

# Canadian Museum for Human Rights



Photo: Aaron Cohen

## Summary of the CMHR 2020-2021 to 2024-2025 Corporate Plan and the 2020- 2021 Operating and Capital Budgets

[Protected B]



## Table of Contents

<b>Summary of the CMHR 2020-2021 to 2024-2025 Corporate Plan and the 2020-2021 Operating and Capital Budgets .....</b>	<b>1</b>
<b>Executive Summary .....</b>	<b>3</b>
Important Note .....	3
Summary .....	3
Goal 1: Grow visitorship and engagement.....	3
Goal 2: Grow presence .....	3
Goal 3: Grow revenue.....	4
Overview of key risks.....	4
Key considerations through 2020-21 and beyond.....	4
<b>1. Overview .....</b>	<b>5</b>
1.1 Governing legislation.....	5
1.2 Guiding principles .....	5
1.3 Public policy role .....	6
1.4 Core responsibilities.....	6
1.5 Expenses by core responsibility.....	7
<b>2. Operating environment.....</b>	<b>7</b>
2.1 Environmental scan.....	7
2.2 Compliance with Governor-in-Council and Ministerial directives.....	10
2.3 Alignment with government priorities .....	10
<b>3. Goals, strategies and performance measures.....</b>	<b>10</b>
3.1 Goal #1: Grow visitorship and engagement .....	10
3.2 Goal #2: Grow presence .....	13
3.3 Goal #3: Grow revenue .....	14
3.4 A Strong Foundation .....	16
<b>4. Financial overview .....</b>	<b>18</b>
Operating budget.....	18
Capital budget.....	19
Financial statements.....	19
<b>5. Financial statements and budgets .....</b>	<b>20</b>
5.1 Financial statements .....	20
5.2 Financial planning assumptions and projections.....	21
5.3 Operating budget 2019-20 .....	21
5.4 Capital budget 2020-21.....	22
5.5 Pro-forma Statement of Financial Position.....	23
5.6 Pro-forma Statement of Operations .....	25
5.7 Pro-forma Statement of Cash Flows .....	26
5.8 Capital Budget .....	28
5.9 Pro-forma Statement of Changes in Net Assets .....	30
<b>Appendix 1: Impact of the COVID-19 pandemic .....</b>	<b>31</b>
1.0 Impacts .....	31
2.0 Actions.....	34

# Executive Summary

## Important Note

The Corporate Plan on which this summary is based was prepared in January 2020, prior to the global COVID-19 pandemic and the findings of systemic racism and other forms of oppression that were raised by former and current staff and has not been revised since that time. However, in early October 2020, an appendix (included below as “Appendix 1 – Impact of the COVID-19 pandemic”) was prepared to summarize projected impacts of the pandemic and the findings of systemic racism on the Museum’s operations in 2020-21.

## Summary

In 2019, the Board of Trustees of the Canadian Museum for Human Rights (“CMHR” or “the Museum”), in close collaboration with the executive and leadership teams, established a new strategic direction informed by broad consultations with stakeholders and staff, visitor research, market intelligence and industry experience.

The strategic plan, published in January 2020, sets the direction for the five years beginning in 2020-21. It establishes an ambitious vision that will be achieved by building on the strong foundations that have been created since the Museum was first established as a national museum in 2008, including the accomplishments and lessons of its first five years of operations. It represents the Museum’s commitment to the relentless pursuit of excellence that will honour the trust Canadians have placed in the CMHR.

At a time when voices calling for universal rights and dignity can be drowned out by fear and prejudice, the work of the CMHR to achieve its mandate is critical.

## Goal 1: Grow visitorship and engagement

### Strategies

1. We will strengthen our relevance to local communities by creating ongoing relationships through inspiring and engaging experiences;
2. We will reach all Kindergarten to Grade 12 students in Manitoba and connect with students in every province and territory in Canada and beyond; and
3. We will reach new audiences across Canada and beyond by creating exhibitions and programs designed for targeted markets.

## Goal 2: Grow presence

### Strategies

1. We will amplify the power of the stories we tell, increasing reach and impact; and
2. We will engage in forums for dialogue that address issues of national and global importance.

### **Goal 3: Grow revenue**

#### **Strategies**

1. We will identify and pursue innovative ways to increase revenue from new and existing enterprises;
2. We will support the Friends of CMHR (Friends) in their efforts to attract, steward and grow donations and sponsorships; and
3. We will strengthen the case for government support for operating appropriations and capital initiatives.

### **Overview of key risks**

The following potential risk areas were identified for the five-year planning period:

1. Sustainable revenues and funding
2. Achieving mandate
3. Reputational risk
4. Cyber security
5. Existence and effectiveness of policies, operational systems and procedures

These areas are monitored on a regular basis to ensure appropriate strategies are in place to manage and mitigate risk.

### **Key considerations through 2020-21 and beyond**

The new strategic plan establishes ambitious goals and targets based on the Museum's successes and its potential to become a world-renowned centre for human rights education and dialogue.

The Museum's ability to fulfill the plan is anchored on carefully maintaining and stewarding its strong foundation – its people, place, resources and capacity.

The development of the plan also took into consideration the challenges that the Museum faces in the planning period 2020-21 through 2024-25.

It is important for the Museum to safeguard against exhibition content and technology becoming dated, less relevant or obsolete. As the first national museum built in the digital age, the CMHR has a distinct, ongoing need to ensure its Information Technology (IT) and Audio Visual (AV) infrastructures remain current.

Capital funding provided through federal Budget 2016 for specific health and safety projects, as well as digital recapitalization, will expire in 2020-21. The ongoing recapitalization of digital equipment and the IT infrastructure will be difficult for the Museum to manage within its current capital and operating budget.

The Museum has moved ahead with the schematic design of the Digital Learning Centre (originally referred to as “the theatre space”). Completing the Digital Learning Centre would significantly enhance the Museum’s ability to engage and inspire visitors through film, plays and digital storytelling – not only on site but also online. It would provide opportunities for the Museum to participate in dialogue and amplify its message across Canada and around the world in a sustainable way, minimizing our carbon footprint. Moving forward with completion of the Digital Learning Centre is contingent upon securing funding.

## **1. Overview**

### **1.1 Governing legislation**

The CMHR was established through an amendment to the *Museums Act* on August 10, 2008. It is a Crown corporation named in Part I of Schedule III to the *Financial Administration Act* (FAA) and must comply with Part X of the FAA and regulations, the *Museums Act* and regulations, the Museum’s by-laws, and the directive issued pursuant to section 89 of the FAA. It is an “agent” Crown Corporation and operates at arm’s length from the Government in its day-to-day operations and in its activities and programming.

The Government of Canada provides funding to the Museum through parliamentary appropriations. The Museum supplements the parliamentary appropriations with earned revenue from general admission, memberships, programs, Boutique sales, facility rentals, a percentage of restaurant and catering sales, and travelling exhibits. The Museum also receives donations and sponsorship revenue and contributions from the Friends.

The Corporation reports to Parliament through the Minister of Canadian Heritage.

### **1.2 Guiding principles**

The CMHR’s new strategic plan includes the following guiding principles:

#### **Our dream**

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

#### **Our vision**

Be the world's leading museum for human right

### **Our mission**

The CMHR strives to create awareness and understanding of the importance of human rights for all, with the goal of inspiring its visitors to action.

### **Our mandate**

As described in Section 15.2 of the *Museums Act*, our mandate 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.”*

## **1.3 Public policy role**

As a member of the Canadian Heritage Portfolio, the CMHR contributes to the achievement of the Government of Canada’s broad cultural policy objectives. Its public policy role is set out in the preamble to the *Museums Act*, which states that each national museum (a) “plays an essential role...in preserving and promoting the heritage of Canada and all its peoples throughout Canada and abroad and in contributing to the collective memory and sense of identity of all Canadians,” and (b) “is a source of inspiration, research, learning and entertainment that belongs to all Canadians and provides, in both official languages, a service that is essential to Canadian culture and available to all.”

## **1.4 Core responsibilities**

Consistent with the Treasury Board of Canada Secretariat’s Policy on Results (July 1, 2016), the CMHR adopted two core responsibilities, in addition to its original core responsibility, which was Internal Services (Number 3 below). The Museum’s primary activities and related budgets align with its core responsibilities as follows:

### **1. Content, programs and engagement:**

- Accessible and engaging exhibitions
- Educational programming that promotes reflection and dialogue
- Sound and balanced research, scholarship and collections management
- National outreach, engagement and service
- Communications, marketing and collaborative relationships

### **2. Accommodations:**

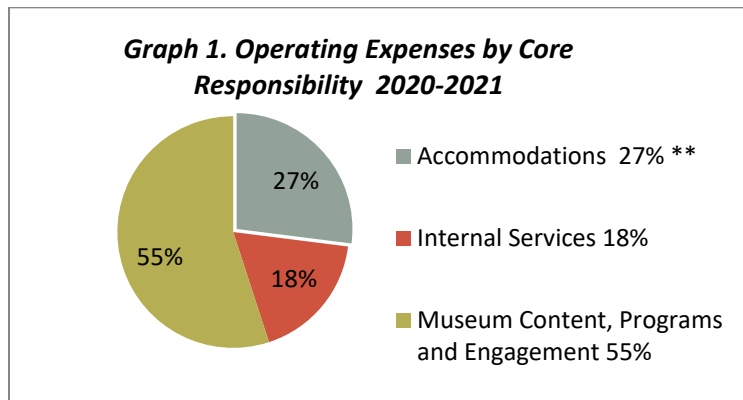
- Building operations
- Protection services
- Information technology infrastructure

### 3. Internal services:

- Corporate governance
- Administration
- Earned-revenue generation

## 1.5 Expenses by core responsibility

Graph 1 shows the breakdown of the Museum's 2020-21 operating budget, on a cash basis, of \$29.5 million in expenses by core responsibility [including annual Payments in Lieu of Taxes (PILT)]. There are three coloured sections representing three core responsibilities with the allocated percentage: grey - Accommodations 27%, green - Internal services 18%, red - Museum Content, Programs and Engagement 55%. Accommodation includes annual PILT of \$2.8 million and excludes amortization of \$15.0 million. For a description of expenses under each core responsibility, see Section 4, Financial Overview.



\*\* Accommodation includes annual PILT of \$2.8 million, excludes amortization of \$15.0 million

More detailed information about the CMHR's recent program and financial results can be found in its [2018-19 Annual Report](#).

## 2. Operating environment

### 2.1 Environmental scan

#### Internal environment

The CMHR has identified the following internal risks and opportunities:

- **History** – the Museum has been open for only five years. As a result, it still has limited operating experience and limited history on trends, revenues and costs.

- **Human resources** – the Museum has a team of dedicated and engaged staff and volunteers. All staff are members of the Public Service Alliance Canada. The collective agreement will expire on March 31, 2020.
- **Digital technology** – the CMHR is a digitally based Museum and, to date, the up-time of its exhibits has been exceptional. Recapitalization based on industry standard life cycles is required to ensure that digital exhibits do not go dark. The short life cycles for equipment and infrastructure required to operate exhibits, commercial operations and administration put significant pressure on CMHR’s available funds.
- **Audience data** – the Museum’s Evaluation Program is providing improved audience data/audience profiles, which are essential to the Museum’s ability to ensure its exhibitions and programs meet the needs of its visitors and capture the interest of prospective visitors. These profiles, in addition to informing decision-making, also ensure limited marketing dollars are invested appropriately.
- **Measuring impact** – tools to better evaluate the many ways that the Museum is having an impact are seen as necessary to tracking its success against its mandate.
- **A strong foundation** – The Museum’s ability to fulfil its strategic plan is anchored on a foundation of employees and volunteers who are passionate about human rights, with a shared commitment to its values and objectives.

The Museum’s success also relies on the iconic architecture and inclusive design of its world-class building. The Museum’s building was constructed to LEED silver standards and the Museum will continue to utilize best practices including incorporating sustainability, accessibility and social procurement where appropriate.

At the Museum’s core are powerful exhibits and online content based on credible research, use of cutting-edge technology, as well as engaging and relevant public and educational programs.

Maintaining this strong foundation is key to the Museum’s continued success. Section 3.4 outlines the goals and strategies to ensure that a strong foundation is maintained.

## **External environment**

The CMHR has identified the following external risks and opportunities:

- **Geographic barriers**

The Museum is located in Winnipeg which is situated in the middle of Canada and not in close proximity to other major population centres. This location poses a limitation for some Canadians who find travel to be impractical or impossible.

Opportunities: Participatory online experiences will offer meaningful opportunity for dialogue that can engage people in all areas of Canada as well as internationally. Travelling exhibitions will take the Museum out to Canada and the world.

- **Human rights subject matter**

Human rights mean different things to different people. Differing views invite contention.

Opportunities: The Museum aims to create respectful places for dialogue to allow for a better understanding of differences.

- **Competition for attention and evolving visitor expectations**

Museums are increasingly challenged to ensure their offerings are compelling and entertaining enough to compete with a wide array of leisure options. A crowded media, social media and digital landscape gives potential Museum visitors and travellers an abundance of choices. New cultural experiences opening soon in Winnipeg such as Canada's Diversity Gardens at Assiniboine Park and the Inuit Art Centre at the Winnipeg Art Gallery will also increase local competition.

Opportunities: The prevalence of social media activity creates a desire for unique, real-life experiences that are shareable online, which the CMHR is well-positioned to provide. The Museum can identify and anticipate relevant issues of popular interest and can make use of smart technology to deliver personalized experiences. Partnership opportunities with the new cultural experiences in Winnipeg could provide an engaging visitor experience of all that Winnipeg and Manitoba have to offer.

- **Perception of the Museum**

Research shows that many in the local audience perceive the CMHR as overwhelming, depressing, and dark, especially those who have not yet visited. Many potential visitors also perceive museums in general as intellectually inaccessible or boring.

Opportunities: The CMHR can reframe the narrative to help potential visitors understand the uplifting and inspirational aspects of its content. The CMHR can also undertake to make the Museum a more welcoming space, a hub for community events and social activities.

- **Technological changes**

Technology continues to evolve at a furious pace, resulting in short lifecycles for equipment. This increases the risk that equipment will quickly become incompatible or obsolete, and also leads to high recapitalization requirements.

Opportunities: New technology may provide opportunities for solutions with greater capacity, improved features and (sometimes) lower cost.

## **2.2 Compliance with Governor-in-Council and Ministerial directives**

The CMHR is compliant with applicable Acts and directives including: the *Access to Information Act*, the *Privacy Act*, the *Conflict of Interest Act*, *Official Languages Act*, the Directive on Travel, Hospitality, Conference and Event Expenditures, among others.

## **2.3 Alignment with government priorities**

The CMHR's plans are in line with government direction and key priorities, particularly those that best align with its mandate, including: transparent and open government, gender-based analysis plus, diversity and employment equity, Indigenous issues, sustainable development and greening government operations, safe workspaces, and accessibility.

## **3. Goals, strategies and performance measures**

Under the guidance of the Museum's Board and its President and CEO, the CMHR will continue to dedicate itself to a bold vision, drawing on the strengths and proven ability to bring people together, and expanding on the accomplishments of the first five years.

The new five-year strategic plan sets the direction for the CMHR from 2020-21 to 2024-25. It is focused on turning the immense potential of the CMHR into reality.

### **3.1 Goal #1: Grow visitorship and engagement**

#### **Expected outcome:**

The Museum will expand its reach, providing visitors with a human rights experience that educates and inspires. The experience will have a lasting impact on the hearts and minds of all visitors – whether on site, online or engaged in off-site interactions.

#### **Strategies:**

**1. We will strengthen our relevance to local communities by creating ongoing relationships through inspiring and engaging experiences.**

Key initiatives:

- Create and attract community events, celebrations and social opportunities
- Develop interactive, personalized and shareable opportunities that make best use of technology
- Undertake regular renewal and reimagining of core galleries and programs
- Focus marketing efforts in areas with potential to increase local visitation

**2. We will reach all Kindergarten to Grade 12 students in Manitoba and connect with students in every province and territory in Canada and beyond.**

Key initiatives:

- Offer interactive online resources including virtual field trips
- Undertake large youth events and develop community-sourced content
- Deliver national and international student programs
- Create education programs linked to travelling exhibitions
- Secure funding and complete the Digital Learning Centre as a means to enhance on site and off-site programming opportunities

**3. We will reach new audiences across Canada and beyond by creating exhibitions and programs designed for targeted markets.**

Key initiatives:

- Develop modular, scalable and multi-use exhibitions designed to travel
- Engage key stakeholders and forge strategic partnerships
- Use digital technology to connect Canadians
- Work with our tourism partners to attract travelers to Winnipeg

**Signature projects during the planning period:**

- Exhibition projects including travelling and digital components as well as programming:
  - Restore and display the *Witness Blanket* as part of the historic collaborative stewardship agreement, February 2021 through September 2021
  - Develop *ARTiculate Our Rights*, an exterior exhibit featuring community-sourced youth art about the future of human rights to be displayed in Winnipeg in the summer of 2020-21 and in other major centres across Canada in future years

- Develop a signature exhibition based on the intersection of music and human rights to be displayed on site from December 2021 to February 2023, travelling thereafter
  - Develop an exhibition on discrimination against people in the LGBTQ2+ funded by the LGBT Purge Fund to be displayed in Winnipeg from May 2023 until June 2024, travelling thereafter
  - A signature CMHR developed and branded exhibition designed to travel completed for opening in Winnipeg in September 2024 to celebrate CMHR's 10<sup>th</sup> anniversary
- Core gallery projects:
    - A new interactive technology in the core exhibits that allows the visitor to interview a Holocaust or Residential School survivor, initial installation planned for mid-2021
    - First-person animation where program interpreters provide regular in-gallery talks. This will be considered instead of the current gallery tours to be considered beginning in 2020-21
    - Refurbish the Level 6 gallery to display the *Witness Blanket* on a long-term basis beginning late in 2021, after displaying it on Level 1. The plan is ultimately to develop this gallery to focus more generally on reconciliation (not included in the planning period).
- Visitor experience and digital projects:
    - Launch an “e-museum” visit - virtual field trips for the general public. This will be a charged program offered to groups such as seniors’ homes and corporate groups. Planned for 2021-22 or 22-23
    - Develop personalized tours for people to create their own visits. The concept is for visitors to indicate their interests and either on site or online a personalized tour would be computer generated. Planned for 2021-22
    - Provide community events and social opportunities such as “Friday Night Rights” and other offerings in partnership with local festivals such as Jazzfest and Folklorama. Planned for 2020-21 and ongoing
    - Continued development of the “Be an Upstander” web resource – a teacher/student program including community-sourced content in 2020-21
    - Review the admission pricing model to consider options that encourage repeat visitation in 2020-21

**Key performance indicators and targets for 2020-21:**

Total visitor numbers (on site, online and off site) of 993,400

- Increase total annual on-site visitation to 328,400
- Increase online visitation by 10 per cent over a baseline to be set based on 2019-20
- Increase off-site visitor numbers by 60,000 over a baseline to be set based on 2019-20
- Increase visitors from outside Canada (on site, off site and online) by 10 per cent over a baseline to be set based on 2019-20
- Increase the number of students who interact with the CMHR annually (on site, off site and online) to 37,300

### **3.2 Goal #2: Grow presence**

#### **Expected outcome:**

Rooted in its values and working towards its vision to be the world's leading museum for human rights, the Museum will leverage new and established relationships and strengthen its reputation as a trusted resource for human rights education and information.

#### **Strategies:**

#### **4. We will amplify the power of the stories we tell, increasing our reach and impact.**

##### Key initiatives:

- Leverage new and existing networks and partnerships to disseminate the Museum's work
- Magnify our national and global reach through co-production of events, exhibitions, programs or projects done in collaboration with external partners
- Pursue key influencers and champions to amplify our stories
- Secure funding, complete and operationalize the Digital Learning Centre by the end of 2022-23 to enhance opportunities to digitally connect the Museum with off-site audiences

#### **5. We will engage in forums for dialogue that address issues of national and global importance.**

##### Key initiatives:

- Engage with other human rights museums around the world
- Create an annual human rights summit
- Participate in human rights themed forums where the CMHR can have impact
- Create a larger digital presence on contemporary human rights matters

### **Signature projects during the planning period:**

- Secure funding, complete and launch the Digital Learning Centre by the end of 2022-23
- Host an annual human rights summit beginning in 2020-21 and growing over the planning period. The summit will provide a forum to discuss current human rights issues. While the target participants were originally thought to be policy makers, an initial environmental survey indicates that corporations and their decision-makers may be the best target market
- Participate in human rights themed forums and conferences. 2020-21 includes:
  - Federation of International Human Rights Museums (FIHRM) 10<sup>th</sup> anniversary
  - Yerevan Conference on Stolen Children
  - Frankfurt 2020 Book Fair: Canada as Guest of Honour
- Pursue networks and develop relationships to enlist external partners to co-produce events, exhibitions, programs or projects done in collaboration with external partners that align with CMHR's goals; will begin in 2020-21 and be ongoing

### **Key performance indicators and targets for 2020-21:**

- Increase the number of visits by human rights champions, national and world leaders, changemakers, influencers and government representatives by 10 per cent annually
- Hold Canada's first annual summit on human rights at the CMHR in 2020
- Execute 5 co-productions (events, exhibitions, programs or projects done in collaboration with external partners)
- Increase earned media value by 10 per cent annually

## **3.3 Goal #3: Grow revenue**

### **Expected outcome:**

To ensure its mandate extends to future generations, the Museum will establish long-term, sustainable investment that can provide financial stability and accessibility.

### **Strategies:**

- 6. We will identify and pursue innovative ways to increase revenue from new and existing enterprises.**

Key initiatives:

- Develop sales strategies for all programs
- Build strategic partnerships to deliver human rights training and education programs
- Optimize the use of facilities for revenue generation by making creative use of existing spaces and by developing new spaces for all forms of revenue generation including facility rentals, public programming, professional programs, membership events, etc. (Digital Learning Centre, Hall of Hope)
- Focus sales and marketing activities using data-driven analytics

**7. We will support the Friends in their efforts to attract, steward and grow donations and sponsorships.**

Key initiatives:

- Consider and identify funding opportunities early in the planning stages of Museum initiatives
- Work with the Friends to develop compelling cases for support
- Assist the Friends with events and activities showcasing Museum programs and exhibitions

**8. We will strengthen the case for government support of our operating appropriations and capital initiatives.**

Key initiatives:

- Employ a proactive government relations strategy that is regularly updated
- Build impactful cases for support and advance them through effective Board engagement
- Create quantitative and qualitative measures of impact and value

**Signature projects during the planning period:**

- Grow admission and travelling exhibition revenue through projects outlined in Goal #1, beginning in 2020-21 and through the planning period
- Employ proactive sales strategies for programs, beginning in 2020-21
- Pursue strategic partnerships for education programs, beginning in 2020-21
- Increased sales and controlled costs through leveraging analytics, beginning in 2020-21 and through the planning period
- Consider new commercial revenue opportunities:
  - Possibilities: Expanded food and beverage options including a café on Level 4 or 5 (2021-22), expand the Boutique to other areas in the Museum (2020-21)

- Secure funding, complete and launch the Digital Learning Centre by the end of 2022-23
- Pursue sponsorships/donations for all major exhibitions and programs throughout the planning period
- Host an annual fundraising gala with the Friends annually
- The development of measures to demonstrate impact and ROI by the end of the planning period, 2024-25

### **Key performance indicators and targets for 2020-21:**

- Increase earned revenue to \$3.9 million
- Attract \$3.7 million in annual sponsorships and donations, generated by both the Museum and the Friends
- Complete design development for the Digital Learning Centre
- Longer-term - Secure sponsorships that will fund a free admission period every week by 2024-25

## **3.4 A Strong Foundation**

Maintaining a strong foundation is key to the Museum's ability to fulfill the ambitious goals outlined above. The Museum has developed the following goals and strategies to ensure that a strong foundation is maintained.

### **People**

The Museum fosters a culture of leadership and engagement through strategic investment in its people. The Museum works to attract, develop and retain a diverse, talented and motivated workforce and a pool of passionate volunteers.

**Goal: Attract and retain a diverse, talented and motivated workforce**

### **Strategies**

#### **9. We will recruit a diverse and inclusive workforce and volunteer base through:**

- Comprehensive workforce planning; and
- Partnering with community-based employment agencies.

#### **10. We will cultivate a healthy workplace through:**

- Regular internal communications;
- Effective labour relations; and
- A focus on employee well-being and mental health strategies.

#### **11. We will promote professional excellence through:**

- Regular staff training and development;

- Performance monitoring and evaluation; and
- Recognizing and celebrating employee and volunteer successes and milestones.

## **Place**

The Museum must ensure that its building, digital technology, systems infrastructure and content are maintained and updated in ways that support growth, accessibility and the ability to deliver against its mandate.

## **Goal: Maintain and renew Museum assets and facilities**

### **Strategies:**

#### **12. We will develop and implement a strategic asset management plan including:**

- Developing an inventory of all Museum assets – both physical and digital; and
- Continuing to implement a 10-year capital renewal plan.

#### **13. We will ensure contracts have clear, measurable deliverables and key performance indicators (KPI's)**

- Contract reviews including KPI's; and
- Relationship management.

#### **14. We will ensure the Museum's content is accurate and up-to-date by:**

- Maintaining an inventory of content in exhibitions identified for updating; and
- Implementing a schedule for updating content.

## **Resources and Capacity**

The Museum's organizational sustainability relies on rigorous fiscal and human resource management and results-oriented processes that ensure its long-term stability as a vibrant, attractive and relevant cultural institution devoted to human rights education.

## **Goal: Create organizational sustainability**

### **Strategies**

#### **15. We will practice sound fiscal management by:**

- Performing comprehensive financial analysis and reporting;
- Benchmarking results against best in class; and

- Uncovering cost-saving opportunities and efficiencies.

**16. We will ensure streamlined, efficient and standardized operational processes by:**

- Implementing centralized project management;
- Encouraging an environment of continual process improvements:
  - a. Updating the Enterprise Content Management System (ECMS)/licencing;
  - b. Implementing a new human resource management system; and
- Utilizing best practices including measures aimed at sustainability, accessibility and social procurement where appropriate

**17. We will strengthen the case for government support for operating appropriations and capital initiatives through:**

- Maintaining open lines of communication; and
- Developing compelling cases for support.

**Key performance indicators and targets for 2020-21:**

- Employee retention of 75% including part-time staff, 80% excluding part-time staff
- No significant downtime for exhibits or facility equipment

## **4. Financial overview**

The Corporate Plan covers the five-year planning period from 2020-21 to 2024-25.

The Museum was established in 2008. In the first six years the Museum was focused on building the Museum for opening in 2014. In September 2019, the Museum celebrated five years as an operating national museum. During the five years since opening, the Museum focused on learning, developing and operating this new national museum. The financial projections presented here are based on assumptions drawn from actual operating revenues and expenses from the first five years of operations and the ambitious vision for the future set by the Board in the new strategic plan.

The Museum exercises prudent fiscal management to ensure that it operates within the funds available. The Museum budgets for its operations, including capital requirements, to break-even.

### **Operating budget**

The Museum projects that it will balance its operating expenditures with its revenues from all sources in 2020-21.

Appropriations to fund the operating and capital budget are \$25.5 million for 2020-21. This is a decrease of \$1.4 million from the 2019-20 appropriations of \$26.9 million which included higher capital funding from Budget 2016, largely for digital exhibit hardware recapitalization.

The Museum's total operating budget for 2020-21 is \$29.5 million, allocated between the core responsibilities as follows:

- Museum content, programs and engagement of \$16.1 million;
- Accommodation of \$8.0 million (including PILT of \$2.8 million); and
- Internal services of \$5.4 million.

This constitutes an increase from the 2019-20 operating budget of \$28.9 million.

## **Capital budget**

The capital budget for 2020-21 is \$2.9 million, down from the 2019-20 budget of \$3.6 million. The decrease is due to the previous year including \$2.1 million for the recapitalization of the digital exhibit hardware, mainly projectors, funded by federal Budget 2016. The 2020-21 budget includes allocations to refresh the core built exhibits by adding digital interactive technology, to begin to develop a new travelling exhibition on music and human rights and to continue with the design development phase of the Digital Learning Centre. It also includes facility projects as well as digital asset recapitalization funded by the final installment from Budget 2016.

## **Financial statements**

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

The total 2020-21 operating expenses on an accrual basis in the financial statements are \$44.5 million. This includes the operating budget on a cash basis, as indicated above, of \$29.5 million plus the amortization of fixed assets of \$15.0 million.

## 5. Financial statements and budgets

### 5.1 Financial statements

The financial statements are prepared using the Canadian Public Sector Accounting Standards and Section 4200 applicable to government not-for-profit organizations (GNPO). The financial statements are included at 5.5 through 5.9.

The forecast for 2019-20 is based on the actual results for the first two quarters.

**Table 1: Summary of revenues and operating costs (in \$ millions)**

Revenue and Expenses (Prepared on an accrual basis)	2018-19 Actual	2019-20 Budget	2019-20 Forecast	2020-21 Budget	2021-22 Projection	2022-23 Projection	2023-24 Projection	2024-25 Projection
Parliamentary Appropriations	\$25.3	\$26.9	\$26.9	\$25.5	\$24.7	\$24.7	\$24.7	\$24.7
Amounts used to purchase depreciable assets	(\$3.0)	(\$3.6)	(\$3.0)	(\$2.9)	(\$9.5)	(\$8.8)	(\$3.0)	(\$2.9)
Contributions (deferred)used	\$0.2	\$1.4	\$0.0	\$0.6	\$1.4	\$1.6	\$0.6	\$0.2
Recognition deferred capital appropriations	\$7.7	\$7.4	\$7.7	\$7.7	\$7.7	\$7.7	\$7.7	\$7.7
Recognition of deferred contributions	\$7.2	\$7.0	\$7.3	\$7.3	\$7.3	\$7.3	\$7.3	\$7.3
Contributed revenue - Friends	\$0.6	\$0.1	\$0.2	\$1.7	\$2.2	\$2.5	\$2.8	\$3.7
Contributed revenue - LGBT Purge	\$0.0	\$0.3	\$0.2	\$0.2	\$0.4	\$0.7	\$0.3	\$0.1
Contributed revenue - Digital Learning	\$0.0	\$0	\$0.00	\$0.5	\$6.5	\$5.0	\$0.0	\$0.0
Operating Revenue (Table 2)	\$3.4	\$3.6	\$3.5	\$3.7	\$4.1	\$4.7	\$5.9	\$6.2
Other Revenue	\$0.3	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2	\$0.2
<b>Total Revenue</b>	<b>\$41.7</b>	<b>\$43.3</b>	<b>\$43.0</b>	<b>\$44.5</b>	<b>\$45.0</b>	<b>\$45.6</b>	<b>\$46.5</b>	<b>\$47.2</b>
Expenses:								
Museum Content, Programs and Engagement	\$13.8	\$15.7	\$15.2	\$16.1	\$16.4	\$16.6	\$17.1	\$17.6
Accommodation – facility operations	\$4.6	\$5.1	\$4.9	\$5.2	\$5.3	\$5.4	\$5.6	\$5.7

Revenue and Expenses (Prepared on an accrual basis)	2018-19 Actual	2019-20 Budget	2019-20 Forecast	2020-21 Budget	2021-22 Projection	2022-23 Projection	2023-24 Projection	2024-25 Projection
Accommodation - Amortization	\$14.8	\$14.4	\$15.0	\$15.0	\$15.0	\$15.0	\$15.0	\$15.0
Accommodation - PILT	\$2.7	\$2.9	\$2.7	\$2.8	\$2.9	\$3.0	\$3.1	\$3.1
Internal Services	\$5.4	\$5.2	\$5.0	\$5.4	\$5.4	\$5.6	\$5.7	\$5.8
<b>Total Operating Expenses</b>	<b>\$41.3</b>	<b>\$43.3</b>	<b>\$42.8</b>	<b>\$44.5</b>	<b>\$45.0</b>	<b>\$45.6</b>	<b>\$46.5</b>	<b>\$47.2</b>
<b>Excess of Revenue over Expenses</b>	<b>\$0.4</b>	<b>\$0.0</b>	<b>\$0.2</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>	<b>\$0.0</b>

## 5.2 Financial planning assumptions and projections

### 5.2.1 Parliamentary appropriations

The CMHR's parliamentary appropriations in 2020-21 are \$25.5 million, including \$24.7 million for the operating budget and \$0.8 million for the capital budget.

### 5.2.2 Contributed revenue

Recognition of deferred contributions on an accrual basis represents capital contributions received in previous years from the Friends, the Province of Manitoba and the City of Winnipeg for the original capital project and the Level 1 Gallery (recognized on the same basis as the assets are amortized). Recognition of prior years' contributed revenue is totally offset by the amortization expense (included in Accommodations) for the related capital assets. The 2020-21 budget for recognition of prior years' contributions is \$7.3 million.

Contributed revenue also includes funding from the Reconciliation and Memorialization Measures (RMM) Fund to cover the costs of an exhibition related to the Government of Canada's apology for discrimination against people in the LGBTQ2+ community. It also includes new funding for the Digital Learning Centre (DLC) and other potential sponsorships provided directly to the Museum. If funding is not secured for the DLC then it will not be completed.

## 5.3 Operating budget 2019-20

The operating budget for 2020-21 on a cash basis is \$29.5 million. Total expenses on an accrual basis in the financial statement are \$ 44.5 million, comprised of the operating budget of \$29.5 million plus amortization of fixed assets of \$15.0 million.

### **Table 9: Operating expenditures by core responsibility (in \$ millions)**

<b>Expenses (Prepared on an accrual basis)</b>	<b>2018- 19 Actual</b>	<b>2019- 20 Budget</b>	<b>2019-20 Forecast</b>	<b>2020- 21 Budget</b>	<b>2021-22 Projection</b>	<b>2022-23 Projection</b>	<b>2023-24 Projection</b>	<b>2024-25 Projection</b>
Museum Content, Programs & Engagement	\$13.8	\$15.7	\$15.2	\$16.1	\$16.4	\$16.6	\$17.1	\$17.6
Accommodation - facility operations	\$4.6	\$5.1	\$4.9	\$5.2	\$5.3	\$5.4	\$5.6	\$5.7
Internal Services	\$5.4	\$5.2	\$5.0	\$5.4	\$5.4	\$5.6	\$5.7	\$5.8
<b>Operating Expenses – before PILT &amp; Amortization</b>	<b>\$23.8</b>	<b>\$26.0</b>	<b>\$25.1</b>	<b>\$26.7</b>	<b>\$27.1</b>	<b>\$27.6</b>	<b>\$28.4</b>	<b>\$29.1</b>
Accommodation – PILT	\$2.7	\$2.9	\$2.7	\$2.8	\$2.9	\$3.0	\$3.1	\$3.1
<b>Operating Budget (cash)</b>	<b>\$26.5</b>	<b>\$28.9</b>	<b>\$27.8</b>	<b>\$29.5</b>	<b>\$29.9</b>	<b>\$30.6</b>	<b>\$31.5</b>	<b>\$32.2</b>
Accommodation - Amortization	\$14.8	\$14.4	\$15.0	\$15.0	\$15.0	\$15.0	\$15.0	\$15.0
<b>Total Expenses (accrual)</b>	<b>\$41.3</b>	<b>\$43.3</b>	<b>\$42.8</b>	<b>\$44.5</b>	<b>\$45.0</b>	<b>\$45.6</b>	<b>\$46.5</b>	<b>\$47.2</b>

### 5.3.1 Operating expenditures by core responsibility

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

Operating expenses before amortization are budgeted to be \$29.5 million for 2020-21.

## 5.4 Capital budget 2020-21

In federal Budget 2016, the CMHR received one-time funding of \$5 million over five 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 2020-21 is \$751,000, largely for software renewal and refurbishment of digital exhibit hardware. Budget 2016 funding will expire at the end of 2020-21.

## 5.5 Pro-forma Statement of Financial Position

Years ending March 31, 2019 to 2025 (in thousands of dollars)

Prepared on an accrual basis

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2019-2020 Forecast	FY 2020-2021 Projection	FY 2021-2022 Projection	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection
<b>Assets</b>								
Cash & cash equivalents	7,216	5,816	7,416	6,816	5,416	3,816	3,216	3,016
Investments	4,230	4,230	4,230	4,230	4,230	4,230	4,230	4,230
Accounts receivable and other current assets	1,097	1,097	1,097	1,097	1,097	1,097	1,097	1,097
Collections	1	1	1	1	1	1	1	1
Capital assets: in use								
Land	4,979	4,979	4,979	4,979	4,979	4,979	4,979	4,979
Building	294,880	295,619	295,603	296,233	296,893	297,816	298,576	299,020
Equipment and furnishings	14,199	14,599	15,401	16,273	17,005	18,282	19,039	20,741
Exhibits	50,537	52,919	51,497	52,402	54,025	55,628	57,145	57,861
Accumulated depreciation	(73,986)	(88,386)	(88,986)	(103,986)	(118,986)	(133,986)	(148,986)	(163,986)
Capital assets: under construction	612	687	762	762	762	762	762	762
<b>Total Assets</b>	<b>303,765</b>	<b>291,561</b>	<b>292,000</b>	<b>278,807</b>	<b>265,422</b>	<b>252,625</b>	<b>240,059</b>	<b>227,721</b>
<b>Liabilities &amp; Equity of Canada</b>								
Accounts payable and other current liabilities	3,133	3,133	3,133	3,133	3,133	3,133	3,133	3,133
Deferred revenues	83	83	83	83	83	83	83	83
Deferred contributions (Note 1)	4,708	3,308	4,708	4,108	2,708	1,108	508	308
Deferred contributions related to capital assets	286,242	275,438	274,277	261,684	249,699	238,502	226,536	214,398
<b>Net Assets:</b>								
Unrestricted	4,620	4,620	4,820	4,820	4,820	4,820	4,820	4,820
Invested in capital assets	4,979	4,979	4,979	4,979	4,979	4,979	4,979	4,979
<b>Total Liabilities &amp; Equity of Canada</b>	<b>303,765</b>	<b>291,561</b>	<b>292,000</b>	<b>278,807</b>	<b>265,422</b>	<b>252,625</b>	<b>240,059</b>	<b>227,721</b>

**Notes:**

- **Note 1:**  
Deferred contributions represent appropriations deferred for future purchases of a capital nature. The contributions are transferred to the Deferred contributions related to capital assets as they are generally used to fund Capital assets.
- **Note 2:**  
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 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.

## 5.6 Pro-forma Statement of Operations

Years ending March 31, 2019 to 2025 (in thousands of dollars)

Prepared on an accrual basis

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2019-2020 Forecast	FY 2020-2021 Projection	FY 2021-2022 Projection	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection
<b>Parliamentary Appropriations</b>								
Parliamentary appropriations	25,300	26,900	26,900	25,500	24,700	24,700	24,700	24,700
Amounts used to purchase depreciable Assets/Capital Restricted for capital acquisitions (deferred) used	(3,000)	(3,600)	(3,000)	(2,900)	(9,500)	(8,800)	(3,000)	(2,900)
Amortization of Deferred Capital Funding, restricted amounts used in current year	200	1,400	0	600	1,400	1,600	600	200
	7,700	7,400	7,700	7,700	7,700	7,700	7,700	7,700
	30,200	32,100	31,600	30,900	24,300	25,200	30,000	29,700
<b>Contributed Revenue</b>								
Recognition of prior years' contributions	7,200	7,000	7,300	7,300	7,300	7,300	7,300	7,300
Contributions or new Revenue	600	400	400	2,400	9,100	8,200	3,100	3,800
Program sponsorships & grants	0	0	0	0	0	0	0	0
	7,800	7,400	7,700	9,700	16,400	15,500	10,400	11,100
<b>Revenue of the Corporation</b>								
Operating & other revenue	3,700	3,800	3,700	3,900	4,300	4,900	6,100	6,400
<b>Total Revenues</b>	<b>41,700</b>	<b>43,300</b>	<b>43,000</b>	<b>44,500</b>	<b>45,000</b>	<b>45,600</b>	<b>46,500</b>	<b>47,200</b>
<b>Expenses</b>								
Museum Content, Programs & Engagement	13,800	15,700	15,200	16,100	16,400	16,600	17,100	17,600
Accommodations - before PILT & Amortization	4,600	5,100	4,900	5,200	5,300	5,400	5,600	5,700
Amortization	14,800	14,400	15,000	15,000	15,000	15,000	15,000	15,000
PILT - Annual amount	2,700	2,900	2,700	2,800	2,900	3,000	3,100	3,100
Internal Services	5,400	5,200	5,000	5,400	5,400	5,600	5,700	5,800
<b>Total Expenses</b>	<b>41,300</b>	<b>43,300</b>	<b>42,800</b>	<b>44,500</b>	<b>45,000</b>	<b>45,600</b>	<b>46,500</b>	<b>47,200</b>
<b>Excess of (expenses over revenue) revenue over expenses</b>	<b>400</b>	<b>0</b>	<b>200</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

## 5.7 Pro-forma Statement of Cash Flows

Years ending March 31, 2019 to 2025 (in thousands of dollars)

Prepared on an accrual basis

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2019-2020 Forecast	FY 2020-2021 Projection	FY 2021-2022 Projection	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection
<b>Operating activities:</b>								
Cash receipts (parliamentary appropriations)	23,886	23,300	23,900	22,600	15,200	15,900	21,700	21,800
Cash receipts (customers)	3,297	3,800	3,700	3,900	4,300	4,900	6,100	6,400
Cash receipts (contributions & sponsorships)	257	0	0	0	0	0	0	0
Cash paid (employees and suppliers) <b>(Note 1)</b>	(27,757)	(28,900)	(27,800)	(29,500)	(30,000)	(30,600)	(31,500)	(32,200)
Other income	159	0	0	0	0	0	0	0
	(158)	(1,800)	(200)	(3,000)	(10,500)	(9,800)	(3,700)	(4,000)
<b>Capital activities:</b>								
Acquisition of capital assets	(3,711)	3,596	(3,035)	(2,907)	(9,515)	(8,803)	(3,034)	(2,862)
	(3,711)	(3,596)	(3,035)	(2,907)	(9,515)	(8,803)	(3,034)	(2,862)
<b>Investing activities:</b>								
Proceeds from (acquisition of) Investments	(1,109)	0	0	0	0	0	0	0
	(1,109)	0	0	0	0	0	0	0
<b>Financing activities:</b>								
Parliamentary appropriations used for capital activities	1,450	3,596	3,035	2,907	9,515	8,803	3,034	2,862
Restricted contributions from non-owners and related investment income	588	400	400	2,400	9,100	8,200	3,100	3,800
	2,038	3,996	3,435	5,307	18,615	17,003	6,134	6,662
<b>Increase (decrease) in cash and cash equivalents</b>	(2,940)	(1,400)	200	(600)	(1,400)	(1,600)	(600)	(200)
<b>Cash and cash equivalents, beginning of year</b>								
Operating cash	10,156	7,216	7,216	7,416	6,816	5,416	3,816	3,216
Holdback account	0	0	0	0	0	0	0	0
	10,156	7,216	7,216	7,416	6,816	5,416	3,816	3,216
<b>Cash and cash equivalents, end of year</b>								
Operating cash	7,216	5,816	7,416	6,816	5,416	3,816	3,216	3,016
Holdback account	0	0	0	0	0	0	0	0
	7,216	5,816	7,416	6,816	5,416	3,816	3,216	3,016

**Note 1:**

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

## 5.8 Capital Budget

Years ending March 31, 2019 to 2025 (in thousands of dollars)

Prepared on an accrual basis

	FY 2018-2019 Actual	FY 2019-2020 Budget	FY 2019-2020 Forecast	FY 2020-2021 Projection	FY 2021-2022 Projection	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection
<b>Projected Capital Expenditures:</b>								
Digital Learning Centre (Note 1)	0	75	150	500	6,500	5,000	0	0
Travelling exhibits	583	100	219	173	1,236	781	692	126
IT infrastructure	1,466	0	750	0	500	500	500	900
End user computer equipment	128	100	159	100	125	125	150	150
Info security	42	100	170	100	100	100	100	100
Software renew/replace	495	200	123	500	0	500	0	500
Digital exhibit hardware	59	2,057	720	57	57	557	660	460
Gallery renewal	0	0	0	50	100	50	0	0
Core exhibit renewal	62	190	0	625	230	215	165	130
Film production	18	35	21	In core	0	0	0	0
Digital asset management	0	0	0	172	7	52	7	52
Facility projects	116	739	723	630	660	923	760	444
Contingency	0	0	0	0	0	0	0	0
<b>Total capital cost</b>	<b>2,969</b>	<b>3,596</b>	<b>3,035</b>	<b>2,907</b>	<b>9,515</b>	<b>8,803</b>	<b>3,034</b>	<b>2,862</b>
<b>Funded by:</b>								
Annual Operating	883	93	874	974	1,384	1,701	2,358	2,662
Budget 2016	386	2,203	603	751	0	0	0	0
New funding - Digital Learning Centre	0	0	0	500	6,500	5,000	0	0
New funding - LGBTQ+	0	0	0	82	231	502	76	0
Deferred Appropriations	1,700	1,300	1,558	600	1,400	1,600	600	200
<b>Total Sources</b>	<b>2,969</b>	<b>3,596</b>	<b>3,035</b>	<b>2,907</b>	<b>9,515</b>	<b>8,803</b>	<b>3,034</b>	<b>2,862</b>

**Note 1:**

- Fit-up of the Museum's Digital Learning Centre was not included in the original capital project. The 2020-21 capital budget includes projected costs to continue with the design development phase to have a shovel-ready project. If funding is not secured, a portion of the Museum's unrestricted net assets may be used to cover the 2020-21 budgeted amount. Further development is dependent on funding being secured.

## 5.9 Pro-forma Statement of Changes in Net Assets

Years ending March 31, 2019 to 2025 (in thousands of dollars)

Prepared on an accrual basis

	FY 2018- 2019 Actual	FY 2019- 2020 Budget	FY 2019- 2020 Forecast	FY 2020-2021 Projection	FY 2021-2022 Projection	FY 2022-2023 Projection	FY 2023-2024 Projection	FY 2024-2025 Projection
<b>Net assets, beginning of year</b>	<b>9,168</b>	<b>9,599</b>	<b>9,599</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>
Excess of revenue over expenses	431	0	200	0	0	0	0	0
Net change in accumulated remeasurement losses	0	0	0	0	0	0	0	0
<b>Net assets, end of year</b>	<b>9,599</b>	<b>9,599</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>	<b>9,799</b>

## **Appendix 1: Impact of the COVID-19 pandemic**

The following appendix, prepared in October 2020, seeks to provide a high-level overview of perceived COVID-19 pandemic impacts on the Museum's business line and activities. Additionally, a summary of actions undertaken by the CMHR to mitigate those impacts is provided. It is to be understood that the information provided in this appendix is a snapshot of projected impacts and measures for the period of April 1, 2020 through March 31, 2021 and will therefore be subject to change as the situation evolves.

### **1.0 Impacts**

#### **a) Activities**

On March 13, 2020, due to public health risks associated with the COVID-19 pandemic, the CMHR and all national museums of Canada made the decision to close their doors to visitors and all other groups.

The Museum reopened to the public on June 17, 2020 with significant adaptations, including the closure of all high-touch, interactive exhibits, including touch screens, as ordered by the Province of Manitoba. The impact of COVID is, however, expected to persist for some time due to changes in visitor patterns. Travel will take time to return to previous levels, having a significant impact on visitation and revenues, as close to 70 per cent of CMHR's paid visitation has been from people outside Winnipeg. Even with the Museum open, visitation and revenues will not easily go back to previous levels.

Based on the expected reduction in visitation, the Museum decided to reduce its opening hours to five days per week, Tuesday through Saturday, instead of the normal six days per week (seven days in summer) and discontinue evening operations... The revised operating hours are expected to continue for the rest of the fiscal year and will be reassessed based on visitation.

The closure and subsequent reopening with reduced hours, along with ongoing limitations on public gatherings and travel, significantly affects all activities in the Museum, including admissions and visitation, membership sales, facility rentals and catering, restaurant operations, Boutique sales, public and educational programs, and travelling exhibitions.

With no on-site or off-site visitation, the CMHR increased its focus on online engagement through virtual tours and social media. The Museum did not charge for these online services during closure. However, this work might pave the way for future revenue opportunities.

While not COVID-related, resumption of activities during the pandemic period was also complicated by the revelation in June 2020 of systemic racism and oppression experiences within the corporation, the subsequent resignation of its CEO and the appointment of a new leader.

This prompted the Board of Trustees to initiate an independent review of the Museum's practices, policies and workplace culture, and to form a Diversity and Inclusion Committee. The Board has tasked this Committee with holding the Museum accountable for developing and implementing an action plan to ensure the Museum is welcoming and inclusive of everyone. The process of incorporating anti-racist and anti-oppressive practices into all areas of the Museum's work is essential to begin rebuilding trust and relationships with staff, stakeholders and the public. The time and the additional costs required to incorporate these practices and to rebuild the trust of staff and stakeholders affects the projects planned for 2020-21 and future years. The Museum is deeply committed to that process and it welcomes public scrutiny and accountability to ensure it is making the changes that are necessary.

**Subsequent note:**

The Museum was closed to the public again on October 31, 2020 and reopened on February 23, 2021. All activities and services continue to be affected.

**b) Services**

Given the uncertainty of the length of closure and the potential ongoing impact of COVID on operations, the Museum reviewed all programs and services planned for 2020-21.

Projected on-site visitation for 2020-21 was revised to 36,800, compared to original 2020-21 projections of 327,300 visitors.

**Online visitation:**

After the Museum closed due to COVID-19, it was determined that the 2020-21 target of 605,000 online visitors would be retained. The digital team immediately focused on cultivating meaningful dialogue and content on digital platforms and increasing opportunities for virtual visitors to explore the Museum from home. Two virtual tours for the general public and four tours for middle and high school students were developed and published. Online booking forms were adapted for virtual visitation. While visits to content-rich web pages increased, traffic to operational pages, such as hours of operation, decreased.

**Exhibitions:**

Due to the Museum being closed, other impacts of COVID and reputational issues experienced by the Museum due to revelations of systemic racism and discrimination, some exhibition projects were deferred and some new projects were added, while some projects will continue as planned.

Public programs will continue to focus on expanding virtual tours for the general public, as well as using in-gallery animation and responsive programming rather than group tours where physical distancing is more difficult.

#### **Education programs:**

School groups are not expected to return to the Museum in any significant way during the 2020-2021 school year. However, additional virtual field trip offerings will be developed. A review of educational programs will be undertaken to address concerns related to diversity, inclusion, anti-racism and oppression.

#### **Digital outreach:**

Through the Digital Dialogue Initiative that began in 2016, the Museum was well positioned to pivot to digital programming when its doors were closed in March.

#### **c) Labour**

Staff were directed to work from home beginning March 17, 2020. Only critical on-site services, including security and building operations, continued in the building. Contracted security and cleaning services were reduced.

#### **d) Financial**

<b>Categories</b> (in thousands of dollars)	<b>2020-2021 Pre- COVID-19</b>	<b>2020- 2021 COVID-19</b>	<b>2020-2021 Impact</b>
<b>Revenue</b>			
Parliamentary appropriations	\$25,500	\$25,500	\$0
Statutory appropriations	0	\$2,200	\$2,200
Amounts used for capital	(\$2,900)	(\$1,900)	\$1,000
Deferred amounts used	600	\$600	\$0
Operating Revenue	\$3,700	\$500	(\$3,200)
Other Revenue	\$200	\$0	(\$200)
Contributions	\$700	\$200	(\$500)
Contributions from Foundation	\$1,700	\$400	(\$1,300)
<b>Total</b>	<b>\$29,500</b>	<b>\$27,500</b>	<b>(\$2,000)</b>
<b>Expenses</b>			
Museum content, programs & engagement	\$16,100	\$14,600	(\$1,500)
Accommodations including PILT	\$8,000	\$7,500	(\$500)
Internal services	\$5,400	\$5,400	\$0
<b>Total</b>	<b>\$29,500</b>	<b>\$27,500</b>	<b>(\$2,000)</b>
<b>Excess of revenue over expenses</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

### Operating revenue

Operating revenue is expected to drop by \$3.2 million, from the original 2020-21 budget of \$3.7 million to \$0.5 million due to the projected drop in visitation, Boutique sales and facility rentals.

### Amounts used for capital

Non-urgent capital facilities and core exhibit renewal projects have been deferred to ensure that all available funds in 2020-21 can be used to re-open and operate the Museum. The remaining capital budget of \$1.9 million includes digital exhibit hardware and software life-cycle replacement projects funded by federal Budget 2016, further development of the Digital Learning Centre, and additional end user computer equipment and preliminary gallery renewal work made possible by emergency relief funding.

### Expenses

The operating budget has been reduced from \$29.5 million to \$27.5 million.

## 2.0 Actions

### a) Emergency funding received

In July 2020, the Museum was advised that it would receive \$2.2 million in COVID relief funding to help offset the projected drop in operating revenue and contributions from the Friends of CMHR. The COVID relief funding is being used for human resources, programs and services, and capital projects, including training, education and other work required to address the concerns raised regarding systemic racism and oppression.

#### **b) Anticipated stimulus**

The Museum currently has two travelling exhibitions – *Mandela: Struggle for Freedom* and the *Witness Blanket* reproduction. It also has some previous exhibitions in storage. The Museum will consider how these exhibitions could be used to assist other museums and cultural institutions in their pandemic recovery.

The Museum's virtual tours allow many organizations to experience the Museum without the cost and current difficulties of travelling to Winnipeg. Digital opportunities allow the Museum to expand its reach and fulfil its national mandate. Continued development of digital opportunities (virtual tours, education updates, the *Witness Blanket* online) is an important part of the Museum's plans for 2020-21.

When completed, the DLC will also significantly enhance CMHR's ability to engage visitors digitally across Canada and around the world – important in this post-COVID world. This project also addresses the priority of greening government operations. Further design development is included in this year's budget, which will allow the DLC to be even closer to construction when additional funding is secured.