

CANADIAN MUSEUM FOR HUMAN RIGHTS



Photo: Aaron Cohen

SUMMARY OF THE 2017-2018 TO 2021-2022 CORPORATE PLAN AND THE 2017-2018 OPERATING AND CAPITAL BUDGETS



1.0 Executive Summary

Corporate Overview:

A new era in human rights began with the opening of the Canadian Museum for Human Rights (CMHR) in the fall of 2014. By examining and celebrating stories from across Canada and around the world, the CMHR is stimulating thought, dialogue and action. Ultimately, the CMHR is creating inspiring encounters with human rights.

Located in the heart of Canada, at the confluence of major rivers and historic cultures, the CMHR is a place of hope and optimism; a place that encourages people from all walks of life to connect with something much larger than themselves and to acknowledge that they have a direct stake in building a better world.

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 under Canada's *Museums Act*.

In 2016-17, its second full fiscal year of operations, the Museum welcomed 295,316 visitors, achieving the annual visitation target of 291,300 visitors. Revenue targets, aided by an elevated interest in facility rentals for conferences, lectures and other events, also exceeded first-year projections. Educational programs directed at youth and school groups have been fully subscribed.

The Museum is attracting visitors from near and far to see the iconic building with its human rights symbolism and to be moved and inspired by an immersive, innovative and interactive museum experience, both of which stand unique in the world. It is having the economic impact on Winnipeg that it had anticipated, with 61% of ticket buyers coming from outside of Winnipeg in 2016-17. Visitor surveys conducted in the summer of 2016, indicate that 96% of respondents said they were satisfied or very satisfied with the Museum experience and 95% said they left feeling inspired by their visit. 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.

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 with continuous improvement.

The Museum has been honoured to win more than 30 local, national and international awards for innovation in digital media, accessibility, interactive exhibits, design, engineering, documentary and short films, workforce planning and talent management, outstanding employer, 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

In 2016, with the Museum now operating for two years, the Board of Trustees and senior leadership revised the strategic plan to refine the focus of Museum operations and incorporate the lessons learned since opening. The Board updated the goals under five strategic pillars to guide Museum operations and activities through the upcoming five years of operations.

Our Goals

- Visitor Experience:** The Museum delivers an inspiring, relevant and memorable experience to each of its visitors.
- Audience Reach:** The Museum grows and retains its audience within the local market, across Canada and internationally.
- Recognized Leader:** The Museum grows its reputation as a recognized leader for human rights education, inclusion, reconciliation and museological practice.
- Financial Sustainability:** The impact of the Museum’s revenue-generating activities, allocations from the federal government, support from fundraising activities, including sponsorships, and ongoing cost controls allow the Museum to maintain and continually renew its programs and infrastructure.
- People:** The Museum attracts and retains diverse, talented, motivated and engaged staff and volunteers who are invested in the CMHR’s long-term success. The Museum supports its employees in working at their highest and best potential.

Key considerations through 2017-18 and beyond:

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 future generations. The results achieved during the Museum's first two years 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 appropriations recently approved through the allocation of federal Budget 2016 will assist the CMHR to achieve this vision. The staff and Board of the Museum will continue to push the limits of what the Museum can accomplish and will be able to more fully achieve its mandate.

The Museum, under the guidance of the Board and the President and CEO, will focus on achieving the five strategic goals with particular emphasis on:

- Expanding the Museum's reach across Canada and the world, and continually refreshing and evolving exhibitions, content and programming to ensure offerings remain impactful and relevant;
- Maximizing the support for Museum programs with revenue from its commercial operations and from sponsorship activities in conjunction with Friends; and
- Using business improvement methodologies to review contracts and processes developed to date for continued improvement opportunities and efficiencies.

The staff and Board of the Museum have a desire to constantly push the limits of what the Museum can accomplish and more fully deliver its mandate with the following priorities for the five year planning period:

- **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. Longer-term initiatives will 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 participating in 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 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 nationally relevant learning resources** for educators and students in all parts of Canada, building on the success of on-line initiatives such as the CMHR's Human Rights Teaching Toolkit.
- **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, as funding permits.
- **Secure funding and complete the Digital Learning Centre** to significantly enhance the Museum's ability to engage and inspire visitors through film, plays, digital storytelling and first-person accounts of human rights challenges and triumphs not only on-site but also on-line through having the dedicated space and capabilities to broadcast across Canada and around the world.

It is important for the Museum to safeguard against exhibition technology and content becoming dated or less relevant in coming years. As the first national museum built in the digital age, in which core museum content is comprised not of objects and artifacts but by bytes and data, the CMHR has a distinct, ongoing need to ensure its IT and AV 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 exhibition, collections, web, and mobile content. Sustainable funding for

maintenance and renewal is critical to ensuring the Museum can maintain its digital collections in order to preserve Canadian heritage for future generations as well as to maintain and build upon existing visitor numbers by delivering a contemporary visitor experience and a defined “reason to return” for years to come.

CMHR will maximize support for Museum operations through a continued focus on generating profitable earned revenue from its commercial operations, including admissions, event rentals, boutique sales, memberships and catering operations. CMHR’s goal of profitable earned revenue is, however, balanced with supporting the Museum’s mandate and metanarrative and ensuring that the Museum is accessible to all Canadians. In some cases aligning the commercial activities with the mandate and metanarrative will reduce the net income from these activities i.e. sourcing all fair trade products for the Boutique results in lower gross margins due to a higher cost of goods sold and requires additional staff time to source the product.

The Museum and Friends plan to develop and implement a strategy for sponsorship funding to support Museum programming, however, given that this is a new endeavor, no sponsorship revenue has been budgeted at this time.

CMHR will continue to pursue business improvement opportunities to ensure that its operations are as efficient as possible. During the development of the Museum and through its first years of operations the Museum has continually looked for ways to create efficiencies or reduce costs. These efforts included maximizing the use of volunteers; negotiating a flexible union agreement that allows for term positions, external contracting and part-time staff; energy efficient practices that reduce energy costs. The Museum’s union agreement expired March 31, 2016. A new four year agreement was ratified on December 20, 2017 and the terms of the new agreement will be managed within existing budgets.

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1.0 Mandate

1.1 Mandate & 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 metanarrative that provides 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.

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 honours 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 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.

1. Canada 150

In 2017-18, the CMHR will deliver a range of exhibitions and programs connected to Canada 150th themes. The CMHR also plans to move from the pilot phase of the National Student Program to slowly phasing in the launch including providing travel subsidies to bring youth from across Canada to the CMHR for an impactful multi-day learning experience.

2. Engage and innovate

A major focus of the Museum's updated strategic plan is to continue to foster its culture of innovation and to expand its reach and engage visitors both on-site and on-line. Through the development and launch of a digital strategy, built on the IT infrastructure already in place, the Museum will ensure exhibition and related content is on-line and, more importantly,

facilitate the creation of additional content by stakeholder engagement through ancillary platforms (e.g. social media, third party data/archives). Innovation is already evident at the CMHR through virtual reality, augmented reality and the digital engagement already available within the Museum's exhibitions. The Museum's continued innovation will contribute to Canada's growth and prosperity.

3. Diverse and inclusive

Diversity, understanding and respect are at the core of CMHR's values for the development of exhibitions and programs, for welcoming its visitors and for providing an inclusive environment for staff. The CMHR will continue to incorporate the highest level of accessibility into its building, exhibitions, digital outreach, and visitor experience, promoting the understanding that diversity is not just to be accommodated, but appreciated through rich and meaningful experiences for everyone irrespective of differences. The Museum will continue to take positive measures to support the development of official language minority communities and to promote English and French. The Museum aims to grow its reputation as a recognized leader for inclusion and reconciliation.

4. Open and modern government

The CMHR operates in an open, transparent and efficient basis, focused on results and achieving outcomes. The CMHR is committed to providing service excellence - our 2016 visitor survey indicated 96% visitor satisfaction.

Through its 2017-18 fiscal year, the CMHR will continue to support and contribute to the Government of Canada's initiatives marking the 150th anniversary of Confederation. Exhibitions and programs will connect to the Government of Canada's themes for Canada 150: inclusion & diversity; reconciliation; youth; and environment. Specifically, the CMHR will present several Canada 150-related exhibitions, including *1867: Rebellion and Confederation*, *Points of View: A national human rights photography exhibition*, *Our Canada, My Story*, and *150 Years of Canadian Human Rights History* (working title). The CMHR will partner with Canada 150 Signature Initiatives like The Walrus Talks, Experiences Canada's Canada 150 & Me project, and REEL Canada's National Film Day to offer Canadians a variety of opportunities to take part in festivities throughout the year. It will also launch relevant education and public programs, including an education program focused on Indian residential schools, to further engage visitors directly in discussions about reconciliation. Finally, the CMHR will mark milestone dates like the 35th anniversary of the Canadian Charter of Rights and Freedoms, Canada Day, and International

Human Rights Day, in addition to other education and public programming over the course of 2017.

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 all across this country about the devastating legacy of Indian residential schools. These violations are a part of our shared history, and need to be known and understood by all Canadians. The Museum has a number of exhibits that present the story of residential schools and explore both the ongoing and intergenerational impacts. The Truth and Reconciliation Commission 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 Truth and Reconciliation Commission, 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 collaborate with communities and individuals as an important component of our approach. Through this collaboration, the Museum will develop and deliver relevant education and public programs, including an education program focused on Indian residential schools, to further engage visitors directly in discussions about reconciliation. It will continue to listen, learn and collaborate to make a meaningful contribution towards reconciliation. We are committed to participating in the process. As Justice 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.

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.

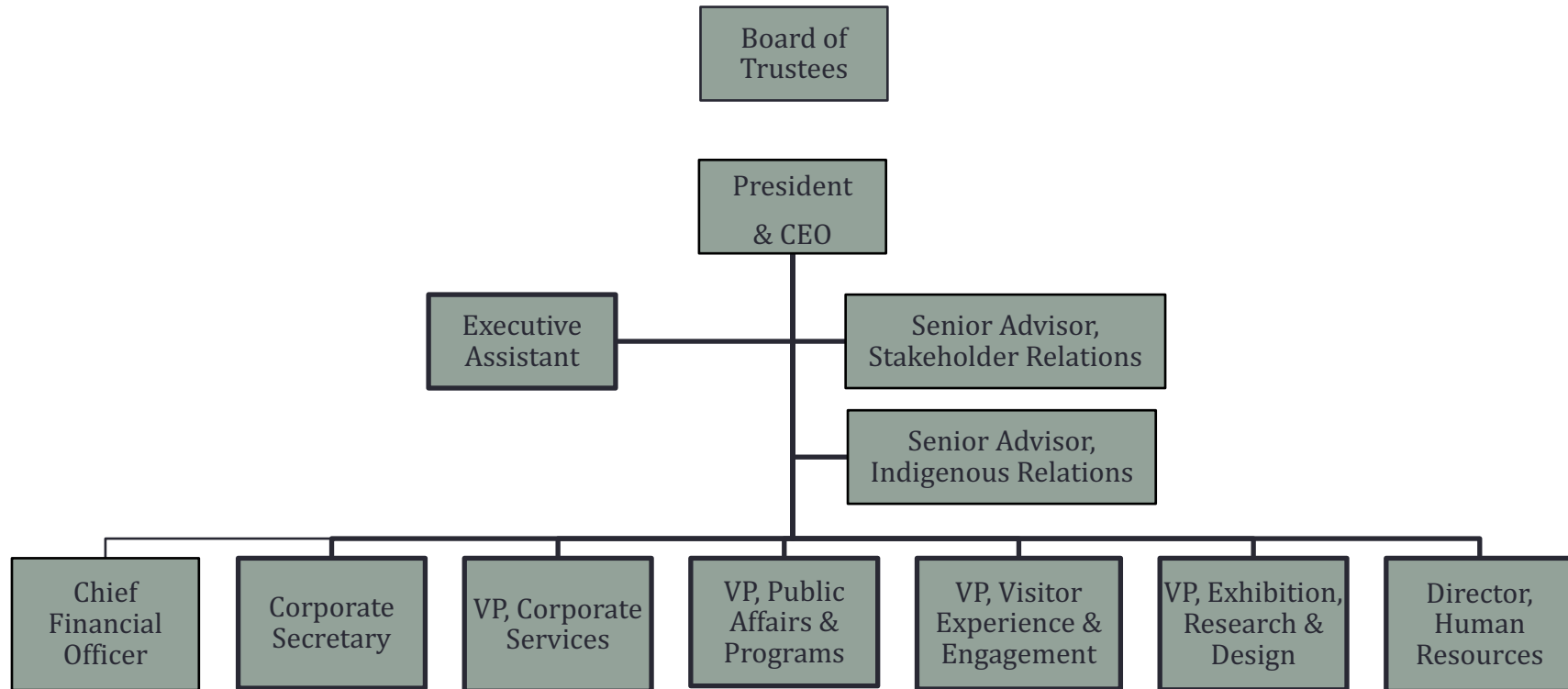
The Board of Trustees is responsible for developing the strategic priorities for the Museum. The strategic priorities for this planning period are included in Section 4.0.

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 sixth Annual Public Meeting will be held at the CMHR in January 2017. The meeting will include an update on Museum activities in the past year and provide members of the public with an opportunity to ask questions.

Governance and Management Structure

(As of April 1, 2016)



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:

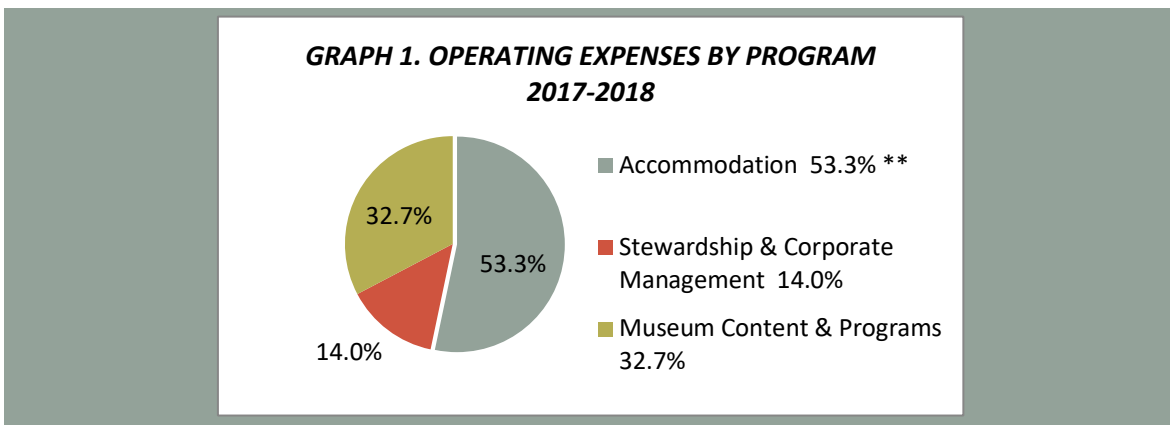
- Building operations
- Protection services
- Information technology infrastructure

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 2017-18 operating budget, on an accrual basis of \$42.8 million in expenses by Program (including amortization, annual PILT). For a description of expenses under each Program, see Section 5.1.



** Accommodation includes annual PILT of \$2.8 million and amortization of \$14.9 million.

3.0 Strategic Issues

3.1 Environmental Scan

In May 2016, as part of the strategic planning process CMHR completed a facilitated SWOT (strengths, weaknesses, opportunities and threats) exercise and identified the following organizationally relevant drivers that helped inform the strategic plan and provide an appropriate foundation on which to establish realistic goals and performance measures for the next five years.

Audience Development and Visitor Expectations

- a) Personalized content/keeping pace with evolving visitor needs - there is a defined trend within the broader cultural and digital sectors toward a more personalized, participatory and relevant visitor experience. As the first national 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;
- b) Diversifying content that speaks to the whole of Canada - the ability of CMHR to reach a wider audience requires that the Museum increase the diversity of stories being preserved, told and collected and increase the diversity of how the stories are told;
- c) Audience identification - long-term audience retention, effective marketing and a continued ability to deliver meaningful content require the Museum to know who our audience is. Improved audience data/audience profiles were cited as essential to the success of future marketing efforts and the Museum's ability to tailor content and programs to the needs and interests of its visitors;
- d) Measuring impact - while the Museum has quantitative tools to measure visitorship and revenue targets, it has fewer means to measure the impact of its exhibitions and programs. The premise of measuring impact and tools to better evaluate the ways that the Museum is making a difference is seen as necessary to tracking success against the Museum's mandate; and
- e) Addressing geographic barriers - a participatory online experience that offers meaningful opportunity for dialogue has been identified as a key means to reach citizens in all areas of Canada. Travelling exhibitions continue to be viewed as an important means to acquaint more Canadians with CMHR.

Long-term Financial Sustainability

- a) Federal government - the mandate and aspirations of the CMHR align directly with the stated policy goals of Canada's federal government. The CMHR is also uniquely positioned to help the government celebrate and share Canada's stories with the world. CMHR needs to clearly demonstrate how the CMHR is different from the other national museums, including practical considerations of being

situated outside the National Capital Region, and secure long-term, predictable financial support;

- b) Aligning sponsorship and donorship with long-term needs - with the capital project now complete, investments from donors must support ongoing initiatives and long-term priorities. The Museum must ensure its relationship with Friends supports these aims, and has an opportunity to cultivate relations with existing and prospective donors and sponsors oriented around CMHR's future needs;
- c) Better data to expand marketing reach - improved audience data would better ensure that limited marketing dollars are invested in the right place; and
- d) Engaging stakeholders to advance CMHR objectives.

3.2 Critical Success Factors

As part of the strategic planning process, the Museum has identified four critical factors to its ongoing success:

Inspiring visitor experience: The Museum must continue to deliver a memorable, relevant and meaningful experience to its visitors. As the Museum matures, the CMHR must aim to keep pace with evolving technologies and visitor expectations.

Financial sustainability: The Museum must secure sustainable, predictable funding sufficient to support all core operations and the continual renewal and development of CMHR programs. The Museum must enhance and diversify revenue-generating activities, work with Friends on sponsorship opportunities, while continuing to realize internal cost savings and efficiencies.

Expanded audience reach: The Museum must grow and retain its audience, not only locally but across Canada and abroad, in turn affirming the CMHR's role as a trusted institution for human rights resources.

Optimized human resources: Workloads and staff complement must allow the Museum to deliver on its mandate while ensuring resources are available to respond to emerging opportunities. The Museum must align its priorities and ambitions with its sustainable operating capacity.

3.3 Results achieved in 2016-17

The 2016-17 fiscal year continues to see significant progress in the Museum's operations. After the first successful year of operations, the projections for 2016-17 were increased from the original business plan based on first year actuals and anticipated trends.

The Museum projected 291,300 visitors for 2016-17 and is on track to exceed this projection, welcoming 193,900 on-site visitors in the first six months. Museum experts have advised that most new museums see a 15 to 22% drop in visitation in the second full year of operations.

The Museum continues to be a sought after venue for events large and small. 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 the temporary exhibition space has allowed the CMHR to bring travelling exhibitions from other institutions, attract first time visitors and encourage repeat visitation to the Museum.

Sight Unseen, a photography exhibition presenting photographs produced by blind photographers, opened in the Level 1 Gallery in January 2016 and continued until September 2016. Beginning in December 2016, the exhibition, *1867: Rebellion and Confederation*, originally conceived by the Canadian Museum of History, is presented. This exhibition examines civil and political rights, democratic processes, responsible government and accountable governance in Canada.

In the Level 6 Expressions temporary exhibition gallery, the *Witness Blanket*, an exhibition on Indian residential schools was on display until June 2016. 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, helped connect visitors to the experience in personal ways — whether they were visiting in person or participating online.

In July 2016, the “Witness Blanket” was followed by *Empowering Women: Artisan Cooperatives that Transform Communities*. This vibrant exhibition examines the power of female-run artisan cooperatives to further human rights in communities around the world. It uses colourful folk art objects, textiles, images and video to make stories of female empowerment and reconciliation from 11 different countries come alive. It includes objects that visitors are encouraged to touch, and immersive virtual reality first-person storytelling.

In addition, three temporary exhibits were added within the Museum’s core exhibitions which address current topics in human rights. *Girl of Courage: Malala’s Fight for Education* and *A Perilous Crossing* were added to the Museum’s “Rights Today” gallery on Level 5. *Freedom of Expression in Latin America* in the “What are Human Rights?” gallery includes an augmented reality story delivered in-gallery through iPads, by hovering over one of the *arpilleras* (vivid fabric pictures) of human rights violations during the Pinochet dictatorship in Chile. This experience is also available to remote audiences by downloading an app via the App Store and printing out or using a printed post-card version of the *arpilleras*. A film has been added to the “Breaking the Silence” gallery

theatre. The film, *Acts of Conscience*, looks at the genocide through the lens of Armin T. Wegner, a German war medic who photographed and documented atrocities against the Armenian Christian minority during the First World War. The film was first premiered, with associated education and public programs, at events with the Armenian communities in Toronto and Montreal.

A national call has been issued for photographs to be considered for a major exhibition marking Canada's 150th in 2017. *Points of View*, a national human rights photography exhibition, will use juried crowd-sourced submissions to reflect themes in four categories - freedom of expression; inclusion and diversity; reconciliation; and human rights and the environment.

The Museum completed its fourth visitor survey in the summer of 2016 with excellent results continuing to be maintained. 96% of respondents said they were satisfied or very satisfied with the Museum experience, while 95% indicate 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 (United Kingdom, Australia, Germany, China and France) to align with their target countries.

The Museum has grown its series of curriculum-based, age-appropriate school programs, now offering 11 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 and Speak Truth to Power continue to be accessed by teachers across Canada. The pilot project for the National Student Program continues in collaboration with organizations that fund or otherwise facilitate student travel to Winnipeg.

The Museum continues to build on the Enterprise Content Management System, the digital system that allows the CMHR to catalogue all its content and 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 exhibition content, and publish existing content to new platforms.

The Museum also continued to engage in thorough research to ensure that the integrity and academic rigour that were applied in the development of the inaugural exhibitions and programs, continue with new temporary exhibitions and programs.

In 2015-16, the first-ever employee engagement survey was developed and implemented. Detailed action plans are being developed in conjunction with staff

to continuously grow the employee engagement factor and increase employee attraction and retention.

The Museum continues to establish baseline operating costs and has assessed the life cycles of the facility equipment and IT infrastructure. In June 2016, CMHR's final PILT amount was settled between the City of Winnipeg and Public Works and Government Services Canada (PWGSC), giving the Museum certainty for the retroactive amount owing and the PILT cost going forward. CMHR is thankful to the Government of Canada for providing the funding through Budget 2016 which allowed CMHR to reimburse PWGSC for the amounts paid on its behalf as well as to pay the annual PILT amount on an ongoing basis.

For further information on the Museum's recent results, please refer to the 2016-17 Annual Report.

4.0 Goals, Strategies and Performance Measures

The 2017-18 Corporate Plan covers the CMHR's third full year of regular operations.

Under the guidance of the Board and the President and CEO, the Museum 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 priority areas are to expand the Museum's reach and impact across Canada and the world by developing on-line offerings that are more personalized and allow for more interaction, engagement and dialogue; attracting first time and repeat visitation by continually 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 2016, the Board of Trustees revised the strategic plan and adopted five goals to guide Museum operations and activities through the CMHR's next five years of full-time operations.

The core strategies and key initiatives are provided under each core strategy in sections 4.1 to 4.5.

The staff and Board of the Museum have a desire to constantly push the limits of what the Museum can accomplish. The Museum continues to refine its strategic and business-planning processes and performance indicators and targets as actual data, history and trends from operations continue to become available and as it develops an ongoing museum evaluation program.

Goals and key performance indicators

Goal area 1: Visitor experience

The Museum delivers an inspiring, relevant and memorable experience to each of its visitors.

Key performance indicator: Visitor Impact Score(s).

CMHR will develop an encompassing metric to more effectively evaluate success in delivering an inspiring visitor experience over time. The visitor impact algorithm will provide a single measurement of a range of attributes including:

- Visitor satisfaction
- Frequency and duration of visitation by audience segment
- Engaged visitation, including participation in Museum programs and other forms of interaction

While the Visitor Impact Score is being developed, the Museum will measure success using the following Visitor Experience performance indicators:

Performance Indicators		2017-18 Target
Satisfaction	% visitors satisfied or very satisfied	>90%
General Impact	% visitors inspired by the Museum	>90%
Return Visitors	% return visitors (based on individual paid visitors)	7% (estimate as not previously tracked)
Memberships	% renewals	40%

Goal area 2: Audience reach

The Museum grows and retains its audience within the local market, across Canada and internationally.

Key performance indicator: Total Museum Visitation (including onsite paid and unpaid; online and digital; and offsite and travelling exhibitions.)

In 2017-18, in order to develop the Key Performance Indicator, the Museum will develop the indicators and targets for online and digital visitation, offsite and travelling exhibition visitation as well as social media engagement. The value of earned media will also be used as a secondary indicator.

While the Total Museum Visitation indicator is being developed the Museum will measure success using the following Audience Reach indicators:

Performance Indicators		2017-18 Target
On-site Visitation	# of total onsite visitors	308,200
Off-site Physical Visitation *	# of events/# of visitors	8/50,600
Paid Admission	# of paid general admission visitors	110,485
Reach	% of paid general admission visitors from outside the Winnipeg market (> 2 hr radius)	55%
Student Visitation	# of students in person (Includes NSP, school and professional programs)	27,000
Memberships	Total # of members	6,500
National Reach	# opportunities showcasing CMHR on a national scale (Incl. digital components for remote audiences)	25

* Off-site Physical Visitation includes the physical visitation at off-site CMHR exhibitions, film viewings, speaker series events.

Goal area 3: Recognized leader

The Museum grows its reputation as a recognized leader for human rights education, inclusion, reconciliation and museological practice.

Key performance indicator: External consultative requests and earned media stories related to the four primary leadership areas.

The Museum will also report anecdotally on secondary indicators including awards, peer recognition and critical appraisals in the four leadership areas.

The Museum will measure success using the following Recognized Leader indicators:

Performance Indicators		2017-18 Target
Key Indicator - Consultations/ Collaborations	# of completed external solicited consultative requests, presentations & collaborations related to 4 leadership areas (includes exhibits but excludes loan agreements)	14
Partnerships	# of new & renewed agreements with strategic benefits (benefits reported annually)	6
Government relations	Annually provide examples of support for, or amplification of, CMHR's message	Qualitative reporting annually

Goal area 4: Financial sustainability

The impact of the Museum’s revenue-generating activities, allocations from the federal government, support from fundraising activities and ongoing cost controls allow the Museum to maintain and continually renew its programs and infrastructure.

Key performance indicator: Total funding from all sources exceeds expenditures required to deliver on the CMHR mandate.

Secondary indicators will be developed with the implementation of initiatives, including:

- Program sponsorship
- Benchmarking
- Value engineering

The Museum will measure success using the following Financial Sustainability indicators:

Performance Indicators		2017-18 Target
Key Indicator - Fiscal management	Total funding exceeds expenditures required to deliver on CMHR mandate.	Breakeven
Earned revenue	Achieve budgeted revenue targets	\$3.4 million
Contributions	Friends' Contributions / Other funds raised <small>(not in budget due to new endeavor)</small>	Nil/\$250k
Cost-effectiveness	Net income Boutique & Facility Rentals/Events	\$392k
LEAN Efficiencies	# of continuous improvements undertaken / Cost savings	2/\$200k

Goal area 5: People

The Museum attracts and retains diverse, talented, motivated and engaged staff and volunteers who are invested in the CMHR’s long-term success. The Museum supports its employees in working at their highest and best potential.

Key performance indicators: Workforce and volunteer engagement; active contribution to fulfilling CMHR mandate and metanarrative.

The Museum will continue to develop secondary indicators related to:

- Success of innovative ideas that advance progress on strategic priorities
- Leadership development indicators
- Employee diversity; percentage of workforce proficient in Canada’s Official Languages

The Museum will measure success related to People using the following indicators:

Performance Indicators		2017-18 Target
Key Indicators - Employee engagement	% of employees engaged	76% (Next survey in 2018-19)
Volunteer engagement	% of volunteers engaged	73% (Next survey in 2018-19)
Employee retention	% retention - Inc part-time/Exc part-time	75%/80%
Volunteer commitment	% volunteers that met 100 hrs of service commitment	75%
Volunteer commitment	Total volunteer hours	18,000
Service excellence	% visitor satisfaction w/ staff & volunteers	> 90%

4.1 Core strategy #1: Expand the Museum’s audience reach via an enhanced digital presence, improved audience data, and programs that reach beyond the local market.

Supports:

Goal area 1: Visitor experience

Goal area 2: Audience reach

Goal area 3: Recognized leader

Goal area 4: Financial sustainability

The development and launch of a digital strategy – along with travelling exhibitions and exhibitions at alternate venues – will allow the Museum to more fully deliver on its mandate by bringing an inspiring experience to visitors across Canada and abroad. Improved audience data will support the CMHR in engaging potential visitors who have yet to visit the Museum, and will help ensure that limited financial resources for national and international promotion are focused where returns are likely to be highest. The Museum will identify and analyze necessary tradeoffs between targeting local, national and international visitors with respect to enhancing its audience reach.

Key Initiatives:

1. Digital engagement initiative

The digital engagement initiative involves significant development of the CMHR web-site to create a platform that will allow an online experience that transcends and complements the traditional boundaries between the physical facilities of the CMHR and its online offerings. The goal is to ensure exhibitions, programs, and related content, collections, and other scholarly human rights content is available online and, more importantly, facilitate the creation of additional/supplemental content by stakeholders via ancillary platforms (e.g. social media, third party data/archives).

The initiative is expected to span the five year planning period with short term objectives that are highly functional and online-only in nature and longer term objectives to encourage public participation and engagement, to help the Museum fully achieve its mandate by inviting people on journeys that may result in shifts in worldview or result in meaningful emotional connections.

The initiative will impact all divisions, requiring an allocation of both staff and budget resources, as well as revisions to development methodologies.

The deliverables will include:

- a. Provide additional web-based service offerings including:
 - The web store - developed and implemented in 2016-17 to sell Boutique merchandise on-line. Any required refinements, such as tying products to stories in the exhibitions, will be completed in 2017-18.
 - A method of measuring the impact of campaigns and virtual museum activity.
- b. Create a more prominent and dynamic access to education material, including the toolkit, as well as increasing the searchability of relevant learning resources. The deliverables will include:
 - Updated main pages for education materials on the web site.
 - Improved searchability for teachers and students.
- c. Strengthen the capabilities of the Museum's web-site and integrate the process improvements in Key Initiative #3 under Core Strategy #7

The deliverables will include:

- New ticketing system to be developed and installed for use beginning in quarter 2 of 2017-18.
 - A plan for process improvements and potentially further automation of accounting functions.
- d. Continue to ensure exhibition development includes experiential designs that bridge both onsite and remote audience activities and that these elements remain core experiential aspects of the museum's web presence.

For example: *Points of View* crowdsources its exhibition content through online call for entries and submissions by national audiences; *1867: Rebellion and Confederation* has a video game; and *Our Canada: My Story* will have a digital story submission.
 - e. Design and develop a rich venue of user contributed 3rd party aggregated and contextualized content for personalized reflection, value-added use, and participative discourse amongst all audience demographics.

2. Travelling and temporary exhibitions and programming

The deliverables will include:

- a. Complete the schedule for travelling and temporary exhibitions, and identify associated public and education programming priorities to 2020-21 taking into consideration the balance between targeting local, national and international visitors and expanding audience reach.
- b. Develop, install and deliver travelling and temporary exhibitions and programming, including:

Level 1 Gallery

- *1867: Rebellion & Confederation* - to May 31, 2017
- *Points of View* exhibited July 2017 through January 2018
- *Mandela* - March 2018 through December 2018

Expressions Gallery

- *Our Canada, My Story* - March 2017 through August 2017
- *150 Years of Canadian Human Rights History*** - October 2017 through April 2018 ** Working title

3. Expand reach of education programs

Further expand the reach of the education programs through the following:

- a. Develop and enhance existing online education resources.
- b. Launch of the National Student Program beyond the pilot program. Providing student travel subsidies will initially be implemented on a modest basis, with further expansion dependant on funding and sponsorships.
- c. Develop programs appropriate for university levels and professional audiences (i.e. Police Services and Educators).

4. Marketing and promotion

Collaboratively develop plans for marketing and promotion using audience data to focus local, national and international promotion where returns are likely to be the highest.

4.2 Core strategy #2: Develop a Museum Evaluation Program

Supports:

Goal area 1: Visitor experience

Goal area 3: Recognized leader

Goal area 4: Financial sustainability

Goal area 5: People

A formalized evaluation program will give the Museum a structured, clear and consistent framework to measure success over time, create meaningful incentives to reach organizational goals, improve internal accountability, validate decisions, and ensure goals and objectives remain relevant to the Museum's audience.

Key Initiatives:

1. Museum Evaluation Program

Develop a museum evaluation program that will provide information and data that assists the Museum in making informed decisions related to exhibition design and development, public programs and visitor services. The initiative may span multiple years with the initial focus on developing the key performance indicators required for reporting on the strategic plan.

The deliverables will include:

- a. Develop an integrated analytics system and common dashboarding.
- b. Develop the visitor impact algorithm.
- c. Assess visitor satisfaction and depth and duration of visitor engagement.
- d. Pilot front end, formative and summative evaluations for museum programs.
- e. Non-visitor study.

4.3 Core strategy #3: Leverage relationships with partners and stakeholders to advance CMHR objectives

Supports:

Goal area 2: Audience reach

Goal area 3: Recognized leader

Goal area 4: Financial sustainability

External partners will be more formally identified, solicited and engaged to help advance Museum goals, in particular to expand the CMHR's profile in target markets, cultivate stronger relations with potential sponsors, and enhance the Museum's reputation as a recognized leader in areas such as human rights education, inclusive practices, reconciliation and museological practice.

Key Initiatives:

1. Partner with another national museum

Assess the feasibility of developing a travelling exhibition with another national museum in 2017-18. Plan and launch exhibition in a subsequent year if feasible.

2. Americas symposium

In 2017-18 prepare a detailed implementation plan for a multi-level Americas symposium to be potentially hosted by CMHR and delivered in 2018-19.

3. Participation and leadership in reconciliation

Develop and implement plans for supporting the Government's objectives related to reconciliation including, but not limited to:

- Truth and Reconciliation Commission recommendations
- Standing Indigenous Advisory Committee recommendations

4. Respond to partnership and stakeholder opportunities

Develop, respond to and pursue opportunities with existing or first time partners and stakeholders. Report annually on the opportunities and how they advanced CMHR's objectives.

4.4 Core strategy #4: Align staffing and workloads with Museum's sustainable operating capacity

Supports:

Goal area 1: Visitor experience

Goal area 5: People

The Museum's long-term ability to retain motivated, diverse, highly functioning employees requires aligning Museum projects and priorities with realistic, sustainable workloads. Volunteer attraction and retention initiatives will help further support demands on permanent employees.

Key Initiatives:

1. Collective agreement

Complete the negotiations for the Museum's second collective agreement.

2. Increase capacity and minimize turn-over

Implement a succession and development plan for:

- a. front-line staff in Visitor Experience and Engagement, including cross-training, individualized and other training (i.e. Certified Heritage Presenter);
- b. senior management

3. Indigenous training

Further develop CMHR's commitment to external and collaborative Indigenous training.

4. Online training

Further develop online training modules to reduce the amount of in-house classroom training time required.

4.5 Core strategy #5: Prioritize existing and prospective programs, projects and initiatives against the Museum's mandate and goals.

Supports:

Goal area 1: Visitor experience

Goal area 3: Recognized leader

Goal area 5: People

The Museum has infinite opportunities but finite resources. Ranking all prospective initiatives against the pillars of the metanarrative will allow the Museum to give priority focus to those projects that offer the greatest return against the CMHR mandate. Meaningful prioritization will ensure resources are available to capitalize on compelling emerging opportunities, and will guard against resources being allocated toward projects of lesser organizational importance.

In addition to the initiatives in the other Core Strategies the following initiatives have been identified as a priority.

Key Initiatives:

1. Canada 150th initiatives

Exhibitions and programs will connect to the Government of Canada's themes for Canada 150: inclusion & diversity; reconciliation; youth; and environment.

Deliverables:

Specifically, the CMHR will present several Canada 150-related exhibitions, including *1867: Rebellion and Confederation*, *Points of View: A national human rights photography exhibition*, *Our Canada, My Story*, and *150 Years of Canadian Human Rights History* (working title). The CMHR will partner with Canada 150 Signature Initiatives like The Walrus Talks, Experiences Canada's Canada 150 & Me project, and REEL Canada's National Film Day to offer Canadians a variety of opportunities to take part in festivities throughout the year. Finally, the CMHR will mark milestone dates like the 35th anniversary of the Canadian Charter of Rights and Freedoms, Canada Day, and International Human Rights Day, in addition to other education and public programming over the course of 2017.

2. Core exhibition renewal and remediation

In alignment with the metanarrative, and responding to the CMHR artifact loan program, further evolve the core exhibitions to ensure the exhibitions remain contemporary and relevant. Remediate the core exhibitions as required.

3. Advanced and Professional Programs

In 2017-18, assess feasibility, develop business cases and pursue pilot programs for advanced and professional programs that align with the Museum's mandate and position the Museum to generate revenue with these offerings.

4. Canadian Signature Experiences

Develop a signature program to be able to achieve the Canadian Signature Experiences designation.

5. Collections development

Strategically develop the CMHR museum collections via prioritized projects in order to ensure support for research and program development (temporary and travelling exhibitions, the evolution of core exhibitions, public and educational programs, digital outreach) and gradual mitigation of the reliance on other institutions for loaned and licensed material.

4.6 Core strategy #6: In collaboration with Friends, formalize and launch a sponsorship program aligned with the Museum's long-term needs

Supports:

Goal area 1: Visitor experience

Goal area 2: Audience reach

Goal area 4: Financial sustainability

Leveraging the support and relationships of Friends of the CMHR, the Board of Trustees, partner organizations and other stakeholders, the Museum will unveil in partnership with the Friends a new sponsorship initiative underpinned by a clearly articulated value proposition that makes a distinct case for investment in the CMHR.

Key Initiatives:

1. Sponsorship strategy

Work with Friends to develop a sponsorship strategy.

2. Value proposition

Evaluate and develop a value proposition for sponsorship opportunities.

3. Launch sponsorship program

Implement the sponsorship strategy with Friends and obtain sponsorship funding. Project the 5 year sponsorship revenue beginning in 2018-19 and work to achieve the goals.

4.7 Core strategy #7: Leverage the CMHR's distinct value proposition to secure a clear expression of long-term financial support from the federal government.

Supports:

Goal area 4: Financial sustainability

The Prime Minister's mandate letter to the Minister of Canadian Heritage advises that "Canada's stories...deserve to be celebrated and shared with the world." The CMHR is uniquely positioned to deliver on this aim. The Museum will continue to foster relations with the Government of Canada to affirm the CMHR's essential and distinct value to the nation as a whole, while improving federal understanding of the unique needs of the CMHR.

Key Initiatives:

1. Long-term strategy

Collaboratively with the federal government and Friends, develop a long-term strategy for support of Museum programs including alignment with Friends fundraising and the \$35 million reduction of appropriations.

2. Revenue generation opportunities

Assess, develop and implement, as appropriate, profitable revenue generation opportunities that will contribute to Museum operations and programming, including:

- Student travel sales and tours;
- Professional training programs (See also under Core Strategy #5)

3. Continuous process improvements

Using business improvement methodologies, review work processes and implement continuous process improvements that improve effectiveness, efficiency and/or provide cost savings including:

- Review processes for overlap or redundancy and implement recommendations.
- Evaluate contract services versus in-house services and implement efficiencies identified.
- Implement software improvements that will improve efficiency, potentially including:
 - a. New point of sale system
 - b. Paperless accounts payable
 - c. Budgeting and forecasting software

5.0 Financial Statements

5.1 Financial Overview

The Corporate Plan covers the five-year planning period from 2017-18 to 2021-22.

The projections in the Corporate Plan are the Museum's best estimates based on the actual operating revenues and expenses in the first two years. This is still very limited operating experience.

The 2016-17 fiscal year saw a surplus of \$8.4 million largely due to the receipt of \$8.2 million in appropriations for retroactive PILT, offsetting the loss of \$7.0 million reported in 2015-16 from recording the final retroactive PILT expense.

Table 1: Summary of Revenues and Operating Costs

(Prepared on an accrual basis)	2015-16 Actual	2016-17 Actual	2017-18 Budget **	2018-19 Projection	2019-20 Projection	2020-21 Projection	2021-22 Projection
Main Estimates-Original Base	\$21.7	\$21.7	\$21.7	\$21.7	\$21.7	\$21.7	\$21.7
Main Estimates - Annual PILT			\$2.7	\$2.7	\$2.7	\$2.7	\$2.7
Main Estimates - Specific Capital Projects			\$0.5	\$0.6	\$2.2	\$0.75	\$0.0
Main Estimates - Compensation Funding ***				\$0.3	\$0.3	\$0.3	\$0.3
Main Estimates - Reduction ^				(\$4.0)	(\$8.0)	(\$8.0)	(\$6.0)
Supplementary Estimates B	0	\$11.9*	\$0.5***				
Amounts used to purchase depreciable assets	(\$0.3)	(\$1.3)	(\$4.95)	(\$4.1)	(\$3.8)	(\$2.6)	(\$8.5)
Contributions (deferred) used	(\$2.4)	(\$2.2)	\$4.2	\$0.1	0	0	0
Recognition of deferred capital appropriations	\$8.0	\$7.9	\$7.6	\$7.6	\$7.6	\$7.6	\$7.6
Contributed revenue	\$7.5	\$7.4	\$7.3	\$7.3	\$7.3	\$7.3	\$7.3
Earned Revenue (Table 3)	\$3.6	\$3.2	\$3.4	\$3.5	\$3.6	\$3.7	\$3.8
Other Revenue	\$0.4	\$0.2	0	0	0	0	0
Expenses:							
Museum Content & Program	\$11.4	\$12.8	\$14.0	\$13.9	\$14.6	\$14.9	\$14.6
Accommodation - facility operations	\$4.9	\$4.7	\$5.1	\$5.4	\$5.6	\$5.7	\$5.8
Accommodation - Amortization	\$15.2	\$15.0	\$14.9	\$14.9	\$14.9	\$14.9	\$14.9
Accommodation - PILT	\$8.5	\$2.6	\$2.8	\$2.9	\$2.9	\$3.0	\$3.0
Stewardship & Corporate Management	\$5.5	\$5.5	\$6.0	\$6.0	\$6.2	\$6.3	\$6.4
Excess of Revenue over Expenses (Expenses over Revenue ^)	(\$7.0)	\$8.4	\$0.1	(\$7.4)	(\$10.6)	(\$11.35)	(\$15.8)

*Federal Budget 2016 funding.

**Includes carry-forward for capital projects and PILT.

*** Compensation funding in 2017-18 Supplementary Estimates B and in Main Estimates thereafter.

^The financial pressures were resolved through Budget 2018 with \$35 million in funding for operations to be provided over six years.

5.2 Financial Planning Assumptions and Projections

5.2.1 Parliamentary Appropriations

CMHR currently has approval to access \$21.7 million through Vote 1 to fund both operating and capital expenditures in 2017-18. In addition, federal Budget 2016 provided \$2.7 million annually for PILT on an ongoing basis and \$5.0 million over 5 years for priority capital projects, largely health and safety and digital

equipment recapitalization - with \$0.5 million of this capital funding to be received in 2017-18.

5.2.2 Earned Revenues

Table 2: Earned Revenue and Projections

	2015-16 Actual	2016-17 Actual	2017-18 Budget	2018-19 Projection	2019-20 Projection	2020-21 Projection	2021-22 Projection
Total Earned Revenue	\$3,634,000	\$3,230,000	\$3,409,000	\$3,512,000	\$3,617,000	\$3,726,000	\$3,837,000

Table 3: On-site visitation by category

Visitor category	2015-16 Actual	2016-17 Actual	2017-18 Budget
Individuals	122,101	106,667	103,000
Groups	9,620	8,754	7,500
PAID ADMISSION	131,721	115,421	110,500
Students with school groups	30,445	29,944	28,100
Member visits	16,294	13,023	15,600
Special Events Tours	9,151	12,673	9,100
TOTAL PAID VISITORS	187,611	171,061	163,300
Complimentary admissions	29,633	29,262	30,600
Other ①	129,474	94,993	114,300
TOTAL ON-SITE VISITATION:	346,718	295,316	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 2017-18 budget for recognition of prior years' contributions is \$7.3 million.

5.3 Operating Budget 2017-18

Table 4: Operating Expenditures by Program (PAA)

(Prepared on an accrual basis)	2015-16 Actual	2016-17 Actual	2017-18 Budget	2018-19 Projection	2019-20 Projection	2020-21 Projection	2021-22 Projection
Expenses:							
Museum Content & Program	\$11.4	\$12.8	\$14.0	\$13.9	\$14.6	\$14.9	\$14.6
Accommodation – facility operations	\$4.9	\$4.7	\$5.1	\$5.4	\$5.6	\$5.7	\$5.8
Stewardship & Corporate Management	\$5.5	\$5.5	\$6.0	\$6.0	\$6.2	\$6.3	\$6.4
Operating Expenses – before PILT & Amortization	\$21.8	\$22.5	\$25.1	\$25.3	\$26.4	\$26.9	\$26.8
Accommodation – PILT	\$8.5	\$2.6	\$2.8	\$2.9	\$2.9	\$3.0	\$3.0
Operating Budget (cash)	\$30.3	25.1	\$27.9	\$28.2	\$29.3	\$29.9	\$29.8
Accommodation - Amortization	\$15.2	\$15.0	\$14.9	\$14.9	\$14.9	\$14.9	\$14.9
Total Expenses (accrual)	\$45.5	\$40.1	\$42.8	\$43.1	\$44.2	\$44.8	\$44.7

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 \$25.1 million for 2017-18.

5.4 Capital Budget 2017-18

The funding for the capital budget comes out of the original base appropriations of \$21.7 million, which was intended for operating only and did not fully contemplate the capital requirements of a digital museum. In federal Budget 2016, CMHR received one-time funding of \$5 million over 5 years for priority capital projects largely specific health and safety projects and life-cycle replacements for digital exhibit equipment. The amount to be received in 2017-18 is \$0.5 million.

5.4.1 Capital Assets Overview

The capital assets owned by CMHR include the iconic building and core exhibits that were developed as part of the \$351 million capital project and the fit-up for the Level 1 temporary gallery. CMHR also own 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 capital projects

The Digital Learning Centre for the Museum was not completed as part of the original capital project. It would be beneficial to the Museum to have this space completed to increase revenues and to offer expanded programs.

The 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. It 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, 2016 TO 2022 (IN THOUSANDS OF DOLLARS)

Prepared on an accrual basis

	FY 2015-2016 Actual	FY 2016-2017 Actual	FY 2017-2018 Budget	FY 2018-2019 Projection	FY 2019-2020 Projection	FY 2020-2021 Projection	FY 2021-2022 Projection
Assets							
Cash & cash equivalents	12,511	9,613	5,555	955	955	955	955
Accounts receivable and other current assets	1,460	1,558	1,558	1,558	1,558	1,558	1,558
Current portion of holdback account	53	42	-	-	-	-	-
Collections	1	1	1	1	1	1	1
Capital assets: in use							
Land	4,976	4,976	4,976	4,976	4,976	4,976	4,976
Building	294,113	294,523	296,052	296,490	296,878	297,458	299,693
Equipment and furnishings	11,046	11,660	13,856	16,566	17,066	18,016	22,316
Exhibits	48,971	49,337	50,570	51,527	54,484	55,591	57,548
Accumulated depreciation	(31,205)	(46,226)	(61,126)	(76,026)	(90,926)	(105,826)	(120,726)
Capital assets: under construction	449	578	578	578	578	578	578
Holdback account	-	-	-	-	-	-	-
Total Assets	342,375	326,062	312,020	296,625	285,570	273,307	266,899
Liabilities & Equity of Canada							
Accounts payable and other current liabilities (Note 1)	16,869	3,607	3,607	6,507	17,107	28,457	44,257
Current portion of holdback account	53	42	-	-	-	-	-
Deferred revenues	39	53	53	53	53	53	53
Deferred contributions (Note 2)							
Government of Canada	152,668	154,856	154,856	154,856	154,856	154,856	154,856
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	123,903	124,427	124,427	124,427	124,427	124,427	124,427
Other deferrals	7,125	7,125	7,125	7,125	7,125	7,125	7,125
	342,696	345,408	345,408	345,408	345,408	345,408	345,408
Interest earned	4,959	4,983	4,983	4,983	4,983	4,983	4,983
Less: deferred / recognized	(344,802)	(345,963)	(350,163)	(350,263)	(350,263)	(350,263)	(350,263)
	2,853	4,428	228	128	128	128	128
Deferred contributions related to capital assets							
Government of Canada (Note 3)	163,617	165,087	170,045	174,150	177,995	180,632	189,124
Other than Government of Canada	189,668	190,220	190,220	190,220	190,220	190,220	190,220
	353,285	355,307	360,265	364,370	368,215	370,852	379,344
Amortization	(31,204)	(46,226)	(61,126)	(76,026)	(90,926)	(105,826)	(120,726)
Deferred contributions - net	322,081	309,081	299,139	288,344	277,289	265,026	258,618
Holdback account	-	-	-	-	-	-	-
Net Assets:	480	8,851	8,993	1,593	(9,007)	(20,357)	(36,157)
Total Liabilities & Equity of Canada	342,375	326,062	312,020	296,625	285,570	273,307	266,899

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 temporary 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, 2016 TO 2022 (IN THOUSANDS OF DOLLARS)

Prepared on an accrual basis

		FY 2015-2016 Actual	FY 2016-2017 Actual	FY 2017-2018 Budget (Note 5)	FY 2018-2019 Projection (Note 1)	FY 2019-2020 Projection (Note 1)	FY 2020-2021 Projection (Note 1)	FY 2021-2022 Projection (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	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)	(6,000)
Main estimates - compensation allowance					300	300	300	300
Supplementary Estimates	(Note 2)	-	11,900	500				
Appropriations subtotal		21,700	33,600	25,400	21,300	18,900	17,450	18,700
Amounts used to Purchase Depreciable Assets/Capital		(300)	(1,300)	(4,958)	(4,100)	(3,800)	(2,600)	(8,500)
Restricted for capital acquisitions (deferred) used		(2,400)	(2,200)	4,200	100		-	-
Used for items expensed for accounting purposes		-	200					
Amortization of Deferred Capital Funding, restricted amounts used in current year		8,000	7,900	7,600	7,600	7,600	7,600	7,600
Total Parliamentary Appropriation		27,000	38,200	32,242	24,900	22,700	22,450	17,800
Contributed Revenue								
Recognition of prior years' contributions		7,500	7,400	7,300	7,300	7,300	7,300	7,300
Contributions or new Revenue		-	-	-	-	-	-	-
		7,500	7,400	7,300	7,300	7,300	7,300	7,300
Revenue of the Corporation (Note 1)								
Earned revenue		4,000	3,400	3,400	3,500	3,600	3,700	3,800
Program sponsorships & grants		-	-	-	-	-	-	-
		4,000	3,400	3,400	3,500	3,600	3,700	3,800
Expenses (Note 1)								
Museum Content and Program		11,400	12,800	14,000	13,900	14,600	14,900	14,600
Accommodation - before PILT & Amortization		4,900	4,700	5,100	5,400	5,600	5,700	5,800
Amortization		15,200	15,000	14,900	14,900	14,900	14,900	14,900
PILT - Annual amount	(Note 4)	500	2,600	2,800	2,900	2,900	3,000	3,000
PILT - Retroactive amount	(Note 4)	8,000						
Stewardship & Corporate Management		5,500	5,500	6,000	6,000	6,200	6,300	6,400
		45,500	40,600	42,800	43,100	44,200	44,800	44,700
Excess of (expenses over revenue) revenue over expenses		(7,000)	8,400	142	(7,400)	(10,600)	(11,350)	(15,800)
Potentially Unfunded Operations	(Note 1)	-	-	-	7,400	10,600	11,350	15,800
Net operations		(7,000)	8,400	142	-	-	-	-

Notes to the Pro-forma Statement of Operations

<i>Note 1:</i>	2018-2019	2019-2020	2020-2021	2021-2022
Potentially Unfunded Operations are due to:				
Reductions to reflect \$35 million advance on appropriations (Note 3)	4,000	8,000	8,000	6,000
Capital requirements funded out of annual appropriations of \$21.7 million	3,500	1,600	1,850	8,500
Increases in PILT and other costs	- 100	1,000	1,500	1,300
Total Potentially Unfunded Operations	7,400	10,600	11,350	15,800

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 that will offset the planned reduction in appropriations.

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.

Note 5:

The 2017-18 budget includes the following changes from the 2017-18 projection in the 2016-17 Corporate Plan:

- Carry-forward of deferred appropriations

- Increased capital budget due to the carry-forward of projects from 2016-17 and previous years

- Moving CMHR travelling exhibition costs from Museum Content and Programming expense to capital

5.8 PRO-FORMA STATEMENT OF CASH FLOWS

YEARS ENDING MARCH 31, 2016 TO 2022 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

	FY 2015-2016 Actual	FY 2016-2017 Actual	FY 2017-2018 Budget	FY 2018-2019 Projection	FY 2019-2020 Projection	FY 2020-2021 Projection	FY 2021-2022 Projection
Operating activities:							
Cash receipts (parliamentary appropriation)	20,843	31,358	20,442	17,200	15,100	14,850	10,200
Cash receipts (customers)	3,654	3,283	3,400	3,500	3,600	3,700	3,800
Cash receipts (contributions)	300						
Cash paid (employees and suppliers) <i>(Note 1)</i>	(21,271)	(37,092)	(27,942)	(25,300)	(18,700)	(18,550)	(14,000)
Other income	102	108	0	0	0	0	0
	<u>3,628</u>	<u>(2,343)</u>	<u>(4,100)</u>	<u>(4,600)</u>	<u>-</u>	<u>-</u>	<u>-</u>
Capital activities:							
Acquisition of assets under construction	(166)	(539)	-	-	-	-	-
Acquisition of assets available for use	(5,621)	(2,846)	(4,958)	(4,105)	(3,845)	(2,637)	(8,492)
	<u>(5,787)</u>	<u>(3,385)</u>	<u>(4,958)</u>	<u>(4,105)</u>	<u>(3,845)</u>	<u>(2,637)</u>	<u>(8,492)</u>
Financing activities:							
Parliamentary appropriations used for capital activities	857	2,246	4,958	4,105	3,845	2,637	8,492
Restricted contributions from non-owners and related investment income	3,921	573	0	0	0	0	0
	<u>4,778</u>	<u>2,819</u>	<u>4,958</u>	<u>4,105</u>	<u>3,845</u>	<u>2,637</u>	<u>8,492</u>
Increase (decrease) in cash and cash equivalents	2,619	(2,909)	(4,100)	(4,600)	-	-	-
Cash and cash equivalents, beginning of year							
Operating cash	9,866	12,511	9,613	5,555	955	955	955
Holdback account	79	53	42	0	0	0	0
	<u>9,945</u>	<u>12,564</u>	<u>9,655</u>	<u>5,555</u>	<u>955</u>	<u>955</u>	<u>955</u>
Cash and cash equivalents, end of year							
Operating cash	12,511	9,613	5,555	955	955	955	955
Holdback account	53	42	0	0	0	0	0
	<u>12,564</u>	<u>9,655</u>	<u>5,555</u>	<u>955</u>	<u>955</u>	<u>955</u>	<u>955</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, 2016 TO 2022 (IN THOUSAND OF DOLLARS)							
Prepared on an accrual basis							
	FY 2015/16 Actual	FY 2016/17 Actual	FY 2017/18 Budget (Note 2)	FY 2018-2019 Projection	FY 2019-2020 Projection	FY 2020-2021 Projection	FY 2021-2022 Projection
Projected Capital Expenditures:							
Temporary Gallery (Note 1)	3,000	-	-	-	-	-	-
Digital Learning Centre (Note 1)	-	-	-	-	-	-	-
Travelling exhibits		375	884	420	420	420	420
IT infrastructure	263		850	1,750			4,000
End user computer equipment		74	217	100	100	100	100
Info security		233	100	100	100	100	100
Software renew/replace			429	400	-	500	-
Digital exhibit hardware		87	339	57	2,057	207	1,057
Built exhibit renewal	70	382	10	380	380	380	380
Film production			-	100	100	100	100
Web/internet	350	299	600	360	300	250	100
Facility projects	162	216	829	288	238	230	1,885
Contingency	-		700	150	150	350	350
Capital Replacement			-				
Total capital cost	3,845	1,666	4,958	4,105	3,845	2,637	8,492
Funded by:							
Government of Canada							
Annual Appropriations	429	1,258	281	3,538	1,642	1,886	8,492
Budget 2016		109	449	567	2,203	751	-
Deferred Appropriations	416	299	4,228	-	-	-	-
Friends of CMHR							
Add funding agreement (Note 1)	3,000		-	-	-	-	-
Total Sources	3,845	1,666	4,958	4,105	3,845	2,637	8,492
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 2017-18 Corporate Plan as a major capital projects that is planned to be completed when funding is available. The final design, budget and funding sources for the Digital are still to be determined therefore the cost and source of funds are not included in the Capital Budget.

Note 2:

The 2017-18 budget has increased \$3.1 million from the 2017-18 projection in the 2016-17 Corporate Plan due to:

- \$884k for CMHR branded travelling exhibits (Mandela, Points of View) moved from the operating budget to the capital budget
- \$878k carry forward of specific capital projects funded by Federal Budget 2016 for completion in 2017-
- \$500k increase in the digital engagement/ web project budget as a priority in 2017-18
- \$191k carry forward of other capital projects for completion in 2017.
- \$700k contingency for future capital purchases

Note 3:

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