

T R A N S I T I O N

*Summary of the Corporate Plan*

2002-03 to 2006-07

*Capital and Operating Budget*

2002-03

 Canadian Museum of  
**NATURE**

Canada



# Canadian Museum of Nature

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HONESTY AND INTEGRITY  
RESPECT FOR PEOPLE AND NATURE  
THE PURSUIT OF EXCELLENCE  
CONTINUOUS LEARNING

*CMN Corporate Values*

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## Mandate and Vision

The Canadian Museum of Nature (CMN) became a Crown corporation on July 1, 1990 under the *Museums Act*. It reports to Parliament through the Minister of Canadian Heritage.

CMN's mandate is "to increase, throughout Canada and internationally, interest in, knowledge of, and appreciation and respect for the natural world." It fulfills this mandate "by establishing, maintaining and developing for research and posterity, a collection of natural history objects, with special but not exclusive reference to Canada, and by demonstrating the natural world, the knowledge derived from it and the understanding it represents."

As a public institution created by the federal government for the benefit of Canadians, CMN strives:

- ▶ to be a recognized national leader in the natural history and museum communities
- ▶ to be an educational institution with a presence across Canada
- ▶ to be a viable and efficient organization

*We lead Canadians in the adventure  
of discovering and understanding  
the natural world.*

## Corporate Profile

CMN had its origins in the Geological Survey of Canada (GSC), formed in 1842. The GSC became the National Museum of Canada in 1927. The National Museum of Natural Sciences was officially established through the *National Museums Act* in 1968. In 1990, the *Museums Act* established CMN as an autonomous museum with an expanded mandate.

CMN has an important purpose – to lead Canadians in the adventure of discovering and understanding the natural world, and learning how to live in balance with it. That adventure takes Canadian scientists into unexplored corners of our country and the world, under the sea and into the earth.

The collections held and protected by CMN – over 10 million specimens – are the fruit of years of painstaking exploration, observation and gathering. They form the heart of the Museum and a basis for its contribution to Canada. The collections make it possible to analyze and address a variety of emerging challenges to the natural heritage of Canada. The scientific work of CMN ranges hugely in time and space– from examining the evolution of life on earth to undertaking polar research in order to predict the impact of environmental change.

In addition to their research, Museum scientists lecture at universities and other museums, supervise graduate students, publish widely, and lead and contribute to a number of local, national and international organizations focused on preserving natural heritage.

## CORPORATE OVERVIEW

The Museum is constantly changing, and opening up new territory for Canadians to explore. Eleven feature exhibitions at the Museum's public galleries in Ottawa are complemented by special exhibitions that focus on particular aspects of the natural world, lively and original programmes of nature interpretation, workshops, films, lectures and demonstrations. Travelling exhibitions reach across Canada and internationally. As well, Canadians can discover and explore the natural world through CMN multimedia products including **nature.ca**, the Museum's popular Web site, videos, CD-ROMs, audio-cassettes and television programmes as well as print publications.

CMN is governed by a Board of Trustees whose 11 members are Governor-in-Council appointees from all regions of the country. The Board, which provides corporate direction and delegates authority to the President for the management of the Museum, is accountable to Parliament through the Minister of Canadian Heritage.

The Museum has 169 full-time employees and outsources services where it is most cost-effective. CMN also benefits from the contribution of loyal and dedicated volunteers who assist in research, collections and educational programmes. The Canadian Museum of Nature is now consolidated in two buildings in the National Capital Region: the Victoria Memorial Museum Building for exhibitions and public education, and the Natural Heritage Building in Gatineau (Aylmer area) for collections, research, public education and administration.



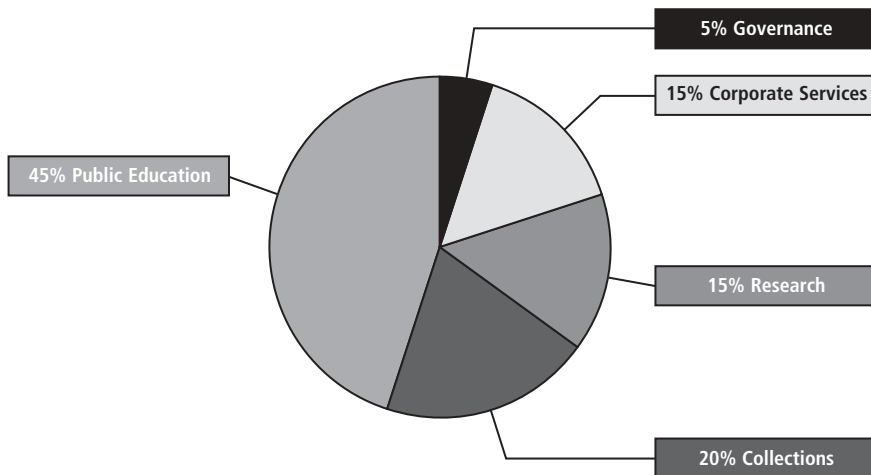
*Monarca*, a travelling exhibition that documents the amazing life-cycle of this exquisite butterfly, was launched at the CMN. It has since travelled extensively throughout Canada and the United States, and will be on permanent display in Mexico as of winter 2002.

# Financial Resources

In 2002-03, CMN will operate within a total budget of \$30,529,000, of which 88 percent comes from federal government appropriation, while the remaining 12 percent is self-generated. Figure 1 shows how CMN's budget is allocated across its five programme activities (Fixed costs for facilities, security and information technologies are allocated to all activities on the basis of use.)

**FIGURE 1: 2002-03 RESOURCES BY ACTIVITY**

Research, Collections and Public Education are CMN's primary programmes, with Corporate Services and Governance providing corporate direction and leadership. The high percentage of budget allocated to Public Education reflects the planned investment in new exhibitions and interior building renovations at the Victoria Memorial Museum Building in conjunction with the Renewal Programme and the *Natural Partnerships* Campaign.



# External Environment

## **EXTERNAL BUSINESS ENVIRONMENT**

The local museum market is competitive, with four national museums competing for a limited visitor base. The Museum's assets are its focus on nature, the scientific foundation of its exhibitions and programmes, and its capacity to provide interactive experiences and encounters with real specimens of plants, animals, minerals and fossils.

## **CUSTOMER EXPECTATIONS**

National surveys carried out for the Museum indicated that nine out of ten Canadians believe that science and research are the foundations of a quality museum and that all CMN's functions are important – research, preservation, education and entertainment. Respondents expressed strong interest in learning more about the range of science topics chosen for future projects, including human health and the environment, the biology of the human body and ocean life. Plans are underway for further market research to provide the necessary data to assist with implementation strategies for the new vision and strategic plan for 2003-08, including an assessment of target audiences.





*A joint marketing research study –  
in partnership with Genome Canada –  
has been undertaken to evaluate issues  
of importance to Canadians with regard  
to human, animal and plant genomics.*

#### **INTEREST IN THE ENVIRONMENT**

In response to ongoing surveys, a strong majority of Canadians say they are interested in environmental issues, think that nature issues affect the quality of their personal lives and believe that nature is inherently valuable. The majority believes that nature is of greatest value to future generations and that it is easy for humans to upset the balance of nature. A joint marketing research study – in partnership with Genome Canada – has been undertaken to evaluate issues of importance to Canadians with regard to human, animal and plant genomics.

#### **GENERATING REVENUE**

CMN is conducting a \$10 to \$16 million national campaign. The *Natural Partnerships* Campaign will support the new national programme and service of CMN, establish a strong base for future fundraising and thus, ultimately, reduce reliance on government appropriations. CMN has established corporate and foundation relationships that are proving productive.

With vital new education and information offerings created during implementation of the Renewal Programme, CMN will engage many generations of Canadians in meaningful consideration of their natural environment. Increased attendance will bring new revenues to the Museum. CMN will develop a new marketing plan to accompany its new strategic plan in order to optimize the use of resources, take advantage of opportunities in the market and extend the Museum's reach to more Canadians.

### CMN ON-LINE

The Museum Web site **nature.ca** continues to grow in both content and traffic. New postings are frequent and increased functionality allows users to contact the Museum for direct services, including an on-line products/publications catalogue and donations pages. CMN is participating in the Virtual Museums of Canada project, and is making good and steady progress in digitizing the national collections with almost 475,000 records now available electronically out of a total of two million cataloguable records.

### CANADIAN UNITY

The Museum, through its research, collections and public education programmes, helps protect Canada's heritage and explains to Canadians the past, present and future of the natural world in a modern and interactive way. By encouraging Canadians to view Canada from the perspective of nature – which transcends political boundaries – CMN makes a significant contribution to the national policy objective of fostering a shared commitment to a strong and cohesive Canada.

# Internal Analysis

### CORPORATE RESOURCES

- ▶ The employees and volunteers of CMN are its most important asset and the primary factor in its overall ability to serve Canadians and realize its mandate.
- ▶ With base-level funding from Treasury Board now secured, the essential renovations and repairs to the infrastructure of the Victoria Memorial Museum Building are underway.
- ▶ CMN is Canada's national repository for natural history collections. The Museum houses approximately 10 million specimens that are used by scientists across Canada and around the world in systematics research, ecological research and environmental monitoring.

- ▶ Research at CMN focuses on socially relevant topics where the Museum's expertise in systematics – the comprehensive study of natural history of minerals, fossils, plants and animals – is applied by scientists and decision makers in the conservation of biodiversity and planning for wise use of resources.
- ▶ Continuing and new collaborations with other institutions increase capacity for natural science research in Canada and contribute to ensuring the future of our natural heritage.
- ▶ The public programming of CMN – with its modern communications approach using interactive exhibitions and products with a national focus – fosters informed discussion about the environment among Canadians, particularly families with young children.

## **CHALLENGES**

- ▶ Victoria Memorial Museum Building infrastructure funding was based on a 1998 class D estimate to address health and safety deficiencies. A functional and feasibility study in 2001, and analysis by an independent cost consultant, have identified additional requirements such as adjustments for inflation and additional health and safety measures to effectively fulfill the project.
- ▶ The Museum must reconcile its eagerness to complete renovations with the need to balance annual operating budgets and to minimize disruption of public access to exhibitions while the work is underway.
- ▶ Non-discretionary fixed costs (facilities, leases, basic IT infrastructure and core security contracts) consume 37 percent of the annual appropriation. Resources that in the past were devoted to other programmes and to the delivery of national service are now consumed in maintenance. The recent \$1.5 million appropriation increase to cover enhanced security and a portion of the increased infrastructure cost helps, but does not address the issue of CMN's ability to fulfill its national programme and service mandate.



## OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

Fiscal year 2002-03 will be a transition year for the Museum. It is both the final year for the existing strategic plan (1998-2003) and a year of preparation for implementation of the new strategic vision and plan for 2003 to 2008.

### OBJECTIVE 1

## Increase national service and impact

CMN will serve at home and abroad as a credible source of knowledge in the natural sciences and as an active member of the Museum community to further Canadians' understanding of the natural world and appreciation for our natural heritage.

### STRATEGIES 2001-03

- ▶ Managing and increasing the accessibility of the national natural history collection
- ▶ Conducting collections-based research grounded in our recognized expertise in systematics, and sharing and communicating these research findings with scientists and the Canadian public
- ▶ Conducting research in collection management and conservation, applying this knowledge to the care of the national collection and sharing it with other collection-holding institutions
- ▶ Playing an active role with partners in articulating national and international requirements and priorities of the scientific and museum communities
- ▶ Facilitating and contributing to national networks of scientific and museum expertise
- ▶ Acting as a focal point for Canadian understanding of the natural world and the value of systematics research and collections development
- ▶ Completing a long-term collection development plan in consultation with other Canadian collections-holding institutions
- ▶ Developing the strategic plan for 2003-08



*Forming the heart of the Museum  
are collections of over 10 million  
specimens, invaluable resources in  
understanding the natural world.*

### **PERFORMANCE MEASURES 2001-03**

Increase the number of staff presentations/representations at conferences, seminars and meetings to national audiences outside the National Capital Region to 115 by the end of 2006-07. Increase the number of transactions with respect to CMN's collections to 24,800 by 2006-07. Produce a minimum of 32 refereed publications by staff annually. Have 632,000 collection records (which equals 25 percent of total collection units that can be catalogued) accessible electronically by 2006-07, with an average of 30,000 additional records entered annually. Increase the number of new partnerships undertaken annually.

### **ACCOMPLISHMENTS**

*(April 1 – September 30, 2001)*

Below are some of the accomplishments under Objective 1 for the first half of the fiscal year 2001-02.

- ▶ CMN staff continued the huge task of inputting data on the specimen collection to make the records available on-line for research and general information.
- ▶ The Museum contributed 29,000 fish records to the Canadian Heritage Information Network (CHIN) and 1,151 new specimens were acquired to expand the collection.
- ▶ Research staff conducted paleobiological fieldwork in the High Arctic and China, and mineral research in Madagascar as part of international research teams. Researchers met with staff at botanical gardens in Montreal and Oslo to discuss cooperative ventures.

## OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

- ▶ Work continued to further a modelling approach to collection risk management and presentations on risk assessment and conservation planning were made at conferences nationally and internationally.
- ▶ CMN pursued ways of increasing collaboration between the national collections-holding institutions and met with CHIN and other partners to share data on the Virtual Museum of Canada.
- ▶ CMN participated in a number of national committees working on issues and policy development in biodiversity. Staff members also hosted and participated in various meetings related to collections and museums management.
- ▶ A task force established in 2000-01 produced a draft Collection Development Plan that is being reviewed by staff and 125 external stakeholders.
- ▶ Staff and Board members took part in a two-day session in June that laid the groundwork for the first formal draft of the new strategic plan for 2003-08 to be ready in the spring of 2002. Subsequent management team planning sessions in September identified key strategies and timelines.

### ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

*(April 1 – September 30, 2001)*

Staff made 69 presentations/representations at conferences, seminars and meetings to national audiences outside the National Capital Region. There were 5,420 transactions with respect to the Museum's collections. Staff produced 23 refereed publications. A total of 474,897 collection records have been made accessible electronically.



Sharing their knowledge and expertise, CMN researchers lecture and give workshops nationally and internationally.



## OBJECTIVE 2

# Better demonstrate the value of the work done by CMN

CMN will actively share and communicate the nature and results of work done by the institution to make this significant work visible locally and nationally. The Museum will seek broad community participation in activities and programmes to support the renewal of the Victoria Memorial Museum Building. Electronic media such as television broadcasts and the Museum's dynamic Web site will serve to stimulate public attention, interest in, support for and enjoyment of the Museum across Canada.

### STRATEGIES 2001-03

- ▶ Offering a rich calendar of exhibitions, educational programmes and community events
- ▶ Communicating the breadth of the Museum's activities with the intent of enabling broad community participation in the Museum
- ▶ Sharing and communicating the Museum's knowledge and expertise
- ▶ Developing innovative applications of our knowledge of natural science and museology to issues of interest and concern to Canadians

### PERFORMANCE MEASURES 2001-03

Maintain a stable attendance level, taking into account the impact of the Victoria Memorial Museum Building construction and renovation on visitors. Increase the number of unique Web site visits to 3.25 million by the end of 2006-07. Maintain current number of staff presentations to external audiences annually (299 in 2000-01). Strive to reach and maintain a visitor satisfaction level of 5 (very satisfied). Exceed the level of 50 percent of unaided awareness for CMN in the National Capital Region by the end of 2006-07 and maintain thereafter.

*New for 2002-03:* Reach a market share of visits to federal museums in the National Capital Region of 15 percent by the end of 2006-07.

# OBJECTIVES, STRATEGIES AND PERFORMANCE MEASURES

## ACCOMPLISHMENTS

(April 1 - September 30, 2001)

Below are some of the accomplishments under Objective 2 for the first half of the fiscal year 2001-02.

- ▶ Planning progressed for the *Green Legacy* exhibition on rare and endangered Canadian plants, in partnership with the Royal Botanical Gardens, and a substantial exhibition is targeted to open in the spring of 2002.
- ▶ A full-size model of a Daspletosaurus dinosaur developed for the new Fossil Gallery was installed and unveiled in the atrium of the Victoria Memorial Museum Building.
- ▶ Public education programming included the *Students on Ice* Arctic programme, *Nature for Tiny Tots* and Easter weekend special programming. The 2001 Summer programming included expanded interpretive programming with CMN research scientists on site.
- ▶ School programmes engaged 41,000 children in nature topics and community-based exhibitions were offered on a shared-cost basis in partnership with local and regional groups.
- ▶ Efforts continued to promote the new High-Definition Cinema, which is drawing strong audiences. CMN is developing a hi-def production on dinosaurs with the Royal Tyrrell Museum and CineMuse.
- ▶ Traffic continued to increase on the Web site **nature.ca** with more than 1.1 million unique visits by September 30. Staff worked on a co-delivery model for “inter-actives” that will develop Web and exhibitions content simultaneously.
- ▶ Media relations activity resulted in coverage of various Arctic and programming activities. New concepts were developed for key brochures and CMN redesigned its magazine *Nature Scene*.
- ▶ Travelling exhibitions continued to be popular with *Passionate Vision* and *Crystals to Gems* opening in various cities across Canada, while *Monarca* toured the United States before moving to Mexico City.
- ▶ As part of CMN’s Environmental Stewardship Programme, high school students participated in a six-week summer programme of fieldwork in Gatineau (Aylmer area).



- ▶ CMN held successful discussions with Genome Canada, the Canadian Institutes of Health Research, the Canada Museum of Science and Technology, and the RCMP to develop partnerships for potential exhibitions featuring genetics and DNA for the Nature of Humans Gallery.
- ▶ Planning progressed for the Water/Oceans Gallery, including concept development for a travelling component, and an evaluation report was completed on the preliminary design for the Fossil Gallery.
- ▶ CMN continued to develop tools for biodiversity inventories and monitoring through active participation in the development of the *Rideau River Biodiversity Project* Web site and on-going coordination of the *Adopt-a-River* programme in the Outaouais and Eastern Ontario region.

## ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 - September 30, 2001)

**Figure 2: Audience Reach**

(number of visitors)

	00-01 Actual	01-02 Planned	01-02 Actual (01/09/30)
VMMB visitors	264,726	280,000	152,067
VMMB after hours	32,863	35,000	11,470
NCR outreach attendance	15,692	6,600	2,221
NHB visitors	1,415	1,100	473
National attendance	721,500	526,000	375,095
Web unique site visits	2,008,558	2,000,000	1,123,489
Multimedia (TV)	1,038,750	1,155,000	245,000

Staff made 194 presentations to external audiences. Visitor satisfaction level was 4.5 (on a maximum scale of 5.0 for “very satisfied”). Evaluation of level of awareness will be part of surveys to be conducted by the end of 2001-02.

**OBJECTIVE 3**

# Put in place, maintain and improve an effective and efficient infrastructure of systems and facilities

CMN will ensure that all support systems of the institution promote maximum effectiveness and efficiency of operations and enable all work units to maximize their contribution to the service and value of the Museum.

**STRATEGIES 2001-03**

- ▶ Maintaining and upgrading physical facilities
- ▶ Providing tools to improve internal efficiency and cost effective management of CMN operations
- ▶ Providing a supportive working environment with opportunities for innovation and growth
- ▶ Conducting timely evaluation processes for all Museum activities

**PERFORMANCE MEASURES 2001-03**

Offer four days of professional development annually per employee. Increase and maintain the percentage of the salary budget expended on professional development (training) to 2 percent. Achieve a cost per user of \$5.87 when including Web users and a cost per user of \$11.35 when excluding Web users.



Staying on the leading edge of communications technology, the Museum has installed high-speed Internet access to enable live video reception for video-conferencing.



## ACCOMPLISHMENTS

*(April 1 - September 30, 2001)*

Below are some of the accomplishments under Objective 3 for the first half of the fiscal year 2001-02.

- ▶ Implementation of the first phase of the Victoria Memorial Museum Building Renewal Programme got underway.
- ▶ The Museum completed the migration from Novell to Windows NT as the network operating system, which achieved consolidation of CMN's IT infrastructure.
- ▶ A new payroll system was implemented and CMN provided its new records classification system to Treasury Board to be used in updating the publication *InfoSource*.
- ▶ A high-speed Internet connection was set up in the VMMB auditorium to enable the reception of live video for video-conferencing.
- ▶ CMN completed its core competencies documents, implementation strategy and communication plans.
- ▶ CMN invited five of its volunteers to participate in the strategic planning 2003-08 consultation session. Banners thanking volunteers were placed in the lobby of the Victoria Memorial Museum Building and at the entrance of the Natural Heritage Building to celebrate the International Year of Volunteers in 2001. The volunteer appreciation luncheon was held in May.
- ▶ Data on attendance and revenue were compiled and analyzed on a regular basis, and admission revenue projections for the next five years were established. A working group was set up to evaluate partnerships and to develop guidelines for future ventures.

## ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

*(April 1 - September 30, 2001)*

Professional development activities averaged 1.74 days per employee, with 1.05 percent of the salary budget expended on professional development and training. Cost per user was \$5.38 (including Web users) and \$11.23 (excluding Web users).

## OBJECTIVE 4

# Increase self-generated revenue

CMN will seek to access additional resources in order to strengthen its programme of services and its value to Canadians.

### STRATEGIES 2001-03

- ▶ Managing a National Campaign to support the renewal of the Victoria Memorial Museum Building
- ▶ Continuing to seek alternative sources of funding
- ▶ Maximizing current sources of revenues
- ▶ Increasing the level of revenue generated by fundraising and sponsorship
- ▶ Increasing community support and participation

### PERFORMANCE MEASURES

#### 2001-02

Achieve revenue generating activities of \$1,616,000, receive \$1,868,000 in donations and sponsorships, and increase per visitor gross sales income to \$3.60 by 2005-06.

#### 2002-03

Achieve revenue generating activities of \$1,501,000, receive \$2,169,000 in donations and sponsorships, and increase per visitor gross sales income to \$4.93 by 2006-07.

*Dino Fossils* are plaster cast replicas made from authentic fossils from the CMN's own collections. The Ventures team introduced a series of four fossils in 2001, which were made available at the Museum's boutique and through the online catalogue at [nature.ca](http://nature.ca).



## ACCOMPLISHMENTS

(April 1 - September 30, 2001)

Below are some of the accomplishments under Objective 4 for the first half of the fiscal year 2001-02.

- ▶ DVA Navion was contracted to manage the National Campaign, which was reframed as a campaign to support the new national programme and service of CMN and renamed the *Natural Partnerships* Campaign.
- ▶ Corporate eco-tourism initiatives were developed to the Canadian Arctic, China and Arizona.
- ▶ The Ventures team produced its first product – Dino fossil casts.
- ▶ New price structures were implemented for several educational programmes; discounts on education programmes were introduced for members; and a new revenue-generating programme was developed – the Perspectives on Nature lecture series.
- ▶ Admissions revenues grew in the first half of the year by 20 percent over the same period last year and the fiscal year’s rental sales target was met in the first six months, with bookings at 100 percent of capacity.
- ▶ CMN leveraged *Leave a Legacy*<sup>™</sup> participation and launch to initiate discussions for additional ways of supporting the Museum.

## ACHIEVEMENTS AGAINST PERFORMANCE MEASURES

(April 1 - September 30, 2001)

**Figure 3: Self-Generated Revenue**

(in dollars)

	00-01 Actual	01-02 Forecast	01-02 Actual (01/09/30)
Revenue-Generating Activities	1,706,000	1,696,000	1,167,000
Fundraising	653,000	2,013,000	211,000

Per visitor gross sales income was \$4.92.

## Objectives and Strategies for 2003-08

Since 2000, the Museum has been engaged in strategic planning for the five-year period from 2003 to 2008. CMN has been working with stakeholders across Canada to define a new model of national service for this national museum of the natural sciences.

CMN's goal is to be an engaging and trusted resource for the development of a sound, knowledge-based relationship with the natural world. To support this, the Museum will:

- ▶ safeguard the collections it holds on behalf of all Canadians and continue to build a consistent physical record of the natural environment of Canada;
- ▶ create new knowledge and increase public understanding of the complexity and diversity of the Canadian natural environment and of issues concerning Canadians' relationship with this environment;
- ▶ support informed decision making and debate about natural science and sustainability.

To realize this new vision, the management team has identified the objectives and key strategies below. Detailed planning of the performance measures, further strategies, activities and schedules will continue through to the fall of 2002.



## **OBJECTIVE 1**

Create and make accessible to the public relevant information about the environment and our place in it

### *Strategies*

- ▶ Build an inventory of natural history issues relevant to Canadians
- ▶ Provide mechanisms for the gathering of external expert advice on programme planning and delivery
- ▶ Create and implement a framework that includes external advice in all strategic decisions requiring a national perspective

### *Performance Measures*

Have 662,000 collections records (equal to 26 percent of total collection units that can be catalogued) accessible electronically by 2007-08, with an average of 30,000 records entered annually. Increase the number of staff presentations/representations outside the National Capital Region to 120 by the end of 2007-08. Increase the number of new partnerships undertaken annually and the services to Canadians and others.

## **OBJECTIVE 2**

Contribute to building the capacity of Canadian natural history museums to respond efficiently and effectively to natural history issues of relevance to Canadians

### *Strategies*

- ▶ Create a national network of natural history museums
- ▶ Identify “quick hits” to consolidate the role of the network and generate momentum
- ▶ Develop national strategies for research, collections and education

### *Performance Measures*

Increase the number of new partnerships undertaken with Canadian natural history museums. Other measures under development.

## **OBJECTIVE 3**

Provide vehicles to encourage public engagement in natural history issues and to contribute to informed public policy on those issues

### *Strategies*

- ▶ Create national fora to discuss, debate and share information on relevant environmental issues of concern to Canadians
- ▶ Develop and implement formal mechanisms to inform federal public policy on natural history issues
- ▶ Continue and enhance participation in the Canadian Museums Association

### *Performance Measures*

Maintain a stable attendance level, taking into account the impact of the Victoria Memorial Museum Building construction and renovation on visitors. Maintain current number of staff presentations to external audiences annually. Reach a market share of visits to federal museums in the National Capital Region of 15 percent by the end of 2007-08. Increase the number of unique Web site visits to 3.75 million by the end of 2007-08.



## **OBJECTIVE 4**

**Develop CMN's internal capacity to work in integrated, collaborative approaches**

### *Strategies*

- ▶ Plan and implement a competency-building process that will enable Museum staff to work in integrated approaches such as partnerships, networks and multi-disciplinary teams
- ▶ Develop partnership guidelines
- ▶ Create a transition strategy

*Performance Measures: Under development*

## **OBJECTIVE 5**

**Ensure that the Renewal Programme furthers the vision**

### *Strategies*

- ▶ Create a review mechanism to ensure that planning and programming decisions are made in line with the principles of the new vision
- ▶ Co-develop the Water/Oceans and Nature of Humans signature galleries with other museum partners with elements located in Ottawa as well as elsewhere in Canada
- ▶ Develop professional development sessions about aspects of the Renewal Project of interest to the Natural History Museums Network and others
- ▶ Launch the renovated public spaces with a public lecture series (environmental and other issues of importance to Canadians)
- ▶ Create temporary opportunities at the Natural Heritage Building for dislocated Victoria Memorial Museum Building staff
- ▶ Pilot a “Stakeholder Office” for work at the Victoria Memorial Museum Building

*Performance Measures: Under development*

## **OBJECTIVE 6**

Put in place, maintain and improve an effective and efficient infrastructure of systems and facilities

### *Strategies*

- ▶ Maintain and upgrade physical facilities
- ▶ Provide tools to improve internal efficiency and cost effective management of CMN operations
- ▶ Provide a supportive working environment with opportunities for innovation and growth
- ▶ Conduct timely evaluation processes of all Museum activities

### *Performance Measures*

Offer annually four days of professional development per employee. Increase and maintain the percentage of the salary budget expended on professional development (training) to 2 percent. (Cost per user standards are under development.)



Rehabilitating and upgrading the Victoria Memorial Museum Building will transform CMN's historic, public exhibitions site in downtown Ottawa and allow it to house new galleries.



## OBJECTIVE 7

### Increase self-generated revenue

#### *Strategies*

- ▶ Complete the *Natural Partnerships* Campaign to support the new vision and national programme
- ▶ Continue to seek alternative sources of revenue
- ▶ Maximize current sources of revenue
- ▶ Increase community support and participation

#### *Performance Measures*

Achieve targets for revenue-generating activities and fundraising as set out in Figure 4. Increase gross sales income per visitor to \$4.93 by 2007-08.

**Figure 4: Self-Generated Revenue Targets**

(in dollars)

	01-02	02-03	03-04	04-05	05-06	06-07
Revenue Generating Activities	1,696,000	1,501,000	1,511,000	1,480,000	1,494,000	1,532,000
Fundraising	2,013,000	2,169,000	2,069,000	2,063,000	1,999,000	532,000



# Financial Summary

## FIVE-YEAR FINANCIAL PLAN

The Financial Plan represents the Corporation's forecast over the five-year planning period 2002-03 to 2006-07. Table 1 shows the forecast by activity based upon approved reference levels and revenue forecasts for the current year and the planning period.

**Note:** Table 1 is a budget summary that is prepared on a cash basis and therefore cannot be compared directly to the audited financial statements for 2000-01.

**Table 1: Corporate Budget Summary by Activity**

(in thousands of dollars - except for staff levels)

	00-01 Actual	01-02 Forecast	02-03 Budget	03-04 Budget	04-05 Budget	05-06 Budget	06-07 Budget
Staff Levels	161	164	169	169	169	169	169
Research	5,070	5,864	4,727	4,329	4,375	4,387	4,504
Collections	5,419	5,330	6,088	6,099	6,119	6,088	6,204
Public Education	10,206	12,774	13,603	20,890	21,949	27,909	9,125
Corporate Services	4,581	4,399	4,682	4,697	4,743	4,752	4,874
Governance	1,267	1,276	1,429	1,404	1,415	1,415	1,415
<b>Sub-total</b>	<b>26,543</b>	<b>29,643</b>	<b>30,529</b>	<b>37,419</b>	<b>38,601</b>	<b>44,551</b>	<b>26,122</b>
Less revenues	(2,359)	(3,709)	(3,670)	(3,580)	(3,543)	(3,493)	(2,064)
<b>Appropriations</b>	<b>24,184</b>	<b>25,934</b>	<b>26,859</b>	<b>33,839</b>	<b>35,058</b>	<b>41,058</b>	<b>24,058</b>



# Annual Budget

## 2002-03 OPERATING AND CAPITAL BUDGET

The budgets have been formulated on the basis of the operating forecast and the programme activity structure and services required to support these activities. Table 2 summarizes the operating and capital budget.

**Table 2: Summary of Operating and Capital Budget**

(in thousands of dollars)

	00-01 Actual	01-02 Approved	01-02 Forecast	02-03 Proposed
Operating	25,533	26,675	25,066	25,749
Capital	1,010	500	4,577	4,780
Less revenues	(2,359)	(3,484)	(3,709)	(3,670)
<b>Appropriations</b>	<b>24,184</b>	<b>23,691</b>	<b>25,934</b>	<b>26,859</b>

The increase in appropriations from the 2001-02 approved to the 2001-02 forecast is mainly due to the approval, through Programme Integrity II, of funding for the replacement of obsolete scientific equipment.

The increase in capital expenses from the 2001-02 approved to the 2001-02 forecast is a result of two factors. The first factor is the replacement of scientific equipment for which the funding was approved late in 2000-01, and the second factor is a change in accounting policy related to the expenses of the Renewal project, which must be capitalized instead of expensed as originally planned (estimated at over \$2 million).

# Financial Statements

The financial statements forecasts have been prepared in accordance with Generally Accepted Accounting Principles consistent with those reported in the institution's annual report.

## Statement 1 : Balance Sheet

(in thousands of dollars)

	2000-01 Actual	2001-02 Forecast	2002-03 Pro forma	2003-04 Pro forma	2004-05 Pro forma	2005-06 Pro forma	2006-07 Pro forma
<b>Assets</b>							
<b>Current</b>							
Cash and short-term investments	5,005	5,758	6,016	6,489	6,794	7,101	7,412
Accounts receivable							
Trade	220	350	350	350	350	350	350
Government departments and agencies	2,166	700	700	700	700	700	700
Prepaid expenses	960	500	500	500	500	500	500
	<b>8,351</b>	<b>7,308</b>	<b>7,566</b>	<b>8,039</b>	<b>8,344</b>	<b>8,651</b>	<b>8,962</b>
Restricted cash, short-term investments and receivables	918	906	896	886	866	846	826
Collections	1	1	1	1	1	1	1
Capital assets	35,334	38,308	41,220	50,654	60,768	76,555	73,574
	<b>44,604</b>	<b>46,523</b>	<b>49,683</b>	<b>59,580</b>	<b>69,979</b>	<b>86,053</b>	<b>83,363</b>
<b>Liabilities</b>							
<b>Current</b>							
Accounts payable and accrued liabilities							
Trade	2,295	1,600	1,500	1,500	1,500	1,500	1,500
Government departments and agencies	607	732	800	970	970	970	970
Current portion - obligation under capital lease	179	198	219	241	267	294	325
Current portion - loan from Department of Canadian Heritage	362	377	–	–	–	–	–
Deferred revenue and parliamentary appropriation	1,226	130	140	150	150	150	150
Provision for severance benefits	149	140	130	130	130	130	130
	<b>4,818</b>	<b>3,177</b>	<b>2,789</b>	<b>2,991</b>	<b>3,017</b>	<b>3,044</b>	<b>3,075</b>
Obligation under capital lease	33,341	33,143	32,923	32,683	32,415	32,121	31,796
Loan from Department of Canadian Heritage	377	–	–	–	–	–	–
Deferred capital funding	4,417	8,392	12,305	22,741	33,856	50,644	48,664
Provision for severance benefits	1,125	1,148	1,170	1,194	1,218	1,242	1,267
Deferred contributions	516	496	476	456	436	416	396
	<b>44,594</b>	<b>46,356</b>	<b>49,663</b>	<b>60,065</b>	<b>70,942</b>	<b>87,467</b>	<b>85,198</b>
<b>Endowment</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>	<b>280</b>
Equity of Canada	(270)	(113)	(260)	(765)	(1,243)	(1,694)	(2,115)
	<b>44,604</b>	<b>46,523</b>	<b>49,683</b>	<b>59,580</b>	<b>69,979</b>	<b>86,053</b>	<b>83,363</b>

## Statement 2: Statement of Operations & Equity of Canada

(in thousands of dollars)

	2000-01 Actual	2001-02 Forecast	2002-03 Pro forma	2003-04 Pro forma	2004-05 Pro forma	2005-06 Pro forma	2006-07 Pro forma
<b>Revenue</b>							
Commercial operations	995	990	994	993	962	1,048	1,078
Contributions	653	2,013	2,169	2,069	2,063	1,999	532
Educational programmes	202	354	164	175	180	175	177
Scientific services	63	41	19	19	19	19	26
Interest income	409	250	250	250	250	250	250
Other	37	61	74	74	69	2	1
	<b>2,359</b>	<b>3,709</b>	<b>3,670</b>	<b>3,580</b>	<b>3,543</b>	<b>3,493</b>	<b>2,064</b>
<b>Expenses</b>							
Personnel costs	10,382	10,880	11,562	11,770	11,983	12,201	12,422
Severance costs	171	50	50	50	50	50	50
Interest on capital lease obligation	3,369	3,321	3,302	3,281	3,259	3,233	3,206
Operation and maintenance of buildings	2,840	2,358	2,400	2,333	2,310	2,290	2,100
Professional and special services	2,076	2,079	1,421	1,376	1,370	1,185	1,082
Depreciation of capital assets	1,489	1,603	1,868	2,166	2,486	2,813	4,781
Real property leases and taxes	1,232	1,818	1,818	1,818	1,818	1,818	1,818
Exhibits	1,263	2,217	2,030	2,030	2,024	1,960	500
Information management infrastructure and systems	1,176	1,000	1,000	1,000	1,000	1,000	1,000
Marketing and communications	733	645	645	625	625	625	625
Material and equipment	494	550	550	550	550	550	450
Travel	371	300	300	300	300	300	300
Repairs and maintenance	66	85	85	85	85	85	85
Freight and cartage	119	90	90	90	90	90	90
Purchase of objects for collections	7	4	4	4	4	4	4
Other	32	15	15	10	10	10	10
	<b>25,820</b>	<b>27,015</b>	<b>27,140</b>	<b>27,488</b>	<b>27,964</b>	<b>28,214</b>	<b>28,523</b>
<b>Net result of operations before government funding</b>	<b>(23,461)</b>	<b>(23,306)</b>	<b>(23,470)</b>	<b>(23,908)</b>	<b>(24,421)</b>	<b>(24,721)</b>	<b>(26,459)</b>
Parliamentary appropriation for operating expenditures	22,874	22,861	22,456	22,239	22,458	22,458	22,258
Amortization of deferred capital funding	489	602	867	1,164	1,485	1,812	3,780
<b>Net result of operations</b>	<b>(98)</b>	<b>157</b>	<b>(147)</b>	<b>(505)</b>	<b>(478)</b>	<b>(451)</b>	<b>(421)</b>
Equity of Canada, beginning of year	(28)	(270)	(113)	(260)	(765)	(1,243)	(1,694)
Decrease due to change in accounting policy	(144)	–	–	–	–	–	–
<b>Equity of Canada, end of year</b>	<b>(270)</b>	<b>(113)</b>	<b>(260)</b>	<b>(765)</b>	<b>(1,243)</b>	<b>(1,694)</b>	<b>(2,115)</b>

### Note 1:

The Department of Finance provided borrowing authority to the Museum to enter into a long term capital lease obligation to fund the Gatineau facility (Aylmer area). The statement of Operations and Equity of Canada therefore reflects interest on the capital lease obligation as well as amortization charges because of the recognition of the building as an asset. The accounting treatment of the costs associated with the Gatineau facility (Aylmer area) has a significant negative impact on the Museum's Statement of Operations and Equity of Canada. The Museum's financial position looks bad as the Equity position has decreased steadily to become a negative value when in reality the Museum's financial position is solid. These negative financial statements severely hamper the Museum's ability to raise funds in the private sector. This long term financial statement presentation will need to be resolved.

### Note 2:

The high cost of facilities and operations significantly restrict the Museum's ability for national programs and compromises the Museum's ability to implement appropriate physical life cycle management for the new building and systems.

## Statement 3: Cash Flow Statement

(in thousands of dollars)

	2000-01 Actual	2001-02 Forecast	2002-03 Pro forma	2003-04 Pro forma	2004-05 Pro forma	2005-06 Pro forma	2006-07 Pro forma
<b>Operating Activities</b>							
Net result of operations	(98)	157	(147)	(505)	(478)	(451)	(421)
Items not involving cash:							
Depreciation of capital assets	1,489	1,603	1,868	2,166	2,486	2,813	4,781
Employee severance benefits	251	14	12	24	24	24	25
Amortization of deferred capital funding	(489)	(602)	(867)	(1,164)	(1,485)	(1,812)	(3,780)
Decrease due to change in accounting policy	(144)	–	–	–	–	–	–
Increase (decrease) in deferred contributions	137	(20)	(20)	(20)	(20)	(20)	(20)
Net change in non-cash working capital	(92)	130	(22)	180	–	–	–
	<b>1,054</b>	<b>1,282</b>	<b>824</b>	<b>681</b>	<b>527</b>	<b>554</b>	<b>585</b>
<b>Financing Activities</b>							
Repayment of loan from the Department of Canadian Heritage	(346)	(362)	(377)	–	–	–	–
Appropriation used to purchase depreciable capital assets	959	4,577	4,780	11,600	12,600	18,600	1,800
Obligation under capital lease	(163)	(179)	(199)	(218)	(242)	(267)	(294)
Endowment increase	30	–	–	–	–	–	–
	<b>480</b>	<b>4,036</b>	<b>4,204</b>	<b>11,382</b>	<b>12,358</b>	<b>18,333</b>	<b>1,506</b>
<b>Investing Activities</b>							
Acquisition of capital assets	(1,010)	(4,577)	(4,780)	(11,600)	(12,600)	(18,600)	(1,800)
Decrease (increase) in restricted cash and short-term investments	(289)	12	10	10	20	20	20
	<b>(1,299)</b>	<b>(4,565)</b>	<b>(4,770)</b>	<b>(11,590)</b>	<b>(12,580)</b>	<b>(18,580)</b>	<b>(1,780)</b>
Increase in cash and short-term investments	235	753	258	473	305	307	311
Cash and short-term investments, beginning of year	4,770	5,005	5,758	6,016	6,489	6,794	7,101
<b>Cash and short-term investments, end of year</b>	<b>5,005</b>	<b>5,758</b>	<b>6,016</b>	<b>6,489</b>	<b>6,794</b>	<b>7,101</b>	<b>7,412</b>



