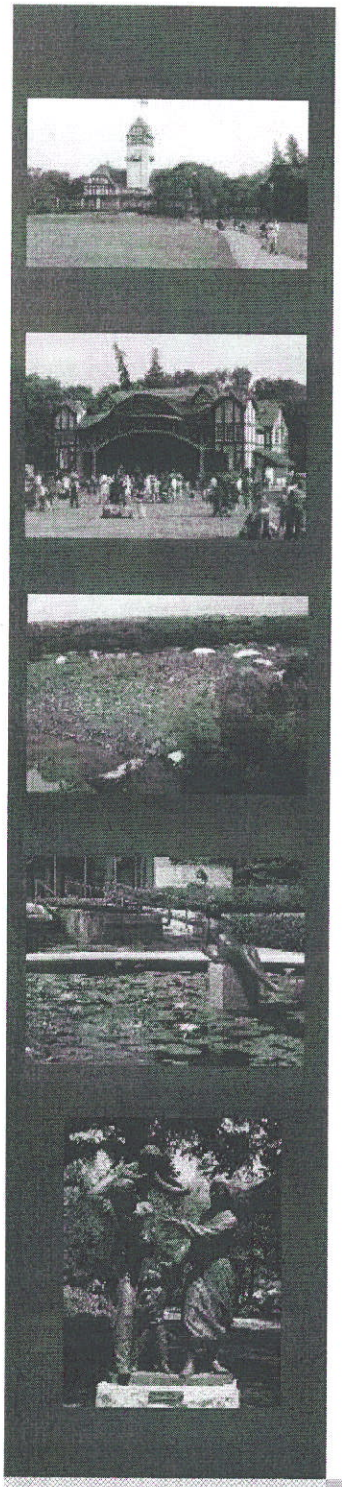

Final Version
July 25, 2005

partners
IN THE PARK

Business Plan

2006 - 2013

Pavilion Gallery Museum | Leo Mol Sculpture Garden | Lyric Theatre

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1.0 Executive Summary

The Leo Mol Sculpture Garden, the Pavilion Gallery and the Lyric Theatre are treasured assets of Assiniboine Park that help make it a world class tourist destination. Partners in the Park ("Partners") is a not-for-profit organization, governed by a private sector led, volunteer Board of Directors, created to provide direction and support to these three Assiniboine Park attractions. Partners' financial situation is critical and unless it is able to achieve stability, there is a risk that some or all of these attractions may be shut down.

With the energy of its staff, and the commitment and influence of its Board, Partners has achieved much. **Over the period from 1992 to 2003, capital investment in Assiniboine Park, as a result of Partners' projects, leveraged $3 million from government with an additional $19.9 million dollars from the private sector** (see Appendix E for details). This money was used to develop the fascinating Leo Mol Sculpture Garden, revive the cherished Pavilion, and build the enchanted Lyric Theatre and has alleviated much of the burden on the City of Winnipeg to revitalize the Park. In addition, free and accessible entertainment has been provided to people at the Park and Assiniboine Park has become a popular tourist destination for Winnipeggers, Manitobans, and other tourists. Since 2000, Partners has raised approximately $500,000 through cash sponsorships and in-kind contributions for its programming. On an annual basis, over 500,000 people visit these attractions in the Park.

The initial capital campaign for the Pavilion included $1.2 million for endowment. Unfortunately, this amount was reduced by $500k as a result of unforeseen structural costs that were encountered during the restoration of the Pavilion. The remaining $700k, which was intended for endowment, has been required to offset operating costs in recent years. To be able to continue to support these attractions and further enhance the park, Partners' most important goal for the future is to financially stabilize the attractions and their operations so that debts can be repaid, operating costs can be covered and adequate staff be employed for programming, fundraising and expanding revenue generating services.

A key element of this goal is an aggressive fundraising campaign. Growing the endowment funds, such that enough interest revenue can be generated to pay a significant portion of the operating costs is crucial. This year, Partners has hired a full-time Director of Fundraising and will be launching an aggressive fundraising campaign. As in the past, Partners will continue to take advantage of its independent status which makes it an eligible applicant for provincial and federal grants and also attractive for sponsorships.

Imagine Assiniboine Park without the Leo Mol Sculpture Garden, the Pavilion Gallery and the Lyric Theatre. Partners is asking the City of Winnipeg to make a long-term funding commitment to show its support for these attractions. The funds will be used for **operating expenses**, many of which are associated with running the Pavilion building and fixed in nature. The City's contribution will allow Partners to use the revenues it raises from sources such as rental income and fundraising to repay and build

endowments. It is intended that the endowments will be held by the Winnipeg Foundation in order to gain some matching funds and also to ensure the integrity of these endowments.

In 1997, as part of the Agreement between The City of Winnipeg and Pavilion Gallery Museum, Inc., an Operating Grant of $70,000 per year for the years 1998 – 2003 was established. This amount was based on early forecasts of the operating expenses. However, the actual operating expenses for the Pavilion Gallery Museum have been significantly higher than anticipated with an average of well over $500,000 per year for the past six years. In addition, there are the operating expenses for the Lyric Theatre and for the Leo Mol Sculpture Garden. The projections included in Appendix D, clearly illustrate the need for a new Operating Agreement between the City of Winnipeg and Partners in the Park.

Financial projections to 2013 are provided in Appendix D. Partners is requesting an Operating Grant from the City and Province in the amount of $400,000 each, that is reducing to $350,000 each by Year 8. Given the number of years projected into the future and the inability to predict external events and circumstances, there will likely be a difference between forecasted and actual results. If Partners' actual performance exceeds its projected performance, it would be willing to reduce the contribution requested from the City and the Province in the year immediately following.

Partners has invested significant resources in the planning and research of the development of a new attraction for Assiniboine Park. This facility would tell the story of the connection of Winnie the Bear to Winnipeg. It is anticipated that this venue would be a major tourist destination for visitors both domestic and international. This project is at risk, unless we are able to stabilize the existing operations.

Partners in the Park has a proven track record. By implementing its fundraising campaign and achieving successful operating agreements with the City of Winnipeg and other levels of Government, Partners will have a secure foundation from which it can bring its passion, energy and ability to raise funds to further **enhance the *existing* venues and create *new* world class attractions within the Park.**

2.0 Partners in the Park (Partners) – An Introduction

2.1 History

In the late 1980's a group of visionaries and their partners from the City of Winnipeg assembled to identify ways to revitalize the northwest corner of Assiniboine Park (the "Park"). A lot of passion and hard work resulted in three cherished park attractions:

- The Leo Mol Sculpture Garden;
- The Pavilion Gallery (including the lease for Tavern in the Park restaurant); and
- The Lyric Theatre.

Partners in the Park ("Partners") is a not-for-profit organization, governed by a private sector led, volunteer Board of Directors, that was created to provide direction and support to these three Assiniboine Park attractions, through three organizations:

- Leo Mol Garden Inc.
- Pavilion Gallery Museum Inc.
- Assiniboine Park Bandshell Inc.

The main responsibilities of Partners include co-ordinating the staffing, operations, marketing, fundraising, education, programming, and financial management of the three organizations it supports. Partners is also responsible for setting the strategic vision and future direction to be pursued by the three attractions, and for developing new ventures that would attract more visitors to the Park.

2.2 Vision and Mission

Partner's vision is to support the Park in becoming a world-class tourist destination. Through its existing attractions and new initiatives, Partners is dedicated to providing Winnipegers, Manitobans and visitors with access to fine arts, sculpture, heritage and the performing arts.

2.3 Market Relationship

Partners works with other Assiniboine Park venues such as the Conservatory and Zoo on renewal and reinvestment initiatives. Increasing the number of visitors to the Park is an important goal for all Assiniboine Park attractions. As such, Partners is a member of the Assiniboine Park Plan Advisory Committee, which advises on the Park's future vision and direction. Partners is also a member of the Tourism Industry Association of Canada (TIAC) and the Winnipeg Chamber of Commerce.

Winnipeggers value Assiniboine Park and its attractions. Close to 70% of local citizens visit the Park annually. As cities increase in size and density, and as the struggle to find balance between work and leisure continues, parks have become an outlet for individuals seeking relaxation and recreation. Parks today are not only used for quiet visits to connect with nature but also as an informal venue to meet family and friends. Because of its large open spaces, the Park can accommodate a number of group activities

simultaneously. In the latter part of the twentieth century, when participation in individual activities such as running, biking, in-line skating and cross country skiing surged, the Park met the growing needs through modification of asphalt trails, improved signage, road crossings, etc. In addition to sporting activities, Assiniboine Park has broadened its attractions to include ones that appeal to individuals interested in the arts. With the introduction of the Leo Mol Sculpture Garden, Pavilion Gallery Museum and the Lyric, visitors to the Park can enjoy nature as well as some of Winnipeg's finest sculptures and artworks by local artists and performances by talented Manitoba entertainers – all with no admission charge. These treasures appeal to a diverse group of people and benefit both local citizens and the 2.8 million tourists who visit the City each year. In one year, visitors from 42 different countries signed the Pavilion Gallery Guest Book.

The tourism sector in Winnipeg is highly varied and includes restaurants, retail, tour operations, festivals, museums, performing arts, galleries, recreational sports, etc. The tourism industry in Winnipeg generates over $500 million in direct spending from 2.8 million visitors annually.[1] The tourism industry continues to face worldwide challenges such as slow growth in the U.S. markets, greater security concerns, increased competition, and the trend toward shorter vacations. To generate wealth and create jobs for residents of the city, Winnipeg must capitalize on its combination of attractions and events. To succeed in this goal, Winnipeg must be marketed and positioned as an attractive tourist destination.

2.4 Accomplishments

Since 1990, so much has been accomplished in the small North West corner of the Park. Some of Partners' accomplishments include:

- Investment in the Park has alleviated much of the burden on the City of Winnipeg to revitalize the Park.
    - Investment in Assiniboine Park as a result of Partners' projects leveraged $3 million from government with an additional $19.9 million dollars from the private sector which was spent on developing the Leo Mol Sculpture Garden, restoring the Pavilion, and creating the Lyric Theatre (see Appendix D for funding details).
    - The Board and staff raise a significant amount of funds every year for programming at attractions, and will continue to do so. Since 2000, Partners has raised approximately $500,000 through cash sponsorships and in-kind contributions for programming.
- Preservation and promotion of valuable assets.
    - Leo Mol Sculpture Garden – Value of sculptures, paintings and ceramics gifted to the City of $4 million.
    - The Pavilion Gallery – Value of donated artwork is $10 million.
- Showcasing of local and national talent, of both established entertainers such as Winnipeg Symphony Orchestra, Royal Winnipeg Ballet, and emerging

[1] Destination Winnipeg website.

entertainers such as K'Naan and Juno award winners Swing Soniq and African Guitar Summit.
- Providing free and accessible entertainment - The International Friendship Festival was hugely successful last year in attracting over 50,000 people to the event.

In combination with other park attractions such as the Conservatory and the Zoo, Assiniboine Park is being revitalized into the "Jewel in the Crown" of Winnipeg's parks and recreation system and has been reborn as one of Winnipeg's showcase tourist attractions for local and international visitors.

2.5 Primary Goal and Challenge

Imagine Assiniboine Park without the Leo Mol Sculpture Garden, the Pavilion, and the Lyric Theatre. These attractions are at risk. While endowment monies were being established and set aside to fund operations, they have been eroded by operating requirements. Partners' financial situation is critical, and has come about as a result of:

- Funds intended for Pavilion endowment eroded from $1.2 million to $700k as a result of previously unknown structural problems discovered during the buildings renovation.
    - Over the past several years, this $700k has been used to offset operating costs.
- Actual operating costs for the Pavilion were far more expensive than originally forecasted, averaging well over $500,000 per year for the past six years.
- Significant legal costs incurred during negotiations to resolve tax liability expenses for two of the attractions.
- Delays in negotiating operating agreement with the City of Winnipeg resulted in using funds intended for endowment on operations.

Additional discussion of Partners' historical financial position is contained in Section 6.0.

Partners' most important goal for the future is to financially stabilize the three attractions and their operations so that debts can be repaid, operating costs can be covered and adequate staff are employed to be responsible for programming, fundraising and expanding revenue generating services.

To make all the organizations sustainable, an aggressive fundraising initiative will be undertaken. Growing the endowment funds, such that enough interest revenue can be generated to pay a significant portion of the staffing costs and other operating costs is crucial. This year, Partners has hired a full-time Director of Fundraising and has launched an aggressive fundraising campaign which includes:

- Securing the City of Winnipeg Agreement.
- Renewing commitment from the Province of Manitoba.
- Securing additional long-term sponsors for programming.

Unless it achieves this commitment from the City and the Province to provide long-term stable funding, Partners will not be able to continue to operate these attractions. As a

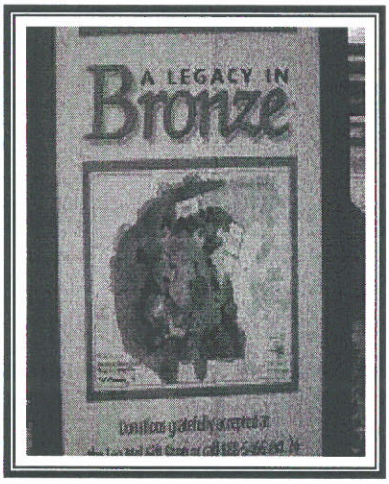
result, the experience of Park visitors will deteriorate. However, with the support and commitment of the City and the Province, Partners will be in a position to direct its energies to pursuing enhancements and new opportunities, reinforcing the Park as a premiere tourist destination.

3.0 Profile of the Partners in the Park Attractions

By blending the management of the Leo Mol Sculpture Garden, the Pavilion Gallery Museum, and the Lyric, Partners has created Park destinations where visitors can view fine art and sculpture, dine at a beautiful restaurant and be entertained by some of Manitoba's premier performers. Each attraction is profiled in the remainder of this section.

3.1 Leo Mol Sculpture Garden

In September 1990, the turning of the sod signalled the beginning of the construction of the Leo Mol Sculpture Garden as well as turning the vision for revitalizing the park into a reality.





The Leo Mol Sculpture Garden

The Leo Mol Sculpture Garden combines artistic beauty and a natural setting. It is located only a short walk from the Pavilion Gallery and offers a quiet retreat to view and enjoy the works of master sculptor, Dr. Leo Mol. The Leo Mol Sculpture Garden was created as a result of Dr. Mol's generous gift of many of his wonderful bronze pieces and works of art to the community in which he lives. Dr. Mol is an internationally recognized sculptor and the Leo Mol Garden attracts visitors from all over the world year round.

On Sundays in the summer, guests enjoy free jazz concerts as they tour the gardens. These concerts are corporately sponsored and supplemented by grants. The Leo Mol Sculpture Garden is also a very popular spot for weddings, special events, photography, and artist visits.

In addition to the Leo Mol Sculpture Garden is a small gift shop, which sells merchandise to visitors. A small gift shop is located in the garden and sells merchandise to visitors in the summer.

Highlights:

- Value of the sculptures, paintings and ceramics gifted to the City - $4 million.
- $3.2 million raised from the private sector for the three phases of development.
- Has attracted some 250,000 visitors per year.

Primary Goals:

- Continue to be a popular site for weddings and photo shoots, continuing to generate revenue.
- Establish an endowment fund for this venue with a target of $500,000 by 2009.
- Continue to develop and deliver quality programming consistent with Partners' values of friendship, kindness, integrity and learning.
- Continue to attract visitors with interesting displays and also with jazz programming Sundays throughout the summer.
- Enhance the City of Winnipeg, and Assiniboine Park, by being a great destination alongside the Park's other first rate attractions.

Challenges/Risks and Mitigation Strategies:

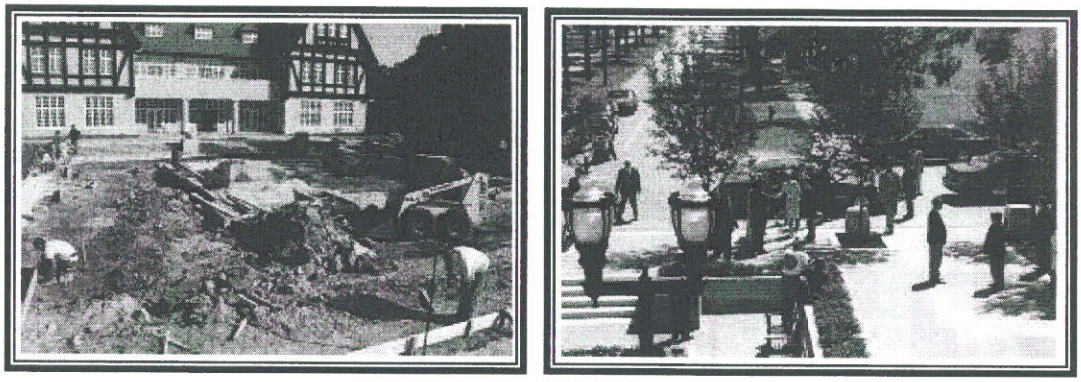
- If sustainable operations are not achieved, the public's exposure to the works of master sculptor, Leo Mol, will diminish and preservation of the assets could be compromised. To prevent this, Partners will pursue its fundraising campaign and build endowment funds.
- If Partners is unable to continue to represent the Leo Mol Sculpture Garden, the attraction loses Partners' demonstrated ability to raise new funds by leveraging the influence of its Board.

3.2 The Pavilion Gallery Museum

The success of the sculpture garden soon inspired a plan to restore and reinvigorate one of the City's most cherished buildings, the Assiniboine Park Pavilion which had deteriorated to the status of an unpopular hotdog stand. The plan resulted in a revival of the Pavilion building, which now houses three wonderful art galleries and a signature restaurant.

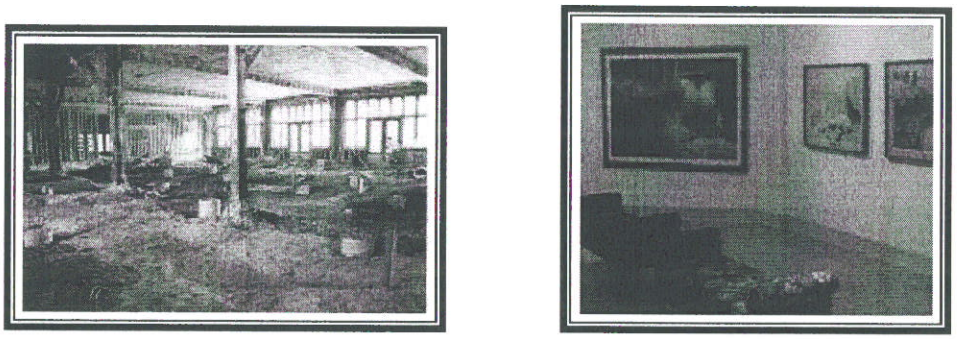


The Pavilion Building during the restoration process



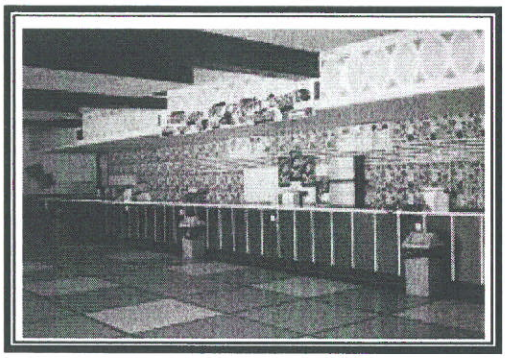
Exterior, before and after

The Pavilion Gallery Museum opened in 1998. Today, its mandate is to preserve, protect, and sustain the Pavilion Gallery, which includes collecting and conserving the art from three designated Manitoba artists – Ivan Eyre, Clarence Tillenius, and Walter J Phillips.



Gallery, before and after

Visitors from Winnipeg and around the world frequent the Pavilion Gallery to enjoy the beautiful local artwork. The designated artists' works are rotated several times a year on the second and third floors of the Pavilion building and tours are offered. The second floor area between the Galleries accommodates temporary exhibits of Manitoba artists, special traveling exhibits and private functions. The Pavilion Gallery is open seven days a week, and admission is free. Donations are encouraged.




Main floor, before and after

The main floor of the Pavilion houses the Tavern in the Park restaurant, one of Winnipeg's finest restaurants. The restaurant has a glass roof atrium providing a beautiful view of Assiniboine Park. The restaurant expands in the summer to include a patio. The restaurant serves over 55,000 patrons annually and has provided catering services to over 10,000 guests attending special events within the Pavilion.



Tavern in the Park

The Tavern restaurant is not operated by the Pavilion Gallery. The Pavilion Gallery leases space to the restaurant and receives rental income from the restaurant, at a market rate, which provides a much needed offset to the organization's cost of operations. The Pavilion Gallery's rental income increases as the restaurants' income increases. Therefore, to maximize the potential for the Pavilion Galleries, the Pavilion and the restaurant have combined forces to offer a variety of opportunities to host private or corporate functions at the Pavilion in four elegant locations.

Highlights:

- Private sector dollars raised for the Pavilion restoration - $3.5 million.
- Value of artwork donated to the Pavilion Gallery - $10 million.
- Value of the Pooh painting $298,000

- In one year, visitors from 42 different countries signed the Pavilion Gallery Guest Book.
- Over 55,000 patrons served annually at the restaurant. Catering services provided to over 10,000 guests attending special events within the Pavilion.

Primary Goals:

- Establish an endowment fund of $1 million by 2012.
- Identify revenue generating opportunities for the former Partners' office space in the Pavilion building.
- Introduce educational programs for students and explore the ability of these programs to generate revenue.
- Enhance the City of Winnipeg, and Assiniboine Park, by being a great destination alongside the Park's other first rate attractions.

Challenges/Risks and Mitigation Strategies:

- Operating expenses have exceeded original estimates and once funds intended for endowment are depleted, Partners risks having to close the attraction. Partners is working to mitigate this by hiring a full-time Director of Fundraising, undertaking a fundraising campaign and negotiating stable long term funding with its two key funders, the City and the Province.
- New agreement will need to be negotiated with the restaurant in 2008. Since the rental income provided by the restaurant is substantial, an unsuccessful renegotiation would have a significant impact on revenue. Partners will leverage its private sector expertise and the strong relationship it has built over the years with its lessee to ensure a successful negotiation.
- Unanticipated Pavilion building maintenance expenses could have a significant financial impact on Partners. Partners has budgeted for building repair and maintenance, has budgeted a contingency expense, and practices preventative maintenance. Frequent visual building inspections are conducted by Partner's head of Security/Maintenance.

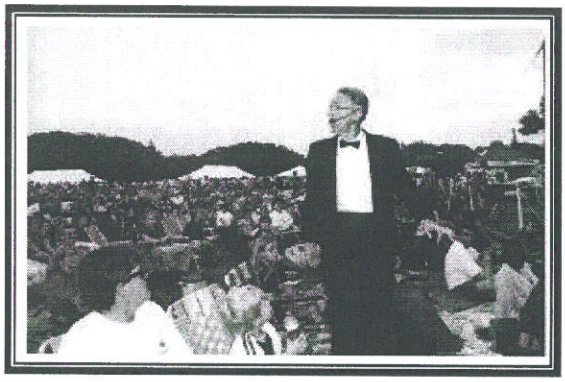
3.3 The Lyric Theatre

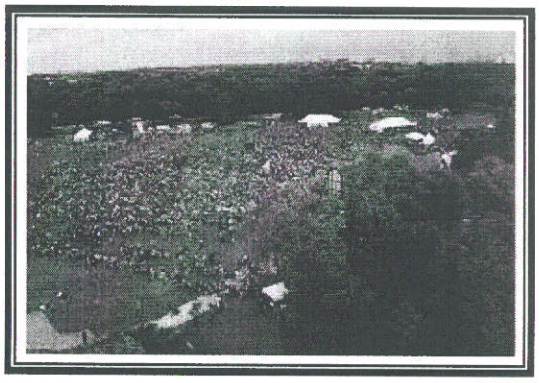
In the 1920's and 30's the bandshell in Assiniboine Park was the focal point for performances in the park. In 1999, the Lyric Theatre, a large outdoor stage, located next to the Pavilion opened to carry on this tradition of summer bandshell entertainment. The Lyric has a Tudor architectural style that echoes the Pavilion building. It is a 4,000 square foot facility consisting of 2,850 square feet on the main floor (stage) and 1,120 square feet on a second level (dressing rooms and washrooms).



Entertainment at the Lyric Theatre

The Lyric season runs from late May through to mid-September and features diverse entertainment including live theatre, outdoor movies, and lively music from home and abroad. All of these family-friendly activities are provided to the public free of charge.





The Friendship Festival

In 2005, Partners will continue to provide families access to the characters they love such as Caillou, Zoboomafoo and Arthur through the International Friendship Series. It has revamped its Thursday Night Music Series to include higher profile performers such as Swing Soniq, Moses Mayes and K'Naan. It has also added a Friday Night Music and Film Series where members of the Winnipeg Symphony Orchestra and the Manitoba Chamber Orchestra perform and are followed by classic films. Partners programming brochure for the 2005 season is provided in Appendix A. The brochure shows a diversity of programming appealing to many Winnipeggers and tourists, and also promotes the Pavilion Gallery and the Leo Mol jazz series.

Funding for the Lyric is generated from corporate fundraising, interest from the endowment fund, and annual donations from patrons. A rental fee is charged to organizations holding events at the Lyric and these fees are used to cover costs related to staffing, basic lighting, prop production, sound, power, cleaning, etc.

Highlights:

- $650,000 private sector dollars raised to build the Lyric Theatre.
- Since opening in the summer of 1999, over 265,000 people per year have attended performances and events at the Lyric.
- Over 50,000 people attended the 2004 International Friendship Festival.
- Has a broad group of quality sponsors for its 2005 programming year, many of which have acted as sponsors in previous years. Sponsors are listed on the back of the 2005 programming brochure included as Appendix A.
- Attracted and facilitated sponsorship of a major corporation for a Canada Day Celebration at the Park.
- Formed partnerships with other organizations such as the United Way to provide volunteers, and the National Film Board to provide films, allowing Partners to enhance its offering without increasing its operating expenses.
- Developed a music and film series to even further broaden the audience to which the attraction appeals.

Primary Goals:

- The Lyric is the only one of the three venues to have an endowment fund set up. However, some of its monies have been used to fund operations during a critical period in Partner's finances. Partner's goal is to replenish this endowment fund and build it to $1 million by 2012.
- Provide a venue for local artists and new and emerging entertainers.
- Provide accessible, quality entertainment to all families, with no admission charge.
- Enhance the City of Winnipeg, and Assiniboine Park, by being a great destination alongside the Park's other first rate attractions.

Challenges/Risks and Mitigation Strategies:

- In order to provide free programming for the public, heavy reliance is placed on aggressive fundraising and sponsorships. To reduce this reliance, Partners is exploring the development of a concert bowl or amphitheatre to generate a dedicated revenue stream (see next section on Future Opportunities).
- Given the restrictions placed by the City on concession sales at this attraction, Partners is exploring the feasibility of developing a revenue stream from merchandise sales.
- Poor weather conditions will decrease attendance at outdoor events. Partners is facilitating attendance by developing a series of events on a variety of dates, thus decreasing the impact of the weather on one day.

- High cost of production for profile events such as Disney Pooh Friendship Day (cost of $300,000 for one day event). Partners is mitigating this risk by developing a series of Friendship events for 2005, spread across the summer. The series not only reduces costs and decreases the impact of weather conditions, but improves accessibility and increases the number of visits to the Park.

4.0 Future Opportunities

Once Partners has stabilized the operations of its existing attractions, it can direct its efforts to enhancing these venues and developing new ones. Some future opportunities being explored by the Board are described in this section. Costs and revenues associated with these opportunities are not included in the financial projections.

4.1 Lyric Concert Bowl/Amphitheatre

Currently the Lyric places heavy reliance on aggressive fundraising and sponsorships in order to continue operations. Since inception, the Lyric has had difficulty meeting the revenue targets required in order to provide free programming for the public. In order to reduce reliance on sponsorship dollars and to provide a dedicated revenue stream to the Lyric, consideration is being given to methods of charging admission. To that end, Partners will explore the construction of a concert bowl or amphitheatre and the relevant impacts. It should be noted that the intention is to offer reserved seating at a price for those who wish to have a "seat" while free public access on the lawns would continue to be available as well. As a Concert Bowl was part of the original plans of the Lyric, it had received City of Winnipeg approval but development has not proceeded yet. Work to date includes:

- Completion of a land survey to identify drainage issues, etc.
- Testing the interest in the sale of "hard seats" for the music and movie series. Advertisements have promoted this option and audience response is being surveyed.

4.2 New Development Project

Partners is currently assessing the feasibility of a centre based on the principles of friendship and promotion of the history of the connection between Winnipegger Lt. Colebourn and "Winnie the Bear". By adopting the bear, Lt. Colebourn's "single act of kindness" began a legend by inspiring some of the most celebrated literary works in history. The centre would have historical and learning components as well as a revenue generating attributes to ensure the centre is sustainable.



Lt. Colbourn and "Winnie the Bear"

In response to the challenge this new dream presents, Partners' Board has placed its hearts and energies towards making it a sustainable reality. Work to date includes:

- Preparation of a business plan by an external consultant.
- Development of architectural designs.
- Purchase of the only known painting by E.H. Sheppard, "Winnie the Pooh and the Honey Pot" (currently on display at the Pavilion Gallery) – raised $195,000 from the private sector to purchase
- Purchase of the A.A. Milne book "Now We Are Six" – raised $41,578 from the private sector to purchase.



E.H. Sheppard painting, "Winnie the Pooh and the Honey Pot"

This new development would be consistent with the Assiniboine Park Framework Plan for the future of the Park and Partners will continue to work with Assiniboine Park Enterprises to make the park a world class tourist destination. The City has invited Partners to meet with the architects that have been awarded the playground contract by Assiniboine Park Enterprises to explore further this new development project and ensure consistency with the Park overall.

4.3 Other Future Considerations

Building on the centre described above, is the future consideration of "The Friendship Foundation". The vision is to grow an endowment fund that would further sustain the Centre as well as provide funds to other programs that support the messages of friendship, kindness and integrity. One such program under consideration is the Colbourne Award of Friendship. The Colbourne Award of Friendship would be awarded at a Gala held annually in Winnipeg. This International award is intended to celebrate the

accomplishments of an individual who exemplifies the "single act of kindness" demonstrated by Lt. Harry Coleboune when he befriended "Winnie the Bear". The Gala would be very high profile and a major fundraising event for Partners, similar to the IDEA dinner currently presented by the Associates.

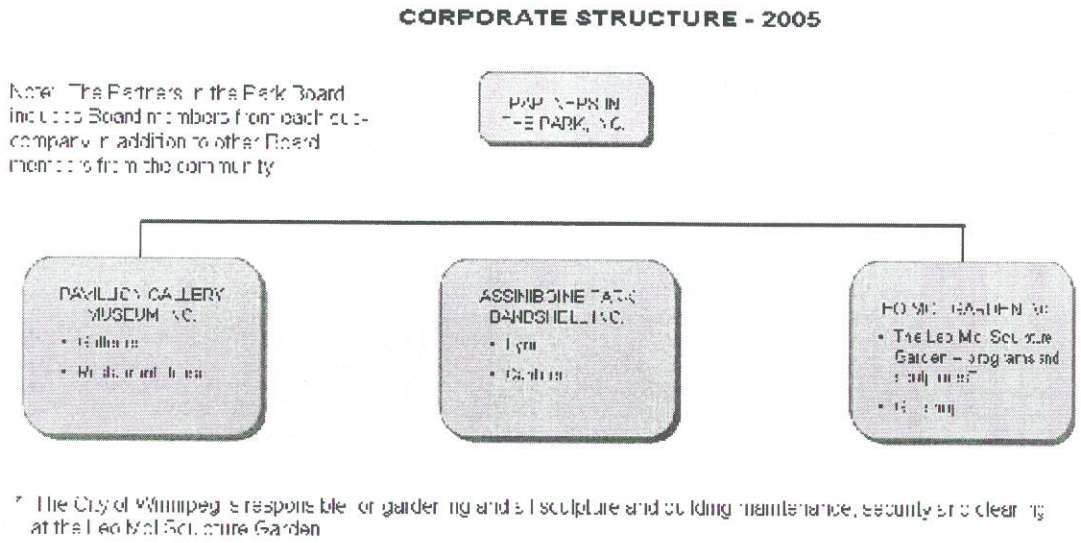
4.4 Conclusion

There are many opportunities for Partners to continue to help enhance the Park and leverage the influence of its Board. However, it cannot move forward with any new developments until it is able to make its existing attractions sustainable.

5.0 Operations

5.1 Structure

Each of the Lyric, Pavilion Gallery and Leo Mol Garden is legally required to have its own corporate structure and Board. However, the Partners Board provides oversight and direction to each attraction. The relationship between the entities is shown below.



All three organizations are non-profit charities and Partners is applying for registration as a charitable foundation which will enable it to receipt donations and distribute funds to its three charitable organizations.

5.2 Governance

Partners was created to maximize efficiencies by having one organization manage all three attractions and oversee fundraising activities. Due to the interrelationship of the attractions, a decision was made to create a parent Board with representation from each organization in addition to other Board members from the community. Partners continuously looks for operating efficiencies and recently undertook a review and streamlined its governance model.

Partners has a dedicated and influential Board of Directors that has the ability to turn visions into realities. Board members have shown their passion for our City and have shown their commitment to the Partners' initiatives by putting their wallets where their hearts are. For a complete list of the Board of Directors, please refer to Appendix B.

Partners works closely with the other Assiniboine Park attractions such as the Conservatory and Zoo on renewal and reinvestment initiatives, which includes participating with Assiniboine Park Enterprise and the City of Winnipeg.

5.3 Corporate Operating Principles

Partners' Corporate Operating Principles, as stated in its Strategic Plan, are:

- **Establish sustainability.** We will achieve and maintain financial sustainability by operating in a cost-effective, 'risk smart', financially prudent manner.
- **Be a model of good governance.** We will serve as a model of good governance to the not for profit sector by incorporating best business practices.
- **Provide quality programming.** We will continue to provide programs and events through our attractions that allow the public access to the fine arts, sculpture and performing arts.
- **Look to the future.** We will identify and implement projects that will provide people with a world-class visitor experience.

5.4 Key Management and Staff

Given the critical condition of its financial position, Partners has closely reviewed its staffing to find efficiencies and has reduced its compliment by three full-time positions in the last year. Key Management and staff positions are described in the paragraphs below.

Irene Merie - Executive Director (Full time)

Irene joined Partners in the Park as Executive Director in June of 2004 when the Board determined a private sector perspective would be required to develop sustainable operations. Prior to joining Partners, Irene ran her own successful computer training and consulting company for 10 years. Irene has also been an active volunteer in the community having served as Chair of the Board for The Winnipeg Chamber of Commerce, Destination Winnipeg and Film Training Manitoba. She is also a member of the Premiers' Economic Advisory Council and serves on the boards of Arts Stabilization Manitoba, The Winnipeg Airports Authority, and the Manitoba Chapter of the Canadian Institute of Chartered Accountants. Irene oversees Partners and is responsible for implementing the strategy set by the Board.

Brenda Bracken-Warwick – Director of Fundraising (Full time)

Brenda was recently hired by Partners and brings five years of experience operating her own consulting company. Brenda has a solid network of business, government and media contacts in Manitoba and has successfully raised funds for community organizations and election campaigns, as well as obtained sponsorships for various conferences and events. She will play a key role in moving Partners to sustainable operations.

Jane Simpson – Special Events Coordinator (Part time)

Prior to taking on her current role, Jane worked part time in the gift shop. In 2005, Jane will be responsible for the Partners Membership Program as well as the Dinner Series and some new exciting events. In addition, Jane will assist the Director of Fundraising and the Board with the Major Fundraising Campaign.

Peter Heymans – Manager, the Lyric Theatre (Part time) and Curator (Part time)

Peter joined Partners in February 2004 on a contract basis. Peter has a unique combination of skills, being a musician and also having a Fine Arts degree. He is responsible for managing the Lyric Theatre and the Canteen, including staffing and booking performances and he is also Partners' Curator.

Administrative Staff and Other Staff

Administrative positions include: Administrative Assistant (full time), Bookkeeper (part time) and Accountant (part time). Summer students are hired for the Lyric Stage and the Sculpture Garden (including the gift shop).

In addition to these staff, security, maintenance and cleaning are on contract with the Pavilion Gallery. Additional security guards are occasionally hired for various performances at the Lyric. Where possible, grants are applied for to cover the cost of summer student salaries.

Volunteers

To assist in meeting the organization's needs, volunteers are utilized on a regular basis to fill a number of activities and roles including tour guides, cataloguing collections, gift shop salespersons, greeters, special event volunteers, and clerical assistants. In a typical year, 50 to 60 volunteers are utilized. Volunteers will be coordinated by the Director of Fundraising.

Key External Advisors/Consultants

Paquin Entertainment has been engaged to program and produce the Lyric Theatre 2005 season. With their demonstrated success for both the Pooh Friendship Day and the International Friendship Festival, Paquin will maximize the attractiveness of the Lyric Theatre by introducing an exciting, new series of events for the public enjoyment in 2005.

5.5 Physical Asset Management

Partners is entrusted with physical assets in the form of artwork and buildings having significant value. Conserving and promoting these assets is an important part of Partners' mandate. However, given its budgetary constraints and slim staffing, current physical asset management processes and policies need to be updated and improved upon.

The Pavilion Gallery Museum

The Pavilion Gallery contains over 6,000 pieces of art created by Ivan Eyre, Clarence Tillenius and Walter J. Phillips, with an estimated value of $10 million. The works include:

- 75 paintings and 20 drawings by Clarence Tillenius.
    - Significant number of works donated to the museum by Clarence Tillenius.

  - Many of the larger pieces are on a long term loan from the Manitoba Museum (until 2008).
- Approximately 500 Walter J. Phillips pieces.
  - John Crabb and the Phillips family have donated a large number of these works to the museum. Additional donations are expected.
  - Museum has a 10 year agreement with John Crabb to purchase a substantial number of these works (will be paid up at the end of 2013).
- 5,000 line drawings, 120 canvas works, and 20 assorted sculptures by Ivan Eyre.
  - Donated to the museum by Ivan Eyre.

Leo Mol Sculpture Garden

The Leo Mol Sculpture Garden contains over 200 pieces of art, which includes bronze sculptures, oil paintings, pastels, ceramics, and stain glass windows. These assets were gifted to the City of Winnipeg. The pieces range in value from approximately $7,000 and up for small pieces and $25,000 and up for large pieces.

Buildings

In addition to the artwork housed in the main building, the Leo Mol Sculpture Garden contains Leo Mol's Schoolhouse studio, which was once the one room studio where he crafted his masterpieces. Currently, the Schoolhouse is used to display Dr. Mol's artworks at various stages so that visitors can get a glimpse of the creative production process. These buildings are owned by the City of Winnipeg, and the City is responsible for all maintenance, repair and security within the Leo Mol Sculpture Garden as well as all related insurance costs. Partners is responsible for overseeing the cleaning and maintenance of the sculptures.

In September 1997, an agreement was entered into between the City of Winnipeg and the Pavilion Gallery Museum Inc. whereby the Pavilion Gallery Museum Inc. undertook to renovate and restore the Pavilion including the construction of art galleries and restaurant facilities. Upon completion, the Pavilion Gallery Museum Inc. is responsible for managing and operating the Pavilion, including the Galleries and restaurant, for the benefit and use of the community at large under a 50-year renewable operating contract. The Pavilion Gallery Museum Inc. is considered an independent contractor, fully responsible for all management and operations of the Pavilion Gallery including operating, cleaning, security and maintenance costs.

The Pavilion Gallery is also responsible for security, insurance, all advertising, promotion, and programming within the building and the surrounding area, providing washroom supplies, and collecting property tax from the restaurant. It is also responsible for all heat, light, water, garbage costs, etc.

The Lyric structure is built on City of Winnipeg land and is owned by the City. The Assiniboine Park Bandshell Inc. has a contract with the City to operate and manage the facility, on the City's behalf.

6.0 Financial Highlights

6.1 Fundraising and Grants

Partners' programming is offered at no charge to the public. Therefore, sponsorships, donations and other fundraising is an important revenue stream for Partners. Partners has made an investment by hiring full-time Director of Fundraising. Appendix C describes some of the Fundraising Programs planned for 2005. The Director of Fundraising will use this as a base to build a comprehensive fundraising strategy, increasing this source of revenue and helping establish sustainable operations.

Partners has designated Manitoba Lotteries Corporation (MLC) as a Platinum Partner for the 2005 season and MLC's generous support has allowed Partners to present programming at the Lyric for 2005. MLC committed itself as a five year sponsor and is now in the fourth year of that agreement.

Other significant sponsors, many of which have provided funds over multiple years, include:

- Siobhan Richardson Foundation
- Canwest Global
- The Free Press
- Canad Inns
- Richardson Foundation
- Scotiabank
- Great-West Life
- AVW Telav
- Prairie Public Television
- Investors Group
- Cool FM 99.1
- The Winnipeg Foundation
- CanWest Global Foundation
- Peerless Garments
- Destination Winnipeg
- The Fairmont Winnipeg
- Wawanesa Insurance

In addition, Partners receives donations from countless individuals and families who enjoy the attractions.

Partners is in the process of solidifying long term funding commitments from its two key funders, the City of Winnipeg and the Province of Manitoba.

6.2 Historical Financial Performance

The following points show the evolution to Partners' current critical financial situation.

- During 1997-98, $4.7 million was raised for the renovation of the Pavilion (including $1.5 million from the Canada-Manitoba Infrastructure Program. Of this amount, $3.5 million was to be directed to project costs, and $1.2 million was to be set aside for an endowment fund. The interest from the endowment fund would contribute to operating costs.
- Previously unknown structural problems with the windows were discovered during the renovation. No additional capital costs were contributed and as a result of these expenses, the amount set aside for endowment eroded from $1.2 million to $700k.
- The operating funding from the City of Winnipeg was not provided for the full five years anticipated.
- After a year of operation, it became apparent that the actual operating costs for the Pavilion were far more expensive than originally estimated.
    - Significantly higher costs incurred for utilities, security, repairs and maintenance, insurance, and cleaning incurred.
- Over the period of 1999 to 2005, all of the Pavilion funds intended for endowment (including both the $700k remaining after the structural problems and new funds raised for this purpose), as well as some sponsorship monies intended for programming, have been used for operations.
- In addition, significant legal costs were incurred during three years of negotiations to resolve tax liability expenses for the Lyric and the Pavilion.

During this time, Partners has made staffing changes with a view to add private sector skill sets needed to develop organizational sustainability and has actively searched out efficiencies in its operations. For the organization to fulfill its mandate at the most basic level, long term financial support is required from the City and the Province. Operating expenses are such that many of the costs would still be incurred if attractions were closed.

6.3 Financial Requirements Going Forward

Consolidated financial projections are provided in Appendix D. These projections have been developed assuming the attractions continue to operate in a "status quo" mode. That is, no new development costs or revenue streams are included. The projections are the minimum Partners believes is required to meet its mandate.

In order to maintain its basic operations, Partners is asking the City and the Province to each provide an annual amount of $400,000 reducing to $350,000 by Year 8 as shown in the financial projections in Appendix D. **The contribution from the City will be used for operating expenses**. This will allow monies Partners generates from other sources, such as fundraising and restaurant operations, to be directed towards replenishing and building endowment funds for each of the attractions.

Other funding scenarios have been considered by the Board but have been deemed unacceptable due to:

- Inconsistency with the mandate of providing free and accessible programming.
- Inconsistency with the operational requirements required for a Museum "Category A," a requirement of the donated artwork.
- Inconsistency with the need to achieve long-term operational sustainability.

The consolidated income statement projections are divided into operating revenues and expenses, and programming revenues and expenses. Partners has decreased its operating expenses to a lean level, little more can be reduced here without closing attractions. Programming revenues and expenses are shown separately in the projections, and Partners will contain its programming expenses within the revenues available (ie. those generated from sponsorships, donations, other fundraising, etc.).

The projections show a replenishment and building of endowment funds for each attraction. Endowments are expected to reach the following levels by 2012:

- Leo Mol = $500,000
- Lyric = $500,000
- Pavilion =$1,000,000

By 2013, it is expected that Partners will have repaid its long term debts and built its endowment funds to a significant level, allowing it to begin decreasing the amount of support it requires from the City and Province.

Projections to 2013 are provided in Appendix D. Given the number of years projected into the future and the inability to predict external events and circumstances, there will likely be a difference between forecasted and actual results. If Partners' actual performance exceeds its projected performance, it would be willing to reduce the contribution requested from the City and the Province in the year immediately following.

A – Partners Programming Brochure for the 2005 Season

PAVILION GALLERY MUSEUM • LEO MOL SCULPTURE GARDEN • LYRIC THEATRE








LEO MOL Sculpture GARDEN

Classic Artisan amongst Nature's Backdrop

The Leo Mol Sculpture Garden is an experience unlike any other. The outdoor gallery, open all year long, takes on a new persona amongst the rich colours of the surrounding summer [illegible] artists and breathe in the fresh, fragrant scent of summer in the garden. Listen carefully as the sounds of live jazz begin – completing the incomparable sensory experience that draws in visitors from miles around.

LEO MOL SUNDAY JAZZ SERIES
Program begins at 3:00 pm

July 3
Maggie May Robinson

July 17
Jay Harrison

August 14
Bob Jackson

August 21
Premium

August 28
Brian Klowak



partners IN THE PARK

PAVILION GALLERY MUSEUM • LEO MOL SCULPTURE GARDEN • LYRIC THEATRE

The programs at the Lyric Theatre, Pavilion Gallery, Leo Mol Sculpture Garden and International Friendship Series are generously supported by the following:

Platinum Partner: Manitoba Lotteries Corporation

Gold Partners: Siobhan Richardson Foundation, Global, The Free Press

Silver Partners: Richardson Foundation, Scotiabank

Bronze Partners: AVW Telav, Investors Group, CoolFM 99.1

Copper Partners:

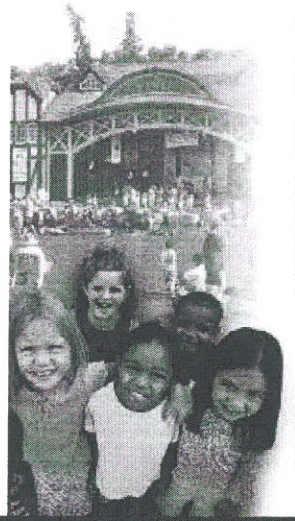
Be a Partner in the Park

Help us continue the tradition of family entertainment in the park. Donations can be made to Assiniboine Park Bandshell Inc., Leo Mol Sculpture Garden Inc. or Pavilion Gallery Museum Inc.; please send donation to 55 Pavilion Crescent, Winnipeg Manitoba, R3P 2N6. Tax Receipts will be issued for the amounts of $25.00 or more.

Contact Partners in the Park at 204.888.5466
or visit our website at www.partnerinthepark.org.



Traditions IN THE MAKING





SUMMER 2005 AT ASSINIBOINE PARK

Just past the gates of Assiniboine Park, the sounds of summer have already started humming. For summer 2005, Partners in the Park has set a menu of activity that spans the season with culture, music, movies, theatre, festivals, food and fun. There are many new traditions just waiting to be made this year! Come and enjoy the sounds of jazz amongst the stunning sculptures in the Leo Mol garden;

partners IN THE PARK

experience movies in the great outdoors at The Lyric Theatre; or take a stroll through the Pavilion Gallery to celebrate local and Canadian artists. Also featured this summer is the highly anticipated Friendship Series. So kick off your shoes, feel the grass under your feet, and get ready to celebrate the season we dream of all year long.

FREE ADMISSION

Lyric Theatre PROGRAMMING

THE LYRIC THEATRE
Endless Entertainment for a Song

The history of The Lyric Theatre is as rich and wonderful as the entertainment hosted there each season – and this summer promises to be one of the best yet. Come and enjoy live theatre, outdoor movies, and lively music from home and abroad – and all of these family-friendly activities are provided at no charge (although preferred/priority seating is available at a minimal cost, please call for availability and registration).



MANITOBA LOTTERIES THURSDAY NIGHT MUSIC SERIES

Program begins at 7:30 pm

June 23	African Guitar Summit Swing Soniq
July 7	Ron Paley Big Band
July 14	Greg MacPherson Serena Ryder
July 21	Moses Mayes [illegible]
August 4	The Sadies Cuff The Duke The Attics
August 11	Papa Mambo Skavenjah
August 25	K'Naan Burnt
September 1	The Wailin' Jennys Joel Kroeker



SPECIAL EVENTS

July 1	Canada Day Picnic in the Park	12:00 pm to 10:30 pm
July 27, 28, 29	Ballet in the Park	7:30 pm

SUNDAY INTERNATIONAL FRIENDSHIP SERIES

Date	Main Stage	Show Times	Special Appearance
July 10	Big Comfy Couch	1:00 pm & 3:00 pm	Brother Bear from the Berenstain Bears
July 24	Caillou's Big Book Club	1:00 pm & 3:00 pm	Sister Bear from the Berenstain Bears
August 14	Zoboomafoo	1:00 pm, 2:30 pm & 4:00 pm	Buster
August 28	Noo Noo & the Noo Noo Crew	1:00 pm, 2:30 pm & 4:00 pm	Arthur

Sponsored by the Stobbers Richardson Foundation – Supporting Youth Initiatives in Manitoba

MANITOBA LOTTERIES FRIDAY NIGHT MUSIC AND FILM SERIES

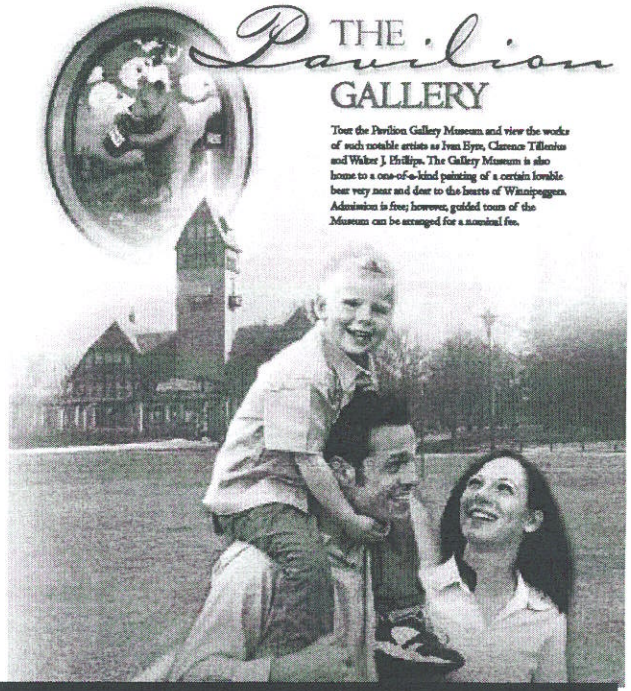
Friday nights come alive with the fusion of live orchestras and classic cinema! Members of the WSO (Winnipeg Symphony Orchestra) and the MCO (Manitoba Chamber Orchestra) perform selected pieces beginning at 8:15pm. Then get ready for our short film at 9:00pm, followed by our full length feature.



FILM SERIES 14+ *(Under 14 must be accompanied by an adult)*

Date	Opening Short	Run Time	Feature Movie	Run Time
June 24	The Owl & The Raven (animation) *Best First Feature, 2001 Cannes Film Festival*	6 min 39 s	Atanarjuat "Fast Runner" *An adaptation of an ancient Inuit legend, telling the story of Atanarjuat the fast runner.*	161 min 08 s 14+
July 8	Penguins Behind Bars (animation) *Oscar Winning & nominated shorts*	23 min 02 s	Neurotica Evening #1 *11 funny short films on middle-age crisis and other forms of adult anxiety!*	53 min 31 s 14+
July 15	Adelope (animation) *Critically Acclaimed documentary*	5 min 17 s	Project Grizzly *Troy James Hurtubise has constructed a protective suit of armour and embarks on a quest to confront Canada's most feared land mammal, the grizzly bear.*	72 min 14+
July 22	The House That Jack Built (animation) *Oscar winning & nominated shorts*	8 min 02 s	Neurotica Evening #2 *Journey into the tangled underground of the human mind through six animated shorts that explore the crowding side-effects of adult anxiety.*	59 min 30 s 14+
August 5	Loon Dreaming (animation) *Won numerous film festival awards*	7 min 37 s	Being Caribou *Environmentalist Leanne Allison and wildlife biologist Karsten Heuer follow a herd of 120,000 caribou on foot, across 1,500 Kilometers of rugged Arctic tundra to raise awareness of threats to the caribou's survival.*	110 min 14+
August 12	Village of Idiots (animation) *Critically acclaimed*	12 min 41 s	Incredible Manitoba Animation *A comic cornucopia of animation films from such well-known Manitoba animators as Richard Condie, Cordell Barker and Paul Cooley among others.*	50 min 14+
August 26	Stillwalkers (animation) *Critically acclaimed*	12 min 50 s	Spirits of Havana (Jane Burnett) *Renowned soprano sax player and flautist Jane Burnett bridges two cultures while creating some of the most joyful sounds in jazz.*	90 min 14+
September 2	The Family That Dwelt Apart (animation) *Stars Russell Crowe*	7 min 55 s	For The Moment *The lyrical love story of a married prairie woman and an Australian pilot set against the Second World War is dramatically told in this feature drama starring Russell Crowe.*	119 min 49 s 14+

THE Pavilion GALLERY



Tour the Pavilion Gallery Museum and view the works of such notable artists as Ivan Eyre, Clarence Tillenius and Walter J. Phillips. The Gallery Museum is also home to a one-of-a-kind painting of a certain lovable bear very near and dear to the hearts of Winnipeggers. Admission is free; however, guided tours of the Museum can be arranged for a nominal fee.

B – Listing of Board of Directors

BOARD OF DIRECTORS

PARTNERS IN THE PARK INC.

Hartley T. Richardson (Chair)
Gail Asper
Bill Balan
Jim Eldridge
Colin Ferguson
Helen Hayles
Leo Ledohowski
David Loch
Louise Nebbs
Annitta Stenning
Timothy Valgardson
Bob Williams

PAVILION GALLERY MUSEUM INC.

Harley T. Richardson (Chair)
David Loch
Bob Williams

LEO MOL GARDEN, INC.

Harley T. Richardson (Chair)
David Loch
Helen Hayles

ASSINIBOINE PARK BANDSHELL INC.

Gail Asper (Chair)
Hartley T. Richardson
Louise Nebbs

C – Fundraising Programs for 2005

FUNDRAISING PROGRAMMING

Director of Fundraising

Partners has hired a full-time Director of Fundraising and will be launching an aggressive fundraising campaign. She will be responsible for:

- Sponsorships
- Donations from Foundations
- Grants
- Individual and memoriam Donations

A focus of her work will be on continuing to obtain long-term, multi-year sponsorship commitments for programming, as well as on obtaining new sponsors. Her 2006 target will be $220,000.

Coordinator of Special Events

The Coordinator of Special Events has responsibility for revenue generating events and activities in 2005 that include:

1. Partners in the Park Annual Membership Program

A new Annual Membership Program will be introduced in 2005. (Brochure attached). All members will receive the following benefits:

- Fold-out colour map of the park
- Leo Mol Sculpture Garden book
- Notice of events at our venues
- Advance notice of The Lyric schedule
- 10% discount on Pavilion rental facilities and Partners in the Park merchandise

There are three membership categories:

- Individual $20.00 per year
- Couple $30.00 per year
- Family $40.00 per year

2. Dinner Series with Tavern in the Park

In 2005, Partners in the Park will introduce a fundraising dinner series. Two dinner events will be held, each with a unique theme. The first one was held January 29th and is themed "An Evening in Tuscany". Ticket sales and silent auctions raised $7,500.

3. Fashion Show Luncheons (Spring & Winter)

Each year Partners in the Park has co-coordinated a Fashion Show and luncheon with Festival of Trees. The luncheon, usually held at the end of November, serves as a fundraiser for the Festival of Trees. For our participation, Partners in the Park receives a % of the total dollars raised through all fundraising activities. This year, a Spring Fashion Show Luncheon was held and raised $7,000.

4. Major Corporate Fundraising Activity – Tournament

In an effort to create greater awareness with the business community with events happening at the Park, Partners will plan and deliver a new major corporate fundraising event. At the time of writing, Partners is exploring two concepts:

1. Golf tournament
2. Corporate Bocce tournament

Through these activities and events, the Special Events Coordinator is expected to raise a target of $80,000 for 2006.

Other Programming Revenue Sources

Through additional revenues sources such as Lyric stage rentals, canteen, etc. total programming revenue is expected to be in excess of $400k for 2006.

D – Consolidated Financial Projections

Partners in the Park

Consolidated Income Statement - Operations

For the Year Ending December 31

escalator			Revised Budget June 30 2005	Forecast 2006	2007	2008	2009	2010	2011	2012	2013
		Operating Revenue									
4%		Restaurant revenue	350,900	350,900	364,936	379,533	400,000	416,000	432,640	449,946	467,943
4%		Interest from Endowment (Pavilion)			8,000	16,000	22,000	28,000	33,000	37,000	40,000
		City of Winnipeg	0	400,000	400,000	400,000	375,000	375,000	375,000	375,000	350,000
		Province of Manitoba	375,000	400,000	400,000	400,000	375,000	375,000	375,000	375,000	350,000
			725,900	1,150,900	1,172,936	1,195,533	1,172,000	1,194,000	1,215,640	1,236,946	1,207,943
		Operating expenses									
		Fixed:									
4%		Cleaning	21,600	21,600	22,464	23,363	24,297	25,269	26,280	27,331	28,424
4%		Insurance	20,900	20,900	21,736	22,605	23,510	24,450	25,428	26,445	27,503
4%		Repairs and maintenance	45,237	45,237	47,046	48,928	50,885	52,921	55,038	57,239	59,529
4%		Security	72,000	72,000	74,880	77,875	80,990	84,230	87,599	91,103	94,747
4%		Telephone	19,500	19,500	20,280	21,091	21,935	22,812	23,725	24,674	25,661
4%		Utilities	83,921	83,921	87,278	90,769	94,400	98,176	102,103	106,187	110,434
10%	15%	Contingency - 10%	13,158	26,316	27,368	42,695	44,403	46,179	48,026	49,947	51,945
		Total Fixed Operating Costs	276,316	289,474	301,053	327,326	340,420	354,036	368,198	382,926	398,243
		Variable:									
	[1]	Allocation to Pavilion Endowment Fund		200,000	200,000	150,000	150,000	125,000	100,000	75,000	
4%		Bank charges	4,500	4,500	4,680	4,867	5,062	5,264	5,475	5,694	5,922
4%		Computer costs	3,000	3,000	3,120	3,245	3,375	3,510	3,650	3,796	3,948
4%		Consulting - accounting	15,000	18,000	18,720	19,469	20,248	21,057	21,900	22,776	23,687
4%		Consulting - other	50,000	50,000	52,000	54,080	56,243	58,493	60,833	63,266	65,797
4%		Curatorial	10,000	14,000	14,560	15,142	15,748	16,378	17,033	17,714	18,423
4%		Employee Benefits		69,344	72,118	75,002	78,003	81,123	84,368	87,742	91,252
4%		General office	17,776	17,776	18,487	19,227	19,996	20,795	21,627	22,492	23,392
4%		Legal	20,000	22,000	22,880	23,795	24,747	25,737	26,766	27,837	28,950
4%		Miscellaneous	1,200	1,200	1,248	1,298	1,350	1,404	1,460	1,518	1,579
4%		Professional fees	12,800	10,800	11,232	11,681	12,149	12,634	13,140	13,665	14,212
4%		Salaries and benefits/Salaries	333,845	258,862	269,216	279,985	291,185	302,832	314,945	327,543	340,645
4%		Travel	6,000	10,000	10,400	10,816	11,249	11,699	12,167	12,653	13,159
4%		Amortization	3,050	3,050	3,172	3,299	3,431	3,568	3,711	3,859	4,014
10%	15%	Contingency - 10%	23,859	48,253	50,183	78,286	81,417	84,674	88,061	91,584	95,247
		Total Variable Operating Costs	501,030	730,785	752,017	750,193	774,200	774,168	775,135	777,140	730,226
		Total Operating Costs	777,345	1,020,259	1,053,069	1,077,519	1,114,620	1,128,205	1,143,333	1,160,066	1,128,469
		Net Operating Revenue	(51,445)	130,641	119,867	118,014	57,380	65,795	72,307	76,880	79,475

Notes -

[1] Assumes the the Pavilion endowment fund is controlled by the Winnipeg Foundation.

Partners in the Park

Consolidated Income Statement - Programming

For the Year Ending December 31

		Revised Budget June 30	Forecast						
	Programming Revenue	**2005**	**2006**	**2007**	**2008**	**2009**	**2010**	**2011**	**2012**	**2013**
	Fundraising	204,500	220,000	220,000	250,000	250,000	250,000	250,000	260,000	260,000
5%	[1] Other Revenue	73,776	80,626	84,657	88,890	93,335	98,001	102,901	108,047	113,449
	Leo Mol Pledges - confirmed (75% contributed to endowment)	50,000	81,786	66,786	66,786	26,786	26,786			
4%	Interest from Leo Mol Endowment (estimated at 4%)		12,000	14,400	16,400	18,400	19,200	19,200	19,200	19,200
4%	Interest from Lyric Endowment (estimated at 4%)		7,200	10,800	11,600	14,000	15,600	17,200	18,600	19,200
	New tenant		7,000	12,000	12,000	12,000	12,000	12,000	12,000	12,000
5%	Rental Operations	17,600	17,600	18,480	19,404	20,374	21,393	22,463	23,586	24,765
4%	Retail/Canteen - net	11,850	11,850	12,324	12,817	13,330	13,863	14,417	14,994	15,594
		357,726	438,062	439,447	477,897	448,225	456,843	438,181	456,426	464,208
	Programming Expenses									
5%	Advertising & promotion	20,000	25,000	26,250	27,563	28,941	30,388	31,907	33,502	35,178
	[2] Allocation to Lyric Endowment Fund			20,000	60,000	40,000	40,000	35,000	35,000	0
	[3] Allocation to Leo Mol Endowment Fund	0	61,340	50,090	50,090	20,090	20,090	0	0	0
5%	Canteen expenses	3,500	3,500	3,675	3,859	4,052	4,254	4,467	4,690	4,925
5%	Display stands and plaques	2,300	2,300	2,415	2,536	2,663	2,796	2,935	3,082	3,236
5%	Donor recognition wall	0	30,000							
5%	Event costs	25,900	25,900	27,195	28,555	29,982	31,482	33,056	34,708	36,444
5%	International Friendship programming	60,000	60,000	63,000	66,150	69,458	72,930	76,577	80,406	84,426
5%	Seasonal staff	24,000	25,000	26,250	27,563	28,941	30,388	31,907	33,502	35,178
5%	Performance & production costs	130,000	130,000	136,500	143,325	150,491	158,016	165,917	174,212	182,923
5%	Volunteer appreciation	1,200	1,200	1,260	1,323	1,389	1,459	1,532	1,608	1,689
10%	Contingency - 10%		36,424	35,664	41,096	37,601	39,180	38,330	40,071	38,400
		266,900	400,664	392,299	452,058	413,606	430,982	421,627	440,783	422,397
	Net Program Revenue	90,826	37,398	47,149	25,839	34,618	25,861	16,554	15,643	41,810

Notes -

[1] Other Revenue includes Education, Events, Memberships, Musician's Association, and Miscellaneous

[2] Assumes the Lyric endowment fund is controlled by the Winnipeg Foundation.

[3] Assumes the Leo Mol endowment fund is controlled by the Winnipeg Foundation.

Partners in the Park

Consolidated Income Statement - Summary

For the Year Ending December 31

	Revised Budget June 30 2005	Forecast							
		2006	2007	2008	2009	2010	2011	2012	2013
Total Revenue									
Operating	725,900	1,150,900	1,172,936	1,195,533	1,172,000	1,194,000	1,215,640	1,236,946	1,207,943
Programming	357,726	438,062	439,447	477,897	448,225	456,843	438,181	456,426	464,208
	1,083,626	1,588,962	1,612,383	1,673,431	1,620,225	1,650,843	1,653,821	1,693,372	1,672,151
Total Expenses									
Operating	777,345	1,020,259	1,053,069	1,077,519	1,114,620	1,128,205	1,143,333	1,160,066	1,128,469
Programming	266,900	400,664	392,299	452,058	413,606	430,982	421,627	440,783	422,397
	1,044,245	1,420,923	1,445,368	1,529,578	1,528,226	1,559,186	1,564,960	1,600,849	1,550,866
Revenue less Expenses	39,381	168,039	167,015	143,853	91,998	91,657	88,862	92,522	121,285
Less:									
Repayment of Long-term Debts:									
John Crabb	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)
CanWest Direction Ltd.	0	(13,263)	0	0	0	0	0	0	0
Asper Foundation	0	0	0	(10,049)	(10,049)	(10,049)	(10,049)	(10,049)	0
Lyric endowment repayment	0	(50,000)	(40,000)	0	0	0	0	0	0
Establishment of Contingent Liability Account	(110,167)								
Unallocated Revenue less Expenses	**(145,786)**	**29,776**	**52,015**	**58,804**	**6,950**	**6,608**	**3,813**	**7,474**	**46,285**

Partners in the Park
Consolidated Balance Sheet
As at December 31

	Revised Budget June 30 2005	Forecast							
		2006	2007	2008	2009	2010	2011	2012	2013
ASSETS									
Current									
Operating Cash	20,767	45,543	97,558	148,862	148,312	154,920	158,733	166,207	212,492
Accounts Receivable	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000	140,000
Inventory	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000	18,000
Prepaid Expenses	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000	7,000
Current Portion of Donation Pledge Receivable	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000	35,000
	220,767	245,543	297,558	348,862	348,312	354,920	358,733	366,207	412,492
Long Term									
Pledges Receivable	382,144	316,144	250,144	184,144	118,144	52,144	0	0	0
Art Collection	1,004,000	1,004,000	1,004,000	1,004,000	1,004,000	1,004,000	1,004,000	1,004,000	1,004,000
Contingent liability account	110,167	110,167	110,167	110,167	110,167	110,167	110,167	110,167	110,167
Restricted for Endowment - Leo Mol	298,302	298,302	298,302	298,302	298,302	298,302	298,302	298,302	298,302
Winnie the Pooh Portrait	298,117	298,117	298,117	298,117	298,117	298,117	298,117	298,117	298,117
Winnie the Pooh Book	100,465	100,465	100,465	100,465	100,465	100,465	100,465	100,465	100,465
Capital Assets (see depreciation schedule)	3,700,981	3,576,543	3,454,963	3,347,339	3,244,361	3,139,444	3,040,665	2,947,245	2,858,587
	5,894,176	5,703,738	5,516,158	5,342,534	5,173,556	5,002,639	4,851,716	4,758,296	4,669,638
Total Assets	6,114,942	5,949,281	5,813,716	5,691,396	5,521,868	5,357,559	5,210,449	5,124,503	5,082,130
LIABILITIES									
Current									
Accounts Payable	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000	285,000
Due to Canwest Direction Inc.	13,263	0	0	0	0	0	0	0	0
Due to Endowment Fund	90,000	40,000	0	0	0	0	0	0	0
Current Portion of Long-term debt	75,000	75,000	75,000	75,000	75,000	75,000	75,000	75,000	0
	463,263	400,000	360,000	360,000	360,000	360,000	360,000	360,000	285,000
Long-Term									
Deferred Donations	382,144	316,144	250,144	184,144	118,144	52,144	0	0	0
Deferred Contributions	3,190,261	3,060,823	2,939,243	2,824,119	2,713,641	2,608,724	2,509,945	2,416,525	2,327,867
Long-term debt	524,998	449,998	374,998	299,998	224,998	149,998	74,998	0	0
Due to the Asper Foundation	50,245	50,245	50,245	40,196	30,148	20,099	10,051	0	0
	4,147,648	3,877,210	3,614,630	3,348,457	3,086,931	2,830,965	2,594,993	2,416,525	2,327,867
Net Assets	1,504,032	1,672,071	1,839,086	1,982,939	2,074,937	2,166,594	2,255,456	2,347,978	2,469,263
Total Liabilities and Net Assets	6,114,942	5,949,281	5,813,716	5,691,396	5,521,868	5,357,559	5,210,449	5,124,503	5,082,130

Notes -

Lyric has an endowment of $179,634 with the Winnipeg Foundation as of December 31, 2004. Partners will repay $90,000 by the end of 2007.

Partners in the Park

Consolidated Cash Flow Statement

As at December 31

	Revised Budget June 30 2005	Forecast							
		2006	2007	2008	2009	2010	2011	2012	2013
CASH FLOWS FROM OPERATIONS									
Excess/deficiency of revenue over expenses	39,381	168,039	167,015	143,853	91,998	91,657	88,862	92,522	121,285
Adjustments for items not involving cash									
Amortization of Deferred Contributions	(136,889)	(129,438)	(121,580)	(115,124)	(110,478)	(104,917)	(98,779)	(93,420)	(88,658)
Amortization of Capital Assets	136,889	129,438	121,580	115,124	110,478	104,917	98,779	93,420	88,658
Change in Deferred Donations	(106,785)	(66,000)	(66,000)	(66,000)	(66,000)	(66,000)	(52,144)	0	0
Change in non-cash working capital	111,895	52,737	66,000	66,000	66,000	66,000	52,144	0	(75,000)
Cash provided by (used in) operations	44,491	154,776	167,015	143,853	91,998	91,657	88,862	92,522	46,285
CASH FLOWS FROM INVESTING ACTIVITIES									
Purchase of Capital Assets	(84,000)	(5,000)	0	(7,500)	(7,500)	0	0	0	0
Disposal of Capital Assets	0	0	0	0	0	0	0	0	0
Cash provided by (used in) investing activities	(84,000)	(5,000)	0	(7,500)	(7,500)	0	0	0	0
CASH FLOWS FROM FINANCING ACTIVITIES									
Contributions to endowment fund	0	(50,000)	(40,000)	0	0	0	0	0	0
Proceeds from Long-term Debt	0	0	0	(10,049)	(10,049)	(10,049)	(10,049)	(10,051)	0
Repayment of Long term Debt	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(75,000)	(74,998)	0
Deferred Contributions									
Cash provided by (used in) financing activities	(75,000)	(125,000)	(115,000)	(85,049)	(85,049)	(85,049)	(85,049)	(85,049)	0
Increase/decrease in cash	(114,509)	24,776	52,015	51,304	(550)	6,608	3,813	7,474	46,285
Opening Cash	543,745	429,236	454,012	506,027	557,331	556,781	563,389	567,202	574,676
Opening Cash adjusted for increase/decrease	429,236	454,012	506,027	557,331	556,781	563,389	567,202	574,676	620,961
Less Restricted Cash -									
Restricted for Endowment - Leo Mol	298,302	298,302	298,302	298,302	298,302	298,302	298,302	298,302	298,302
Contingent liability account	110,167	110,167	110,167	110,167	110,167	110,167	110,167	110,167	110,167
Operating Cash	**20,767**	**45,543**	**97,558**	**148,862**	**148,312**	**154,920**	**158,733**	**166,207**	**212,492**

E – Capital Funding History

Partners In the Park - Capital Funding History ($)

Project	Project Cost	Total Private	Total Government	Government		
				Federal	Province	City
Leo Mol Sculpture Garden						
Phase I (opened 1992)	2,000,000	800,000	1,170,000	60,000	420,000	690,000
Phase II (opened 1994)	250,000	230,000	20,000		20,000	
Phase III (opened 2003)	428,000	753,996				
Pavilion Restoration (completed 1998)	4,000,000	3,216,601	1,500,000	750,000	750,000	
Assiniboine Park Bandshell (opened 1999)						
Phase I	760,000	610,000	150,000	75,000	75,000	
Phase II	40,000	40,000				
Pooh Painting Purchase	285,000	195,000	90,000	40,000	40,000	10,000
A.A. Milne Book Purchase	98,468	41,578	56,890	36,890	10,000	10,000
Totals	**7,861,468**	**5,887,175**	**2,986,890**	**961,890**	**1,315,000**	**710,000**
Land for 3 phases donated by the City						
Value of sculptures, paintings, ceramics gifted by Leo Mol - phase 1		4,000,000				
Value of studio building and contents gifted by Leo Mol - phase 2						
Value of Artwork donated to Pavilion Gallery by three artists		10,000,000				
Total		**19,887,175**	**2,986,890**	**961,890**	**1,315,000**	**710,000**