

CANADIAN MUSEUM FOR HUMAN RIGHTS



Photo: Aaron Cohen

SUMMARY OF THE 2015-2016 TO 2019-2020 CORPORATE PLAN AND THE 2015-2016 OPERATING AND CAPITAL BUDGETS



Executive Summary

The official opening of the Canadian Museum for Human Rights (CMHR) begins a new chapter in Canada's human rights history and reaffirms Canadians' commitment to the cause of human rights both at home and abroad. Distinctly Canadian yet globally relevant, the CMHR stands as a beacon for visitors around the world and proudly reflects and celebrates Canada's rich human rights traditions.

As the world's first museum solely dedicated to the evolution, celebration and future of fundamental freedoms and democratic rights, the CMHR aspires to become an internationally recognized hub for human rights learning, scholarship and dialogue. The CMHR offers each of its visitors an inspiring encounter with human rights – an immersive, interactive, compelling and memorable museum experience unlike any other.

With the official opening and commencement of operations in September 2014, the 2015-16 fiscal year is a period of significant change and opportunity for the CMHR. With the transition from planning to operations now fully complete, the Museum's priority areas of focus include maximizing visitation and revenue, delivering a world-class museum experience that consistently exceeds visitor expectations and building toward long-term financial sustainability.

The CMHR made significant progress against each of its key priority areas in 2014-15 in preparation for its September inauguration.

The capital project, including gallery fit-up and exhibit fabrication/installation was completed. The development of the infrastructure, content and programs for inauguration were also completed. The front-line staff and over 350 volunteers were hired and trained, and all aspects of the visitor experience tested.

The Museum commenced full-time operations following a successful inaugural weekend that included two live national broadcasts and welcomed more than 10,000 visitors over two days, including over 8,000 who took part in special advance-reservation tours that were fully booked the same day tickets were made available.

Coverage of CMHR's opening ceremonies and inaugural weekend made up 64 per cent of September's news stories (2,488 mentions). Over 200 media were accredited for opening ceremonies and Museum events. In addition to filing stories, eight different broadcast media outlets set up inside the Museum on September 19 to provide live content for their talk shows and news shows.

In January 2015, the Museum will begin to deliver education programs. The demand for the education programs has been very high with all programs to the end of May 2015 sold out.

CMHR Strategic Goals

In 2014 the Board of Trustees adopted five core goals to guide Museum operations and activities through the CMHR's first five years of full-time operations. These goals serve as a roadmap in five strategic areas – visitor experience, infrastructure, stakeholder relations, financial sustainability and our people.

These five goals supersede the seven key corporate results that had guided Museum activities in the pre-inaugural period and through its first months of operations.

Our Goals

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

Our Strategic Priorities

Visitor Experience:

- Position and market the Museum as an internationally celebrated symbol of Canada, globally recognized both for its definitive, iconic architecture and unique-in-the-world visitor experience;
- Evolve exhibitions and programs based on fundamental freedoms and democratic rights to attract new visitors, broaden the CMHR's demographic reach, and foster repeat visitation and a continual "reason to engage" with the Museum;
- Leverage collaboration opportunities to drive visitation and promote complementary local investment that supports economic activity.

Infrastructure:

- Complete the Temporary Gallery in 2015-16 and Theatre in 2016-17; and
- Develop and implement plans for sustainable infrastructure development and management.

Stakeholder Relations:

- Align the goals and operations of Friends of the Canadian Museum for Human Rights (Friends) and the CMHR to:
 - maximize mutually beneficial opportunities for marketing and promotion;
 - cultivate enduring loyalty and relations with high-value patrons and donors; and
 - identify avenues to share resources to further realize operational efficiencies;
- Continue to expand strategic collaborations with organizations and experts to achieve the CMHR's priorities related to museum, scholarship, education or financial needs; and
- Continue to enhance relations with all levels of government.

Financial Sustainability:

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

Our People:

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

Looking ahead to 2015-16

In 2015-16, the Museum plans to complete the fit-up of the temporary gallery in order to bring a travelling exhibition on the Magna Carta to Winnipeg in August 2015.

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1.0 Mandate

1.1 Mandate and Guiding Principles

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

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

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

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

Inspiring human rights reflection and dialogue

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

Celebrating Canadians’ commitment to human rights

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

Meaningful encounters between architecture and human rights

The CMHR is purposefully situated at a historic junction where two rivers meet: an important meeting place and starting point for new journeys for more than 6,000 years. The Museum 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 new Canadian and world standards for inclusion and universal accessibility.

A credible and balanced learning resource

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

1.2 Alignment with Government Priorities

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

Throughout its 2015-16 fiscal year, the CMHR will continue to support and contribute to the Government of Canada's Road to 2017 initiative marking the 150th anniversary of Confederation. Specifically, CMHR will be highlighting activities related to the 2015 Year of Sport and developing activities and programming related to the 2016 anniversary of women's right to vote. The CMHR will also begin planning for its first major travelling exhibition, timed to launch in 2017. Working with other national museums and collaborators, the CMHR will encourage exploration of fundamental freedoms, Canada's human rights traditions and their role in shaping Canada as a nation, as well as their continued relevance in Canada today.

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

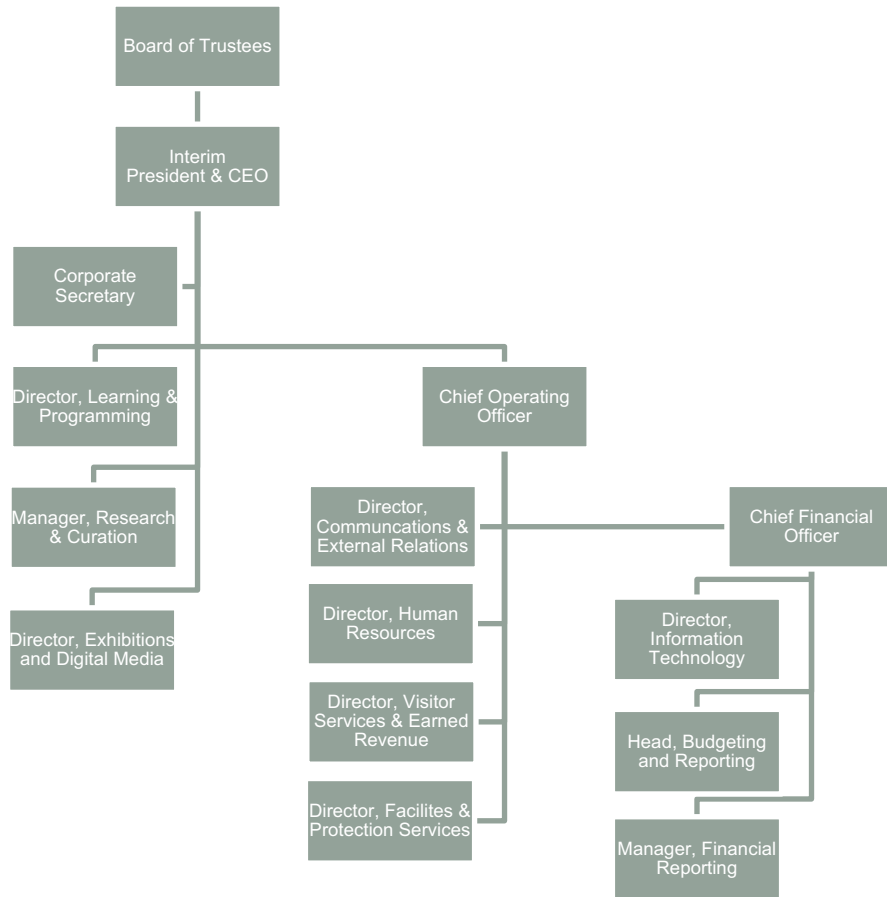
The Board of Trustees serves as the governing body for the corporation and is accountable to Parliament for the stewardship of the Museum through the Minister of Canadian Heritage and Official Languages. The *Museums Act* provides for a Board of up to eleven members, appointed by the Minister of Canadian Heritage and Official Languages 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 five Committees: the Executive Committee, the Audit Committee, the Human Resources & Governance Committee and the Content Committee.

The Museum's fourth Annual Public Meeting was held at the CMHR on December 10, 2014 and webcast live to enable broad public participation. The meeting included an update on Museum activities in the lead-up and through its inaugural weekend and provided members of the public with an opportunity to ask questions. The Chair of the Board and the Interim President and Chief Executive Officer delivered opening remarks, followed by an update on finances by the Chief Financial Officer.

Governance and Management Structure



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

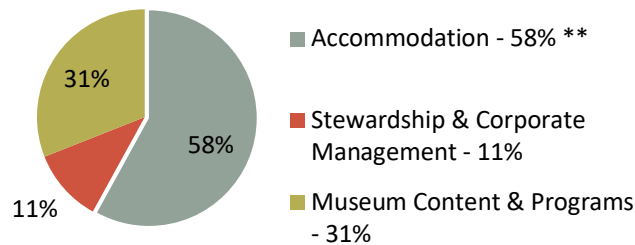
3. Museum Content and Programs:

- Accessible and engaging exhibits
- Educational programming that promotes reflection and dialogue
- Sound research and scholarship
- National outreach, engagement and service

2.4 Expenses by Program

Graph 1 shows the breakdown of the Museum's 2015-16 operating budget, on an accrual basis of \$43.1 million in expenses by Program. For a description of expenses under each Program, see section 5.1.

**GRAPH 1. OPERATING EXPENSES BY PROGRAM
2015-2016**



** Accommodation includes PILT of \$3.1 million and amortization of \$12.9 million.

3.0 Strategic Issues

3.1 Environmental Scan

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

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

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

Economic environment: The five-year planning period is presumed to be a period of continued fiscal restraint. Governments at all levels continue to be conservative with new investment in non-essential areas and charitable giving

may be restrained, despite showing clear signs of recovery. Wherever possible, the CMHR continues to form alliances to share costs and resources.

Shifting demographics: The Museum must be accessible to all visitors and become a recognized destination for all sectors of the Canadian population. The CMHR's commitment to inclusivity and national relevance means engaging Canadians of all ages and backgrounds, including those who have not traditionally patronized museums or the arts.

New media and technology: As the first Canadian museum built in the digital age, the CMHR has a distinct opportunity to offer visitors an interactive, participatory and personally meaningful experience both in person and across connected devices. The Museum recognizes the continued need to provide rich media related to its collections, leverage technology to create meaningful opportunities for dialogue, engage visitors in creating exhibits, digitize collections, and facilitate other forms of civic and social engagement. New media also provides an opportunity for the Museum to reach prospective audiences anywhere on the globe.

3.2 Results achieved in 2014-15

The 2014-15 fiscal year saw significant progress in identified priority areas, most notably a successful inaugural program and the commencement of museum operations.

The Museum planned and deployed three days of inaugural activities to mark its opening, including a nationally broadcast opening ceremonies program, a nationally broadcast opening concert with top Canadian talent, two days of free cultural events, performances and family activities, and an opening-weekend tour program that brought over 8,000 visitors into the Museum during the opening weekend alone.

Media coverage of the Museum's inauguration was broad and generally positive, and visitor impressions proved overwhelmingly favourable. Demand for paid tours significantly exceeded availability during the Museum's first weeks of operations and paid admissions have performed to budgeted levels, retail sales and facility rentals have exceeded projections through each of the first months of operations.

The Museum successfully deployed signature initiatives in 2014-15 such as its Canadian Human Rights Toolkit, a teaching and learning resource for Canada's K-12 education developed in collaboration with the Canadian Teachers' Federation. Following planning and development through 2014, the Museum launched a series of eight curriculum-based, age-appropriate school programs in January 2015, offering relevant, accessible and inclusive educational

programming for students from K-12. The Museum also held a series of educators' open houses through the fall of 2014 to give teachers and school leaders an opportunity to get to know the Museum and its programs before bringing students to visit.

The CMHR successfully implemented its updated web platform prior to inauguration. The fully updated web presence supports the Museum's admissions and ticketing infrastructure and will serve as the platform for the Museum's increasingly robust collection of online offerings as well as virtual engagement with visitors from around the globe. The Museum completed the installation of its Enterprise Content Management system, the digital tool that allows the CMHR to share its digital offerings across multiple platforms and will result in significant long-term cost savings by allowing the Museum to more efficiently update and refresh exhibit content.

The CMHR continued to expand its external relations activities through 2014-15. A series of four 30-second promotional videos were developed and nationally broadcast in the lead-up to inauguration. Designed to increase awareness of the CMHR in all regions of Canada, the videos proved overwhelmingly successful, screening more than 14,000 times on television stations across the country. The Museum's non-profit status allowed the promos to be run as public service announcements at no cost to the organization. The Museum developed an expanded tourism marketing campaign with tourism organizations focused on its target markets and key demographics to sustain and build on successes through the inaugural period.

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

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

For further information on the Museum's recent results, please refer to the 2014-15 Annual Report.

4.0 Goals, Strategies and Performance Measures

The 2015-16 Corporate Plan covers the CMHR's first full year of regular operations.

In 2014, the Board of Trustees adopted five core goals to guide Museum operations and activities through the CMHR's first five years of full-time operations. These five core goals supersede the seven key corporate results that had guided Museum activities in the pre-inaugural period and through its first months of operations.

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

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

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

The Museum continues to refine its strategic and business-planning processes and implement measurement tools to assess performance in each area.

Performance indicators and targets will be regularly reviewed and refined as data from full-time operations continues to become available.

4.1 Key Result Area #1: Visitor Experience

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

Strategies:

- Position and market the Museum as an internationally celebrated symbol of Canada, globally recognized both for its definitive, iconic architecture and unique-in-the-world visitor experience;
- Evolve exhibitions and programs based on fundamental freedoms and democratic rights to attract new visitors, broaden the CMHR's demographic reach, and foster repeat visitation and a continual "reason to engage" with the Museum;
- Leverage collaborative opportunities to drive visitation and promote complementary local investment that supports the type of transformative economic activity realized in destinations such as Bilbao, Spain following the opening of the Guggenheim Museum.
- Pursue awards that assist CMHR to achieve its priorities.

Key Initiatives:

1. *Review gallery content to ensure exhibitions consistently exceed visitor expectations for excellence, accuracy and balance. Actively identify opportunities to renew and refresh exhibit content to encourage repeat visitation and promote respectful dialogue.*

The CMHR is committed to regular and rigorous review of exhibit content to ensure the visitor experience is consistently engaging, memorable and relevant. In 2015-16, the Museum will develop a plan for continued remediation and revitalization of the core exhibitions and complete immediate priorities. The Museum will continue to solicit and act on visitor and stakeholder feedback and respond to advances in human rights scholarship to ensure exhibit content best supports the Museum's commitment to deliver inspiring encounters with human rights while creating opportunities for meaningful reflection and dialogue. The Museum will continue to explore opportunities to best leverage its predominately digital content delivery to ensure gallery content can be updated and refreshed as needed and as human rights issues unfold around the world to promote repeat visitation and ongoing patron engagement.

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

The CMHR's NSP is a key component of the Museum's long-term strategy to attract new visitors and broaden the CMHR's demographic reach and a cornerstone of its educational mandate. Following completion of three pilot modules and the signing of collaboration agreements with organizations that fund or otherwise facilitate student travel to Winnipeg, the Museum will initiate a three-year pilot of the NSP in 2015-16. Evaluative criteria for the pilot will be geared toward optimizing the program for different age groups, identifying appropriate complementary programming and accommodation, and evaluating the success of different program modules. The Museum will continue to engage prospective program sponsors and collaborators through 2016 and 2017 with implementation of the full National Student Program targeted for 2018-19.

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

A sustained media presence and creative, impactful marketing in target markets is essential to meeting admissions projections and positioning the CMHR as a wholly unique, internationally significant tourism destination. The Museum will develop and deploy campaigns in key markets that both adhere to marketing best practices and fully leverage the CMHR's brand promise of an inspiring visitor experience unlike any other in the world. The Museum will continue to build awareness and relevance across Canada via focused marketing and enhanced earned-media efforts that build on the significant media attention generated through the Museum's inaugural year. Focused regional campaigns will be directed toward target demographics and markets including northwestern Ontario, Alberta, Ontario, Quebec, Francophones outside of Quebec, and U.S. markets within driving distance or with direct flight access to Winnipeg. The Museum will continue to enhance collaborative opportunities with organizations such as the Winnipeg Folk Festival and Folklorama that have enjoyed considerable long-term success in bringing cultural

audiences from other markets to Winnipeg. The Museum will continue to pursue destination-marketing opportunities with organizations such as the Canadian Tourism Commission to further position the CMHR as a must-see attraction for new visitors to Canada. Marketing efforts including the Museum’s membership sales campaigns and more frequent direct communication via the Museum’s electronic mailing lists and social media will further support long-term patron relations, both to cultivate project loyalty and to affirm a continual “reason to return” to the CMHR.

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

The Government of Canada’s Road to 2017 initiative marking the 150th anniversary of Confederation yields considerable opportunity for the CMHR. Efforts through 2015-16 will include alliances with other national museums and organizations to broaden awareness of the CMHR and further affirm the role of Canada’s human rights traditions in shaping Canada’s national identity. Key areas of focus through 2015-16 include the 800th anniversary of the Magna Carta; through 2016-17 the 100th anniversary of women gaining the right to vote; and through 2017-18 the 150th anniversary of Confederation.

Visitor Experience Performance Measures:

OUTCOME	INDICATOR	TARGET 2015-16
To be one of the most visited museums in Canada.	# of visitors	263,000
	# paid admission	136,000
	# of Museum memberships	5,433
	% of visitors from outside Winnipeg	TBD

Canadian Museum for Human Rights
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OUTCOME	INDICATOR	TARGET 2015-16
Visitors to the Museum are enriched and inspired, fostering repeat visitation and continual "reasons to engage."	Visitor satisfaction surveys	85%
	% Visitors inspired by the Museum	75%
The Museum is providing educational & inspiring experiences.	# of students	30,000
	# of NSP students	500
	% of students from outside Winnipeg	Baseline data collection
The Museum is locally and nationally recognized.	% awareness in Manitoba -unaided/aided	90%/96%
	% awareness in Canada - unaided/aided	20%/35%
Participation in Museum's on-line offerings.	Web site visits	TBD
	Facebook activity	TBD
	Web Presence Engagement	TBD
Exhibitions and programs exceed visitor expectations for excellence, accuracy and balance.	Implementation of the Performance Activity Framework according to plan.	Yes

4.2 Key Result Area #2: Infrastructure

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

Strategies:

- Complete the Temporary Gallery in 2015-16 and Theatre in 2016-17; and
- Develop and implement plans for sustainable infrastructure development and management.

Key Initiatives:

1. *Complete the Temporary Gallery and Theatre*

With the Museum's 11 core galleries, restaurant and retail spaces fully operational and generating revenue, there is enhanced organizational focus on completing and operationalizing the temporary gallery and theatre spaces. The CMHR continues to move forward with its project plan including donor and sponsorship opportunities and other fundraising strategies in collaboration with Friends of the CMHR. The Museum is focused on completing the temporary gallery in time for the Magna Carta exhibition in the summer of 2015 and will develop a five-year travelling exhibition program to maximize use of the gallery space. The Museum will also develop and begin to implement plans to complete the Theatre in 2016-17.

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

Leveraging new technologies and a focused effort to keep pace with technological advancement is essential to the CMHR's long-term success. The Museum will establish baseline operating costs and assess the life cycles of all facility equipment and IT infrastructure. Through 2015-16, the Museum will participate in a joint innovation project with Cisco for Real-time Location Services and join a Microsoft Technology Adoption Program. Through 2016-17 the Museum will realize greater IT efficiencies by adopting Lync for Voice Calls and will move forward with implementing energy management programs to realize further savings on required utilities. The Museum will explore

potential opportunities to generate revenue by sharing IT infrastructure with external organizations and will begin planning for the next generation of its server and storage infrastructure through 2017-18.

3. *Renewal of exhibitions and galleries in conjunction with the Program Activity Framework, the continued revitalization of content or the life-cycle management plan.*

Efforts to update and renew gallery content to keep pace with visitor expectations and promote a continual “reason to return” must align both with the Museum’s Program Activity Framework and the CMHR’s broad life-cycle management plans. Through 2015-16 the Museum will develop an exhibit renewal strategy for implementation through 2016-17 and beyond.

Infrastructure Performance Measures:

OUTCOME	INDICATOR	TARGET 2015-16
Temporary Gallery complete	New revenues	\$50,000
Fiscal resources are allocated and utilized in a manner which optimizes the achievement of the priorities of the Museum.	Total Operating Cost per gross m ²	TBD
	Green Building Program	LEED silver status awarded
IT and Facilities functions effectively support the business needs of the organization and all its work units.	Total uptime of IT systems during business hours	98% uptime
The Museum provides a safe and secure environment for visitors, staff, volunteers and other guests.	Security Services Incident Severity Index	TBD

4.3 Key Result Area #3: Stakeholder Relations

Goal: To foster healthy and dynamic relations with our stakeholders.

Strategies:

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

- Continue to expand strategic collaborative working relationships with organizations and experts to achieve CMHR priorities related to museum, scholarship, education or financial needs; and

- Continue to enhance relations with all levels of government.

Key Initiatives:

1. *Develop and implement a new Memorandum of Understanding (MOU) with Friends including a shared services agreement.*

Both the Museum and Friends recognize the mutual benefit in aligning resources and sharing services wherever possible. Presentations, workshops and keynote addresses led by CMHR personnel are recognized as conducive to supporting Friends' fundraising efforts. A new shared services agreement between the Museum and Friends will be completed and approved by both boards in 2015-16.

2. *Increase the number of collaborative agreements with relevant academic, museum, human rights or other organizations or experts to bolster the Museum's reputation as an esteemed and internationally significant destination for human rights scholarship, learning and dialogue.*

External collaborative relationships are essential to the Museum's mission and mandate and a critical aspect of its long-term success. The Museum's continued collaboration with universities, cultural

organizations, educators, human rights advocates and governments serves to raise the Museum’s national and international profile and affirm its position as an internationally recognized centre for human rights education and scholarship. The Museum will continue to foster relations with reputable organizations to strengthen its public and educational programs and identify new opportunities for the exchange of ideas on relevant human rights issues.

3. *With like-minded organizations, position Winnipeg as a “human rights city” – a preeminent destination for human rights conferences and events, and a supportive and economically viable centre for advocacy and research.*

The Museum has enjoyed brisk and sustained interest in its rental operations through its inaugural year. Interest in the CMHR as a venue for events, meetings and conferences remains significant, and the Museum’s presence continues to enhance Winnipeg’s standing as a high-value destination for human rights-themed conferences and symposia. The Museum’s focus through 2015-16 and beyond will include leveraging new collaborative relationships to ensure the Museum and Winnipeg continue to be recognized as top-tier destinations within the national and international event-planning community. Working with its academic and economic development collaborators, the Museum will continue to support efforts to market Winnipeg as a natural home for organizations that conduct research or advocacy work related to human rights and humanitarian causes. The CMHR will also collaborate with the Canadian Tourism Commission, Travel Manitoba and Tourism Winnipeg to build the Museum’s national and international profile and increase visitation.

Stakeholder relations performance measures:

OUTCOME	INDICATOR	TARGET 2015-16
Strategic collaborations to achieve CMHR priorities.	# of new strategic collaborations	3

4.4 Key Result Area #4: Financial Sustainability

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

Strategies:

- Capitalizing on the CMHR's distinct status as the world's only museum of its kind solely dedicated to the evolution, celebration and future of fundamental freedoms and democratic rights, identify and leverage new opportunities for earned revenue;
- Create a culture of philanthropy that helps drive increased donations and sponsorships; and
- Implement sustainable financial plans which embed organization-wide, responsible cost management and value for money.

Key Initiatives:

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

As the only organization of its kind solely focused on fundamental freedoms and democratic rights, the CMHR is uniquely positioned not only to capitalize on tourism opportunities that leverage its distinct status, but also to develop education and training initiatives that fulfil the Museum's mandate and serve as a reliable source of ongoing revenue. The Museum will hold focus groups and workshops through 2015-16 to identify areas of greatest opportunity and need for prospective training programs. Program development will follow with pilot training programs to be launched in 2016-17 and a full complement of revenue-driven training to be implemented the following year.

- 2. Position the Museum as a premier tour destination that puts Winnipeg and Manitoba on the map. Target and secure national and international tour operator business by providing unique product offerings such as the Spirit of the Building, Explore the Galleries and Discover the Building tours.*

The Museum recognizes that effective positioning of its unique spot in the national and international marketplace is essential to successful marketing and to meeting long-term revenue targets. Apart from deploying focused marketing campaigns that leverage the CMHR's distinct brand promise, the Museum will continue to develop and market unique product offerings including specialized tours as a consistent source of ancillary revenue.

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

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

Financial sustainability performance measures:

OUTCOME	INDICATOR	TARGET 2015-16
Long-term, diversified, sustainable funding	Total value of all revenue-generating commercial activities	\$3.9 million
	Earned revenue as % of total Contributed & Earned Revenue	15%
	New revenue – Human Rights Training Program	N/A
Continued success of Friends fundraising with support from CMHR.	Contributions from Friends	\$3.1million
Efficient operations and financial stability	Internal audit recommendations	Annual internal audit plan completed

4.5 Key Result Area #5: Our People

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

Strategies:

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

Key Initiatives:

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

The CMHR is a centre of rich innovation, informed, thoughtful debate and new thinking and ideas. The Museum actively encourages its staff to embrace these ideals and to continually seek opportunities for innovation within their working environment. The CMHR actively supports a workplace that is respectful, inclusive and which allows members of the Museum team to work at their highest potential. Following implementation of a peer-to-peer recognition program and the organization's first service recognition awards in 2014-15, the Museum continues to adopt recognized best practices for workplace wellness, employee motivation and staff retention. The Museum will build on its recognition program through 2015-16 and continue to identify opportunities to encourage entrepreneurial thinking and recognize staff who exceed expectations.

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

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

Our People Performance Measures:

OUTCOME	INDICATOR	TARGET 2015-16
A workplace where people are engaged, productive, innovative and responsible	Employee engagement index	Baseline data collection
	% of staff & volunteers formally recognized	Baseline data collection
	# of employee driven innovations implemented	Baseline data collection
	# of awards for excellence in leadership, engagement and innovation	Baseline data collection
The Museum supports a workplace that is respectful, inclusive and impactful.	# of Respectful Workplace Policy and/or Code of Business Conduct & Ethics violations	No violations
The Museum operates in a transparent and accessible manner.	# well-founded complaints to the Offices of the Privacy & Information Commissioners	No well-founded complaints
	# well-founded complaints re: Official Languages	No well-founded complaints

5.0 Financial Statements

5.1 Operating Budget

The Corporate Plan covers the five-year planning period from 2015-16 to 2019-20.

The Museum has very limited operating history. The projections in the Corporate Plan are the Museum's best estimates and could change significantly once additional data is available.

The Museum's appropriations for 2015-16 are \$21.7 million, with \$21.2 million projected for operations and \$0.5 million projected for capital items.

The CMHR expects to supplement its Parliamentary appropriations through a number of funding sources including revenues, sponsorships and philanthropic support. While it will aim to maximize revenues from all possible sources, a conservative approach has been taken for the projections.

Table 1. Summary of operating costs and revenues.

(Prepared on an accrual basis)	2014-15 Budget	2015-16 Budget	2016-17 Projection	2017-18 Projection	2018-19 Projection	2019-20 Projection
Main Estimates	\$21.7	\$21.7	\$21.7	\$21.7	\$21.7	\$21.7
Reduction of parliamentary appropriations of \$35 million					(\$4.0)	(\$8.0)
Amounts used to purchase depreciable assets	(\$1.0)	(\$0.5)	(\$1.6)	(\$1.6)	(\$1.6)	(\$1.6)
Amortization of contributions & deferrals	\$3.4	\$6.4	\$6.2	\$5.8	\$5.7	\$5.7
Contributed or other revenue (\$3.5 million in 2018-19 and \$7.0 million in 2019-20 is notional)	\$4.4	\$8.5	\$8.3	\$7.8	\$11.1	\$14.6
Earned Revenue	\$1.3	\$3.9	\$3.7	\$3.7	\$3.8	\$3.8
Expenses:						
Museum Content & Program	\$10.2	\$13.5	\$14.7	\$14.8	\$14.8	\$15.1
Accommodation (including amortization)-before PILT	\$12.6	\$21.0	\$20.8	\$20.1	\$20.0	\$20.1
PILT *	\$5.9	\$3.1	\$3.3	\$3.4	\$3.6	\$3.6
Stewardship & Corporate Management	\$6.2	\$5.5	\$5.7	\$5.8	\$5.9	\$6.0
Excess of Revenue over Expenses	(\$5.1)	(\$3.1)	(\$6.2)	(\$6.7)	(\$7.6)	(\$8.5)
Potentially Unfunded Operations *	\$5.1	\$3.1	\$6.2	\$6.7	\$7.6	8.5

***Funding for PILT was provided through Budget 2016**

Key Financial Planning Assumptions

TABLE 2. EARNED REVENUE AND PROJECTIONS 2014-15 TO 2019-20

	2014-15 Budget	2015-16 Projection	2016-17 Projection	2017-18 Projection	2018-19 Projection	2019-20 Projection
Total Earned Revenue	\$1,348,000	\$3,930,000	\$3,699,000	\$3,722,000	\$3,755,000	\$3,837,000
Total On-site Visitation	100,000	263,000	246,000	253,000	260,000	268,000

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. With the Museum now fully operational, it will focus its attention to developing strategies to further assist in funding programming. It will also continue to work with the other local and national museums to participate in joint procurement, where feasible, as well as work in collaboration with other organizations to cost-share on-going content development, research and other operational expenses.

5.2 Capital Budget

Details of the original \$351 million capital budget, to complete the building and exhibitions, are provided in Table 5.7.

5.3 Future Capital Plans

Table 5.8 provides the projected future capital items.

5.4 PRO-FORMA STATEMENT OF FINANCIAL POSITION
YEARS ENDING MARCH 31, 2014 TO 2020 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

		FY 2013-2014 Actual	FY 2014-2015 Budget	FY 2015-2016 Budget	FY 2016-2017 Projection	FY 2017-2018 Projection	FY 2018-2019 Projection	FY 2019-2020 Projection
Assets								
Cash & cash equivalents		6,996	7,796	7,851	4,912	1,640	10	109
Accounts receivable and other current assets		1,160	1,160	1,160	1,160	1,160	1,160	1,160
Current portion of holdback account		1,558	-	-	-	-	-	-
Restricted cash & investments		10,926	-	-	-	-	-	-
Capital assets: in use								
Land		4,979	4,979	4,979	4,979	4,979	4,979	4,979
Building	(Note 1)	280,773	303,061	306,161	306,161	306,161	306,161	306,161
Equipment and furnishings		4,969	11,371	11,884	13,459	15,034	15,034	16,609
Exhibits	(Note 1)	-	35,051	35,051	35,051	35,051	35,051	35,051
Accumulated depreciation			(7,740)	(22,640)	(37,140)	(50,740)	(64,040)	(77,340)
Capital assets: under construction	(Note 1)	38,051	-	-	-	-	-	-
Holdback account		-	-	-	-	-	-	-
Total Assets		349,412	355,678	344,446	328,582	313,285	298,355	286,729
Liabilities & Equity of Canada								
Accounts payable and other current liabilities	(Note 2)	12,205	9,407	12,535	15,801	19,225	25,207	33,789
Current portion of holdback account		1,558	-	-	-	-	-	-
Deferred contributions	(Note 3)							
Government of Canada		149,998	152,000	152,000	152,000	152,000	152,000	152,000
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		102,196	123,500	123,500	123,500	123,500	123,500	123,500
Other deferrals		7,125	7,125	7,125	7,125	7,125	7,125	7,125
		318,319	341,625	341,625	341,625	341,625	341,625	341,625
Interest earned		4,748	4,748	4,748	4,748	4,748	4,748	4,748
Less: deferred / recognized		(320,950)	(346,373)	(346,373)	(346,373)	(346,373)	(346,373)	(346,373)
		2,117	0	0	0	0	0	0
Deferred contributions related to capital assets								
Government of Canada	(Note 4)	159,919	164,623	165,136	166,711	168,286	168,286	169,861
Other than Government of Canada		163,874	184,860	187,960	187,960	187,960	187,960	187,960
		323,793	349,483	353,096	354,671	356,246	356,246	357,821
Amortization			(7,740)	(22,640)	(37,140)	(50,740)	(64,040)	(77,340)
Deferred contributions - net		323,793	341,743	330,456	317,531	305,506	292,206	280,481
Holdback account		-	-	-	-	-	-	-
Net Assets:		9,739	4,528	1,455	(4,750)	(11,446)	(19,058)	(27,541)
Total Liabilities & Equity of Canada		349,412	355,678	344,446	328,582	313,285	298,355	286,729

Note 1:

The Pro-Forma Statement of Financial Position assumes that the base building was capitalized in 2013-2014, exhibit fit-up to be capitalized to Building in 2014-2015 and Exhibits to be capitalized in 2014-2015, each reducing Capital Assets: under construction respectively. Building is also increased by \$3.1 million in 2015-2016 for the fit-up of the Temporary Gallery funded by the Friends of CMHR.

Note 2:

Accounts payable and other current liabilities include PILT. It is assumed that PILT will be accrued but not paid until the source of funding is resolved.

Note 3:

Deferred contributions represent the contributions in cash and in kind by the parties to the Definitive Agreement. The contributions are transferred to the Deferred contributions related to capital assets as they are used to fund the Capital assets under construction.

Deferred contributions - Government of Canada - increased by \$10 million in 2013-2014, the final payment of the \$35 million advance of future years' operating and capital appropriations. The CMHR's appropriations will be reduced starting in 2018-19.

Note 4:

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.

5.5 PRO-FORMA STATEMENT OF OPERATIONS

YEARS ENDING MARCH 31, 2014 TO 2020 (IN THOUSANDS OF DOLLARS)

Prepared on an accrual basis

		FY 2013-2014 Actual	FY 2014-2015 Budget	FY 2015-2016 Budget	FY 2016-2017 Projection	FY 2017-2018 Projection	FY 2018-2019 Projection	FY 2019-2020 Projection
Government Funding								
Parliamentary Appropriations								
Main Estimates	(Note 1)	21,700	21,700	21,700	21,700	21,700	21,700	21,700
Reduction for repayment of appropriations	(Note 1)	-	-	-	-	-	(4,000)	(8,000)
Supplementary Estimates - Paylist reimbursement		376	-	-	-	-	-	-
Subtotal		22,076	21,700	21,700	21,700	21,700	17,700	13,700
Amounts used to Purchase Depreciable Assets		(1,539)	(965)	(513)	(1,575)	(1,575)	(1,575)	(1,575)
Restricted for capital acquisitions (deferred contributions)		(3,194)						
Amortization of Deferred Capital Funding, restricted amounts used in current year		2,551	3,413	6,400	6,200	5,800	5,700	5,700
Total Parliamentary Appropriation		19,894	24,148	27,587	26,325	25,925	21,825	17,825
Contributed Revenue								
Recognition of prior years' contributions		1,527	4,327	8,500	8,300	7,800	7,600	7,600
Contributions or New Revenue - notional	(Note 1)	-	-	-	-	-	3,500	7,000
		1,527	4,327	8,500	8,300	7,800	11,100	14,600
Revenue of the Corporation								
	(Note 1 & 3)							
General Admissions, Memberships & Programs		-	936	2,350	2,255	2,322	2,392	2,441
Commercial Operations		164	412	1,580	1,444	1,400	1,363	1,396
Program sponsorships & grants		-	-	-	-	-	-	-
		164	1,348	3,930	3,699	3,722	3,755	3,837
Expenses								
	(Note 1)							
Museum Content and Program	(Note 4)	7,619	10,222	13,448	14,746	14,827	14,890	15,108
Accommodation - before PILT	(Note 5)	6,987	12,634	21,038	20,819	20,074	19,913	20,055
PILT - Notional	(Note 2)	798	5,900	3,128	3,266	3,424	3,582	3,582
Stewardship & Corporate Management		5,749	6,167	5,476	5,698	5,818	5,907	6,000
		21,153	34,923	43,090	44,529	44,143	44,292	44,745
Excess of (expenses over revenue) revenue over expenses		432	(5,100)	(3,073)	(6,205)	(6,696)	(7,612)	(8,483)
Potentially Unfunded Operations	(Note 1)	-	5,100	3,073	6,205	6,696	7,612	8,483
Net operations		432	-	-	-	-	-	-

Note 1:

As the Museum only opened in September 2014 the projections are best estimates based on 6 weeks of operations and research, including comparison to other local and national museums. The projections in the Corporate Plan for 2016-2017 through 2018-2019 include notional amounts for Contributions or New Revenue and Potentially Unfunded Operations. Other sources of funds, such as additional appropriations, may be required to cover the unfunded operations. The Potentially Unfunded Operations is largely due to PILT (See Note 2) and allowing for a capital replacement reserve in the later years. The Museum has very few options for sourcing the Potentially Unfunded Operations particularly in 2014-2015 when the Museum will only be open for half a year. In 2018-2019 the appropriations have been reduced by \$4.0 million (\$8 million in 2019-2020) to reflect the \$35 million advance of operating appropriations provided to complete the capital project.

Note 2:

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 has not yet been determined. An allowance for PILT has been accrued in Accommodation expenses in 2012-2013 and 2013-2014 based on the amounts paid by Public Works. The Dispute Advisory Panel has, however, recommended a significantly higher assessment value which could result in a retroactive amount of PILT owing at the end of 2013-2014 of \$2.9 million and a possible PILT amount of \$3 million per year beginning in 2014-2015. These additional PILT amounts have been included in the 2014-2015 Accommodation expenses and PILT has been included in the future years projections at the higher amount escalated at 4% per year based on the advice of Public Works and Government Services Canada. Funding for PILT was provided through Budget 2016.

Note 3:

The Museum's inauguration was on September 20, 2014. Every effort will be made to maximize revenues however a conservative approach has been taken to the gross revenue budget assumptions including assuming that the revenues will decrease after the first full year of operations. This is consistent with the experience of other new museums.

Note 4:

Museum Content and Program expenses are budgeted to increase in 2014-2015 as development of the inaugural exhibitions and programming is completed and staff are hired and trained to welcome the public and deliver programs. A portion of the costs may be capitalized for accounting purposes at year-end, consistent with prior years. The costs will increase again in 2015-2016 largely for expenses related to travelling exhibitions, for which the Museum will receive a contribution from Friends, and additional exhibition repair costs. The National Student Program will commence in 2015-2016 with plans to expand the program each year until 2018-2019 when operating appropriations will be reduced to reflect the \$35 million advance of operating appropriations, unless other sources of funding can be found.

Note 5:

Accommodation expenses are projected to increase in 2014-2015 in comparison to 2013-2014 due to depreciation and additional operating costs after opening. Costs are projected to increase in 2015-2016 when the building is open to the public for a full year. A portion of the costs may be capitalized for accounting purposes at year-end, consistent with previous years. Beginning in 2016-2017, the budget includes estimated capital upkeep costs for the building and exhibitions. Due to the digital nature of the exhibitions the lifecycle of some components (computers, video monitors, projectors) will be relatively short. A full capital replacement program will be prepared in 2015-2016.

5.6 PRO-FORMA STATEMENT OF CASH FLOWS
YEARS ENDING MARCH 31, 2014 TO 2020 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

	FY 2013-2014 Actual	FY 2014-2015 Budget	FY 2015-2016 Budget	FY 2016-2017 Projection	FY 2017-2018 Projection	FY 2018-2019 Projection	FY 2019-2020 Projection
Operating activities:							
Cash receipts (parliamentary appropriation)	21,700	21,700	21,700	21,700	21,700	17,700	13,700
Cash paid (employees and suppliers) (Note 2)	(16,425)	(21,283)	(25,062)	(26,763)	(27,119)	(25,010)	(22,863)
Other income	166	1,348	3,930	3,699	3,722	7,255	10,837
	<u>5,441</u>	<u>1,765</u>	<u>568</u>	<u>(1,364)</u>	<u>(1,697)</u>	<u>(55)</u>	<u>1,674</u>
Capital activities:							
Investment in building project	(48,707)	(30,353)	(3,300)	-	-	-	-
Acquisition of property and equipment	(2,582)	(6,402)	(513)	(1,575)	(1,575)	(1,575)	(1,575)
	<u>(51,289)</u>	<u>(36,755)</u>	<u>(3,813)</u>	<u>(1,575)</u>	<u>(1,575)</u>	<u>(1,575)</u>	<u>(1,575)</u>
Investing activities:							
Proceeds from (acquisition of) Investments	107	-	-	-	-	-	-
	<u>107</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Financing activities:							
Parliamentary appropriation for the investment in building project and related income (Note 1)	10,893	2,002	0	0	0	0	0
Restricted contributions from non-owners and related investment income	13,500	21,304	3,300	0	0	0	0
	<u>24,393</u>	<u>23,306</u>	<u>3,300</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
Increase (decrease) in cash and cash equivalents	(21,348)	(11,684)	55	(2,939)	(3,272)	(1,630)	99
Cash and cash equivalents, beginning of year							
Operating cash	6,871	6,996	7,796	7,851	4,912	1,640	10
Restricted cash and cash equivalents	22,160	10,926	0	0	0	0	0
Holdback account	11,797	1,558	0	0	0	0	0
	<u>40,828</u>	<u>19,480</u>	<u>7,796</u>	<u>7,851</u>	<u>4,912</u>	<u>1,640</u>	<u>10</u>
Cash and cash equivalents, end of year							
Operating cash	6,996	7,796	7,851	4,912	1,640	10	109
Restricted cash and cash equivalents	10,926	0	0	0	0	0	0
Holdback account	1,558	0	0	0	0	0	0
	<u>19,480</u>	<u>7,796</u>	<u>7,851</u>	<u>4,912</u>	<u>1,640</u>	<u>10</u>	<u>109</u>

Note 1:

In June 2012, the CMHR was authorized to use \$35 million of future years' operating and capital appropriations - \$25 million in 2012-2013 and \$10 million in 2013-2014 - for capital. CMHR's appropriations will be reduced over six years commencing in 2018-2019.

Note 2:

Cash paid does not include PILT. It has been assumed that PILT will be accrued but not paid until the source of funding for PILT is resolved.

5.7 CAPITAL BUDGET (Original \$351 million Capital Project)

YEARS ENDING MARCH 31, 2009 TO 2015 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

	FY 2008/09 Actual	FY 2009/10 Actual	FY 2010/11 Actual	FY 2011/12 Actual	FY 2012/13 Actual	FY 2013/14 Actual	FY 2014/15 Budget	Total
Projected Capital Expenditures: (Note 1)								
Base Building Construction	1,356	44,846	65,664	78,388	53,600	5,819	4,562	254,235
Base Building Contingency	-	-	-	-	-	-	-	-
Architects, Engineers, Consultants, Permits & Fees	12,977	8,880	4,102	3,530	1,767	931	75	32,262
Communication, Data Cabling, Interior F&F, Signage	-	-	-	20	720	232	2,858	3,830
Exhibit Space Fit Out	-	-	518	709	292	11,782	2,492	15,793
Exhibit Design & Construction	2,115	1,383	1,477	1,500	1,911	15,666	10,999	35,051
Total project in progress	16,448	55,109	71,761	84,147	58,290	34,430	20,986	341,171
Land (net cash)	2,500							2,500
Interest earned on investments & Powersmart	(6,212)	(460)	(740)	(1,291)	56	(524)		(9,171)
Feasibility Study and Friends costs	16,000				500			16,500
Total project cost	28,736	54,649	71,021	82,856	58,846	33,906	20,986	351,000
Funded by: (Note 1)								
Government of Canada - Definitive Agreement	30,000	20,000	40,000	10,000	-			100,000
Operating funding to be used for capital (Note 2)					10,000			10,000
Operating funding to be used for capital (Note 2)	-	-	-	-	25,000	10,000		35,000
Operations - Soft costs			2,700	600	613	1,085	2,002	7,000
								152,000
Province of Manitoba	40,000	-	-	-	-			40,000
City of Winnipeg	18,500	370	28			102		19,000
Friends of CMHR	32,710	24,550	22,130	20,560	5,022	13,724	21,304	140,000
Total Sources	121,210	44,920	64,858	31,160	40,635	24,911	23,306	351,000
Annual net cash flow	92,474	(9,729)	(6,163)	(51,696)	(18,211)	(8,995)	2,320	
Cumulative cash available (Note 4)	92,474	82,745	76,582	24,886	6,675	(2,320)	-	-

Note 1:

The Total project cost is \$351 million. The difference between the Total project cost of \$351 million and the Total Project in Progress of \$341 million in the Capital Budget are the in-kind contributions of Winnipeg for the land and the Friends operational and financing costs as well as the initial \$3 million contribution from Canada, paid by Western Economic Diversification (WED) to Friends for the feasibility study and other initial costs prior to the museum being established, offset by interest income.

Note 2:

Canada has given the CMHR approval to use operating funds towards the capital project as follows:

- The use of \$10 million in operating appropriations for capital that was re-profiled from 2011/2012 to 2012/2013 due to the deferral in content and programming development costs and other aggressive reductions in non-urgent spending in 2011/2012; and
- The use of \$35 million of future years' operating and capital appropriations. CMHR plans to decrease its level of appropriations over six years commencing in 2018-2019.

Note 3:

The cash available at the end of 2013/14 was not in a negative position due to amounts in accounts payable at year end.

5.8 CAPITAL BUDGET

YEARS ENDING MARCH 31, 2016 TO 2020 (IN THOUSAND OF DOLLARS)

Prepared on an accrual basis

		FY 2014/15 Budget	FY 2015/16 Budget	FY 2016/17 Projected	FY 2017/18 Projected	FY 2018/19 Projected	FY 2019/20 Projected
Projected Capital Expenditures:							
Temporary Gallery	(Note 1)		3,100				
Theatre	(Note 1)						
Capital Replacement	(Note 2)	965	513	1,575	1,575	1,575	1,575
Total capital cost		965	3,613	1,575	1,575	1,575	1,575
Funded by:							
Government of Canada							
Annual Appropriations		965	513				-
Friends of CMHR							
Additional funding agreement	(Note 1)		3,100				
Potentially Unfunded							
Total Sources		965	3,613	-	-	-	-
Potentially Unfunded Capital Requirements		0	0	1,575	1,575	1,575	1,575

Note 1:

Fit-up of the Museum's Temporary Gallery and Theatre was not included in the original \$351 million capital project. The Museum's 5 Year Strategic Plan includes completing the Temporary Gallery in 2015-16 and the Theatre in 2016-17. The Friends of the CMHR have agreed to fund the \$3.1 million in capital costs to complete the Temporary Gallery. The final design, budget and funding sources for the Theatre are still to be determined therefore the cost and source of funds are not included in the Capital Budget.

Note 2:

The 2015-16 capital replacement is for replacement of short-life equipment, critical spares and equipment identified during the first full year of operations as necessary for operations. The Capital Replacement Reserve for 2016-17 and beyond is an estimate only. In 2015-16 the Museum will prepare a detailed long-term capital replacement plan for facilities equipment, IT infrastructure and exhibit equipment.