5,012	6,634	6,512	6,734	6,734	(766)	(6,866)	(12,066)	(17,666)
Invested in capital assets	4,979	4,979	4,979	4,979	4,979	4,979	4,979	4,979	4,979
Total Liabilities & Equity of Canada	294,374	287,424	282,193	277,844	266,609	250,208	237,887	225,907	213,884

NOTES:

Note 1:

Deferred contributions represent appropriations deferred for future purchases of a capital nature. The contributions are transferred to the

Note 2:

Effective April 1, 2011 the Corporation adopted the Canadian Public Sector Accounting Standards and Section 4200 applicable to government not-

5.6 PRO-FORMA STATEMENT OF OPERATIONS

YEARS ENDING MARCH 31, 2020 TO 2027 (IN THOUSANDS OF DOLLARS)

Prepared on an accrual basis

	FY 2019-2020 Actual	FY 2020-2021 Actual	FY 2021-2022 Budget	FY 2021-2022 Forecast	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection	FY 2025-2026 Projection	FY 2026-2027 Projection
Parliamentary Appropriations									
Parliamentary appropriations - Mains	26,900	27,000	25,400	25,400	25,400	25,400	25,400	25,400	25,400
Parliamentary appropriations - Emergency/Recovery		2,200	3,900	3,900	5,300	-	-	-	-
Amounts used to purchase depreciable Assets/Capital Restricted for capital acquisitions (deferred) used	(1,400)	(400)	(10,500)	(1,500)	(2,300)	(4,600)	(3,400)	(1,500)	(1,500)
Amortization of Deferred Capital Funding, restricted amounts used in current year	(2,700)	(5,300)	-	(2,300)	-	-	-	-	-
	7,500	7,200	7,000	7,000	7,000	7,000	7,000	7,000	7,000
	30,300	30,700	25,800	32,500	35,400	27,800	29,000	30,900	30,900
Contributed Revenue									
Recognition of prior years' contributions	7,100	6,500	6,500	6,500	6,500	6,500	6,500	6,500	6,500
Contributions or new Revenue	400	200	8,700	700	900	1,000	1,300	800	800
Program sponsorships & grants	-	-	-	-	-	-	-	-	-
	7,500	6,700	15,200	7,200	7,400	7,500	7,800	7,300	7,300
Revenue of the Corporation									
Operating & other revenue	3,700	600	600	700	1,200	2,000	2,600	3,100	3,300
Total Revenues	41,500	38,000	41,600	40,400	44,000	37,300	39,400	41,300	41,600
Expenses									
Museum Content, Programs & Engagement	14,200	11,100	15,400	13,400	15,500	15,900	16,300	16,800	17,200
Accommodations - before PILT & Amortization	4,600	4,100	4,500	5,200	6,100	6,200	6,300	6,600	6,800
Amortization	14,600	13,700	13,500	13,500	13,500	13,500	13,500	13,500	13,500
PILT - Annual amount	2,700	2,700	2,800	2,800	2,800	3,000	3,100	3,100	3,100
Internal Services	5,000	4,800	5,400	5,400	6,100	6,200	6,300	6,500	6,600
Total Expenses	41,100	36,400	41,600	40,300	44,000	44,800	45,500	46,500	47,200
Excess of (expenses over revenue) revenue over expens (Note 1)	400	1,600	-	100	-	(7,500)	(6,100)	(5,200)	(5,600)

5.7 PRO-FORMA STATEMENT OF CASH FLOWS
YEARS ENDING MARCH 31, 2020 TO 2027 (IN THOUSAND OF DOLLARS)
Prepared on an accrual basis

	FY 2019-20 Actual	FY 2020-2021 Actual	FY 2021-2022 Budget	FY 2021-2022 Forecast	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection	FY 2025-2026 Projection	FY 2026-2027 Projection
Operating activities:									
Cash receipts (parliamentary appropriations)	25,500	28,800	26,905	27,780	28,545	21,105	22,578	23,880	23,923
Cash receipts (customers)	3,700	600	600	700	1,200	2,000	2,600	3,100	3,300
Cash receipts (contributions & sponsorships)	0	0	601	0	790	696	761	800	800
Cash paid (employees and suppliers)	(25,849)	(22,948)	(28,106)	(26,780)	(30,535)	(31,301)	(28,121)	(27,780)	(28,023)
Other income	0	0	0	-	-	-	-	-	-
	3,351	6,452	-	1,700	-	(7,500)	(2,182)	-	-
Capital activities:									
Acquisition of a	-	-	-	-	-	-	-	-	-
Increase in holc	-	-	-	-	-	-	-	-	-
Acquisition of capital assets	(1,395)	(403)	(10,494)	(1,520)	(3,211)	(5,891)	(4,428)	(2,231)	(1,921)
	(1,395)	(403)	(10,494)	(1,520)	(3,211)	(5,891)	(4,428)	(2,231)	(1,921)
Investing activities:									
Proceeds from (acquisition of) Investments	1,055	(9,092)	-	(2,300)	946	1,292	1,067	711	444
	1,055	(9,092)	-	(2,300)	946	1,292	1,067	711	444
Financing activities:									
Other Governm	-	-	-	-	-	-	-	-	-
Parliamentary appropriations used for capital activities	1,395	403	2,395	1,520	2,155	4,295	2,822	1,520	1,477
Restricted contributions from non-owners and related investment income	400	200	8,099	700	110	304	539	-	-
	1,795	603	10,494	2,220	2,265	4,599	3,361	1,520	1,477
Increase (decrease) in cash and cash equivalents	4,806	(2,440)	-	100	-	(7,500)	(2,182)	-	-
Cash and cash equivalents, beginning of year									
Operating cash	7,216	12,022	12,785	9,582	9,682	9,682	2,182	-	-
Holdback account	0	0	0	-	-	-	-	-	-
	7,216	12,022	12,785	9,582	9,682	9,682	2,182	-	-
Cash and cash equivalents, end of year									
Operating cash	12,022	9,582	12,785	9,682	9,682	2,182	-	-	-
Holdback account	0	0	0	0	-	-	-	-	-
	12,022	9,582	12,785	9,682	9,682	2,182	-	-	-

NOTES

Note 1:

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

5.8 CAPITAL BUDGET
YEARS ENDING MARCH 31, 2020 TO 2027 (IN THOUSAND OF DOLLARS)
 Prepared on an accrual basis

	FY 2019-2020 Actual	FY 2020-2021 Actual	FY 2021-2022 Budget	FY 2021-2022 Forecast	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection	FY 2025-2026 Projection	FY 2026-27 Projection
Projected Capital Expenditures:									
Digital Learning Centre <i>(Note 1)</i>	171	133	8,000	725	-	-	-	-	-
Museum arrival experience and community plaza	-	-	-	-	-	2,000	-	-	-
Travelling exhibits	275	-	655	100	775	1,184	1,089	400	-
IT infrastructure	719	-	-	-	400	500	600	-	500
End user computer equipment	-	91	125	125	125	150	150	150	150
Info security	-	-	100	-	110	110	120	120	120
Software renew/replace	-	-	-	-	100	250	350	-	-
Digital exhibit hardware	196	-	57	57	-	-	-	-	57
Gallery renewal (Reconciliation)	-	-	100	-	-	-	400	300	150
Core exhibit renewal	-	-	230	50	115	235	280	250	200
Film/Digital Exhibits	6	57	-	360	-	-	-	-	-
Digital asset management	-	-	7	-	-	10	52	10	10
Facility projects	28	10	520	103	290	160	320	290	290
Visitor experience projects	-	112	-	-	350	-	-	-	-
Contingency	-	-	700	-	-	-	-	-	-
Total capital cost	1,395	403	10,494	1,520	2,265	4,599	3,361	1,520	1,477
Funded by:									
Annual Operating	232	386	2,395	903	2,155	4,295	2,822	1,520	1,477
Budget 2016	142	17	-	-	-	-	-	-	-
New funding - Digital Learning Centre	-	-	8,000	-	-	-	-	-	-
New funding - LGBTQ+	-	-	99	-	110	304	539	-	-
Deferred Appropriations	1,021	-	-	617	-	-	-	-	-
Total Sources	1,395	403	10,494	1,520	2,265	4,599	3,361	1,520	1,477

Note 1:

Fit-up of the Museum's Digital Learning Centre was not included in the original capital project. Design development began in 2020-21 and to be completed in 2021-22 along with construction drawings in order to have a fully shovel-ready project. Further development is dependent on funding being secured or the availability of reserves.

5.9 PRO-FORMA STATEMENT OF CHANGES IN NET ASSETS
YEARS ENDING MARCH 31, 2020 TO 2027 (IN THOUSANDS OF DOLLARS)

Prepared on an accrual basis

	FY 2019-2020 Actual	FY 2020-2021 Actual	FY 2021-2022 Budget	FY 2021-2022 Forecast	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection	FY 2025-2026 Projection	FY 2026-2027 Projection
Net assets, beginning of year	9,599	9,991	11,491	11,613	11,713	11,713	4,213	(1,887)	(7,087)
Excess of revenue over expenses	392	1,622	-	100	-	(7,500)	(6,100)	(5,200)	(5,600)
Net change in accumulated remeasurement losses	0	0	0		0	0	0	0	0
Net assets, end of year	9,991	11,613	11,491	11,713	11,713	4,213	(1,887)	(7,087)	(12,687)