



Freedom of Information and Protection of Privacy
200-386 Broadway, Winnipeg, Manitoba R3C 3R6
T 204 945-3767 F 204 948-3558
www.manitoba.ca

July 18, 2016

Re: Application for Access under *The Freedom of Information and Protection of Privacy Act* (FIPPA) – Our File Number 02-16CS

On May 19, 2016, Manitoba Crown Services received your application for access under *The Freedom of Information and Protection of Privacy Act* (FIPPA) requesting the following:

“All materials provided to the current Minister of Crown Services, since the most recent provincial election, including but not limited to: advisory and briefing notes, house books and house preparation materials related to the transition of government.”

I understand that on May 18, 2016, the Information Privacy Policy Secretariat (IPPS) contacted you to clarify this request for the government which reads as follows:

“The transition binder prepared by the department and provided to a new Minister upon appointment that describes the department structure, responsibilities, priorities and critical issues, as well as any advisory notes, briefing notes, or other materials provided to the minister by the date of the access request.”

On June 17, 2016 you were informed by letter that the department was taking a thirty-day extension until July 18, 2016 under Section 15(1)(c) of FIPPA in order to complete your request.

We are pleased to inform you that your request for access to these records has been granted in part. Access is granted to enclosed documents that fell within the scope of this request.

You will notice that access to portions of the records is refused as they fall within exceptions to disclose under FIPPA.

Section 19(1) of FIPPA protects materials prepared for or by Cabinet including committees of Cabinet such as Treasury Board (TB). Information is also withheld under subsection 23(1)(a) of FIPPA because it contains advice, opinions, proposals, recommendations, analyses or policy options for the minister. Further, subsections 23(1)(d) protects plans relating to the management of personnel or the administration of the department and 23(1)(f) protects the proposed plans, policies or projects of a public body.

Information is also protected in accordance with subsection 28(1)(b) of FIPPA because it is financial/commercial information and disclosure could reasonably be expected to harm the financial interests or competitive/negotiating position of a public body.

Section 59(1) of FIPPA states that you may make a complaint about this decision respecting your application for access to the Manitoba Ombudsman. You have 60 days from the receipt of this letter to make a complaint on the prescribed form to:

Manitoba Ombudsman
750 – 500 Portage Avenue
Winnipeg MB R3C 3X1
(204) 982-9130 or 1-800-665-0531

Please contact Mr. Arwin Chua, FIPPA Coordinator for Manitoba Crown Services, at (204) 945-3767 should you have any questions regarding this response.

Sincerely,

Original signed by

Christina Moody
Access and Privacy Officer

Enc.

Relevant provision of
The Freedom of Information & Protection of Privacy Act (FIPPA)

Cabinet confidences

19(1) The head of a public body shall refuse to disclose to an applicant information that would reveal the substance of deliberations of Cabinet, including

- (a) an agenda, minute or other record of the deliberations or decisions of Cabinet;
- (e) a record prepared to brief a minister about a matter that is before, or is proposed to be brought before, Cabinet or that is the subject of communications among ministers relating directly to government decisions or the formulation of government policy.

Advice to a public body

23(1) The head of a public body may refuse to disclose information to an applicant if disclosure could reasonably be expected to reveal

- (a) advice, opinions, proposals, recommendations, analyses or policy options developed by or for the public body or a minister;
- (d) plans relating to the management of personnel or the administration of the public body that have not yet been implemented;
- (f) information, including the proposed plans, policies or projects of a public body, the disclosure of which could reasonably be expected to result in disclosure of a pending policy or budgetary decision.

Disclosure harmful to economic and other interests of a public body

28(1) The head of a public body may refuse to disclose information to an applicant if disclosure could reasonably be expected to harm the economic or financial interests or negotiating position of a public body or the Government of Manitoba, including the following information:

- (b) financial, commercial, scientific, technical or other information in which a public body or the Government of Manitoba has a proprietary interest or right of use;

MANITOBA HYDRO MINISTERIAL BRIEFING

Proposed briefing schedule

Organization

- 1. Manitoba Hydro responsibilities**
- 2. Organizational structure**
- 3. Organization chart**

Strategic Overview

- 1. Strategic priorities**
- 2. Financial overview**
- 3. Broad policy or financial pressures**
- 4. Stakeholders**
- 5. Statutory responsibilities of the Minister / Legal framework**
- 6. Scheduled events – first 30 days**
- 7. Acronyms**

Proposed briefing schedule

With respect to any transition in Ministerial responsibilities, Manitoba Hydro anticipates an early opportunity to deliver a high level briefing (i.e. 2 hour) presentation to the Minister and/or Premier and key staff on key Manitoba Hydro corporate priorities including major capital project briefings and status updates (Bipole III, Keeyask, MMTP).

Manitoba Hydro's initial briefing presentation would also include Manitoba Hydro's perspective and plans with respect to Demand Side Management (DSM), corporate financial overview and challenges (outlined at a high level in this paper), along with a briefing on Indigenous Relations.

Following the initial briefing, topic specific briefings can be arranged in person or in writing and material is available for this purpose.

In addition to specific preparatory work undertaken in the context of the 2016 election, Manitoba Hydro has a comprehensive and regularly updated briefing book (over 70 detailed briefing notes) on a variety of current and ongoing issues and initiatives of interest. This book has been updated to current and is available for distribution to key government/Ministers' Office contacts.

Organization

1. Manitoba Hydro responsibilities

Manitoba Hydro is an integrated electric and natural gas distribution utility that provides reliable utility service to customers throughout Manitoba.

In accordance with The Manitoba Hydro Act, Manitoba Hydro's purposes and objects are to provide for a supply of power that is adequate for the needs of Manitobans, and to promote economy and efficiency in the supply of power. Manitoba Hydro has authority to export power, and engage in secondary business activities, in order to earn revenues to keep rates low for Manitobans.

As a provincial Crown Corporation, Manitoba Hydro is governed by the Manitoba Hydro-Electric Board, whose members are appointed by the Lieutenant-Governor in Council.

Manitoba Hydro requires the approval of the Lieutenant Governor in Council to carry out certain functions such as the expropriation of land, the export of power and the construction of new generating stations. Manitoba Hydro is required to consult the Minister on its annual energy efficiency plans, pursuant to The Energy Savings Act.

The Public Utilities Board (PUB) approves rates for the supply of power, pursuant to The Crown Corporations Public Review and Accountability Act. The PUB regulates the rates and operations of the natural gas utility pursuant to a number of pieces of legislation.

Manitoba Hydro requires approvals and licenses for its major plants and projects, pursuant to The Water Power Act and The Environment Act, and other legislation.

Manitoba Hydro has committed to carry out its operations consistent with the principles of sustainable development as described in The Sustainable Development Act.

2. Organizational structure

Manitoba Hydro's organizational structure consists of the Office of the President & CEO along with nine Business Units. A brief description of the role of each Business Unit is provided below. A diagram of Manitoba Hydro's Organizational structure including Divisions and Departments reporting directly to a Vice President, as of March 15, 2016 is also provided.

Office of the President & Chief Executive Officer

The President & Chief Executive Officer leads the Corporation and ensures the fulfillment of the Corporation's mandate, mission, and goals. The President's Office is responsible for liaising with the office of the Minister responsible for Manitoba Hydro.

General Counsel & Corporate Secretary Business Unit

The General Counsel & Corporate Secretary Business Unit provides legal, internal audit, insurance and intellectual property services.

Finance & Regulatory Business Unit

The Finance & Regulatory Business Unit promotes fiscal responsibility throughout the corporation and provides professional services to other Manitoba Hydro Business Units and external stakeholders. This Business Unit provides a number of services including management and financial accounting, budgeting and financial forecasting, controllership, development of rates and policies, financial market, debt and investment, cash management, and corporate banking services. The Business Unit is also responsible for corporate risk management, recommending and monitoring the Corporation's financial targets, external financial reporting, and supporting and providing policy guidance to other Business Units, and subsidiaries of the Corporation.

Corporate Relations Business Unit

The Corporate Relations Business Unit is responsible for building and maintaining relationships with Indigenous communities and across Manitoba Hydro Business Units. The Corporate Relations Business Unit brings together several planning, analysis, forecasting and coordinating functions to perform corporate level examinations of subjects or issues that are strategically significant to Manitoba Hydro. It is also responsible for implementing partnerships with northern communities, as well as for socio-economic analysis and stakeholder engagement activities on a range of corporate initiatives.

Generation Operations Business Unit

The Generation Operations Business Unit provides for the current and future supply of electricity to Manitobans, as well as marketing and selling electricity to export customers in both Canada and the U.S. This Business Unit plans, designs, operates and maintains 15 hydraulic generating stations, 2 thermal generating stations, and a number of water control structures.

Generation Operations is managing the Keeyask Generating Station Project, one of Manitoba Hydro's major capital projects currently under construction. The 695 MW Keeyask Generating Station is Manitoba's largest hydroelectric dam to be built since 1992. The first unit in-service date is targeted for end of 2019. The Keeyask Project is a collaborative effort between Manitoba Hydro and four Manitoba First Nations, working together as the Keeyask Hydropower Limited Partnership (KHLP).

Generation Operations is responsible for optimizing the use of its facilities within the interconnected, international electricity market to achieve the lowest reasonable cost to Manitoba electricity customers, while giving due regard to the environment, safety, and reliability.

Transmission Business Unit

The Transmission Business Unit plans, designs, constructs, operates, and maintains transmission facilities throughout the province and provides licensing and environmental assessment services, and detailed system planning analysis. In addition, the Business Unit is responsible for HVDC systems, and for the installation and maintenance of electrical apparatus in stations. Moreover, the Business Unit is responsible for real-time operation and reliability of the power grid and provides transmission services to third party open-access transmission customers.

Transmission is managing the Bipole III Project including the construction of the transmission line along with the Riel and Keewatinohk Converter Stations. In combination this project is one of Manitoba Hydro's major capital projects currently under construction.

Customer Service & Distribution Business Unit

The Customer Service & Distribution Business Unit provides Manitoba customers with safe, reliable, economical, and innovative energy products and services through the engineering, construction, operation and maintenance of Manitoba Hydro's natural gas and electrical distribution network (66kV and below). The Business Unit plans for the long-term necessary capacity to accommodate customer growth. Moreover, the Business Unit improves the distribution system through asset replacements and system upgrades.

Customer Care & Energy Conservation Business Unit

The Customer Care & Energy Conservation Business Unit provides energy services and support to meet the needs of customers within Manitoba, captures Demand Side Management opportunities, and secures the natural gas needs of the province. This Business Unit includes many of the functions and employees that directly interface with domestic customers on behalf of Manitoba Hydro.

Human Resources & Corporate Services Business Unit

The Human Resources & Corporate Services Business Unit provides services in the areas of human resources, information technology (IT), workplace health and safety, environmental management, procurement, supply chain, property, fleet, physical and cyber security.

Corporate Communications & Public Affairs Business Unit

The Corporate Communications & Public Affairs Business Unit is responsible for both internal communications with Manitoba Hydro employees and external communications with the public, as well as providing communications, marketing, issues management and public engagement support to all Business Units within Manitoba Hydro.

Biographies

Kelvin Shepherd – President & CEO

Joined Manitoba Hydro December 7, 2015

Previous roles/employer(s):

34 years in telecommunications

15 years MTS

- President – 9 years, 2 roles - Consumer Markets, MTS
- VP Network Services & Chief Technology Officer (2000 – initial role with MTS)

19 years Saskatchewan Telecommunications

- Last role held - Senior Vice-President & Chief Technology Officer
- Wide variety of technical and managerial roles (foundation as Engineer designing microwave and fiber optic systems)

Education:

- Bachelor of Science in Electrical Engineering - University of Saskatchewan
- Certificate in Administration - University of Regina
- Registered Professional Engineer in the Province of Manitoba
- 2015 presented the Engineers Geoscientists Manitoba Leadership Award which recognizes outstanding achievement or influence towards major Engineering or Geoscientific works and developments undertaken for society's long-term benefit and/or quality of life

Volunteer/Board/community involvement:

- Campaign Chair for the 2015 United Way of Winnipeg's 50th Anniversary Fundraising Campaign which raised \$20.4M
- Member of the United Way Campaign Cabinet multiple times
- Member of United Way's Major Donor Cabinet; currently sits on the United Way of Winnipeg's Board of Trustees
- Chair of the Awards Jury for Manitoba Chamber of Commerce annual Business Awards
- Multi-year participant in Downtown Biz CEO Sleepout event
- Canadian Forces Liaison Committee (CFLC) assisting with local business community awareness, engagement and employer support for Reservists
- 10 years on the Board of Trustees of Victoria General Hospital in Winnipeg including a term as Chair of the Board
- Active supporter and/or major donor (with wife Debbie Wolfe) to the United Way of Winnipeg, the Winnipeg Humane Society, Winnipeg Pet Rescue Shelter, the Assiniboine Park Conservancy, the Juvenile Diabetes Research Foundation (JDRF), and the Victoria General Hospital Foundation

Ken Tennenhouse – Vice President General Counsel & Corporate Secretary

Joined Manitoba Hydro Law Department in 1983. Vice President General Counsel & Corporate Secretary since 2013.

Previous roles/employer(s):

- Over 30 years of progressively responsible technical and leadership roles with Manitoba Hydro

Education:

- Bachelor of Laws, Faculty of Law, University of Manitoba (1982)
- Department of Environmental Studies, Faculty of Architecture, University of Manitoba (1979)

Professional memberships

- Member in good standing of the Law Society of Manitoba; Manitoba Bar Association; Canadian Corporate Counsel Association; Compliance and Ethics Leadership Council

Darren Rainkie – Vice President Finance & Regulatory Affairs

Joined Manitoba Hydro with the acquisition of Centra Gas in 1999 (over 22 years of service between the two companies). Vice President of Finance & Regulatory Affairs since 2013.

In July 2015, the Manitoba Hydro-Electric Board recognized Darren's accomplishments and leadership by investing him with the title of Chief Financial Officer.

Previous roles/employer(s):

- Manitoba Hydro's Acting President & CEO from September to December of 2015
- Progressively responsible financial and leadership roles with Manitoba Hydro in Regulatory Services, Corporate Treasurer (Division Manager), Corporate Controller (Division Manager)

Education:

- Chartered Professional Accountant (1991)
- Chartered Business Valuator (1993)
- Bachelor of Commerce (Honours) degree, University of Manitoba (1988)

Ruth Kristjanson – Vice President Corporate Relations

Joined Manitoba Hydro 1987. Vice President of Corporate Relations since 2004.

Previous roles/employer(s):

- Approximately 30 years of progressively responsible technical and leadership roles with Manitoba Hydro in Aboriginal Relations (Division Manager), Executive Assistant ('Chief of Staff') to the President & CEO, and Economic Analysis.
- Manitoba Government – Economist Energy & Mines (1980-1987)

Education:

- University of Western Ontario, MA – Economics (1980)
- University of Winnipeg, BA (Hons) – Economics (1979)

Volunteer/Board/community involvement:

- United Way Winnipeg

Lorne Midford – Vice President Generation Operations

Joined Manitoba Hydro in 1985. Vice President of Generation Operations since 2013.

- Chair of the Board of the Wuskwatim General Partnership (200 MW Generating Station developed and co-owned by Nisichawayasihk Cree Nation (NCN) and Manitoba Hydro). Wuskwatim represents the first time a Cree Nation and an energy utility partnered to co-own and develop a major hydroelectric generating station in Canada
- Chair of the Keeyask General Partnership - Manitoba Hydro along with Tataskweyak Cree Nation, War Lake First Nation, York Factory First Nation and Fox Lake Cree Nation (working together as the Keeyask Hydropower Limited Partnership (KHLP))

Previous roles/employer(s):

- 30 years experience of progressively responsible technical and leadership roles with Manitoba Hydro
- Prior to his selection as the Vice President of Generation Operations, Lorne was the Division Manager of Transmission System Operations

Education:

- B. Sc in Electrical Engineering and a Master of Science degree (with distinction)
- Completed the Ivey Executive Program from the University of Western Ontario
- Registered Professional Engineer in the Province of Manitoba

Volunteer/Board/community involvement:

- Chair of the Board of Teshmont Consultants Ltd, a world leader in high voltage power engineering
- Past board member of the Midwest Reliability Organization

Shane Mailey – Vice President Transmission

Joined Manitoba Hydro in 1991. Vice President of Transmission since 2013.

Previous roles/employer(s):

- 25 years of progressively responsible technical and leadership roles with Manitoba Hydro including design, construction, contract administration, project management and Maintenance
- Prior to his selection as the Vice President of Transmission, Shane was the Division Manager of Transmission Construction and Line Maintenance
- Corporate Engineer for Manitoba Hydro

Education:

- B.Sc in Civil Engineering University of Manitoba (1990)
- Earned the designation of Fellow, from Engineers Canada in 2011
- Registered Professional Engineer in the Province of Manitoba

Volunteer/Board/community involvement:

- Teshmont Board, Friends of Engineering Board, CEA Transmission Council and Cigre Canada Executive.

Brent Reed – Vice President Customer Service & Distribution

Joined Manitoba Hydro in 1974. Vice President of Customer Service & Distribution since 2009.

Previous roles/employer(s):

- Over 40 years of electric and gas utility experience in the customer service, distribution and transmission fields; specifically in the areas of customer service operations, marketing, engineering, construction, distribution operations and maintenance
- Prior to his selection as the Vice President of Customer Service & Distribution, Brent was the Division Manager of Customer Service Operations

Education/training:

- Manitoba Hydro Power Line Journeyman

Volunteer/Board/community involvement:

- Currently a member of the Standing Committee of Operations (SCO) with the Canadian Gas Association (CGA) and the SCO sponsor for the CGA Measurement Committee
- Member of the Distribution Council of the Canadian Electrical Association
- Chair of three Manitoba Men's Curling Championships and as a Director on a number of Boards including Junior Achievement Manitoba, the Civil Service Superannuation Board and Credit Union Financial institutions

Lloyd Kuczek – Vice President Customer Care & Energy Conservation

Joined Manitoba Hydro in 1977. Vice President of Customer Care & Energy Conservation since 2012.

Previous roles/employer(s):

- Over 35 years of progressively responsible technical and leadership roles with Manitoba Hydro in Power Smart, Export Power Sales/Marketing, and Engineering.
- Prior to his selection as the Vice President of Customer Care & Energy Conservation, Lloyd was the Division Manager of Consumer Marketing & Sales

Education:

- Masters in Business Administration (Honours); University of Manitoba (1990)
- B.Sc. in Electrical Engineering (Gold Medalist), University of Manitoba (1977)

Volunteer/Board/community involvement:

- Canadian Electrical Association, Customer Council member
- Canadian Gas Association, Market Development Committee member
- Energy Technology and Innovation Canada, Steering Committee member
- Canadian GeoExchange Coalition; founding and past Board member (Chairman: 2006)
- Climate Change Connection (Manitoba); founding and past Steering Committee member
- Member, Winnipeg Chamber of Commerce
- Advisory Committee, Salvation Army

Bryan Luce – Vice President HR & Corporate Services

Joined Manitoba Hydro February 25, 2013 (current role)

Previous roles/employer(s):

- Executive Vice President and Chief Human Resources Officer for MTS Allstream Inc.
- Manager Labour Relations at St. Boniface General Hospital
- Director Human Resources at Grace General Hospital
- Divisional Personnel Administrator for Canada Wire and Cable Ltd.
- Launched and successfully led Pinnacle's Human Resources and Labour Relations consulting practice

Education:

- Human Resources and Labour Relations Program from Confederation College of Applied Arts and Technology in Thunder Bay, ON (1981)

Volunteer/Board/community involvement:

- Board of Directors for the Manitoba Business Leadership Network
- Member of the Conference Board of Canada's Council of Industrial Relations and Human Resources Executives

Siobhan Vinish – Vice President Corporate Communications & Public Affairs

Joined Manitoba Hydro June 16, 2015 (current role)

Previous roles/employer(s):

- Vice-President, Marketing and Audience Development with Postmedia Network (2011-2015), and held a similar position with the Calgary Herald (2007 - 2011)
- Director of Public Relations and Communications for WestJet Airlines (1996 – 2006) in Calgary

Education:

- Bachelor of Commerce Degree - University of Calgary (1996)

3. Organization chart

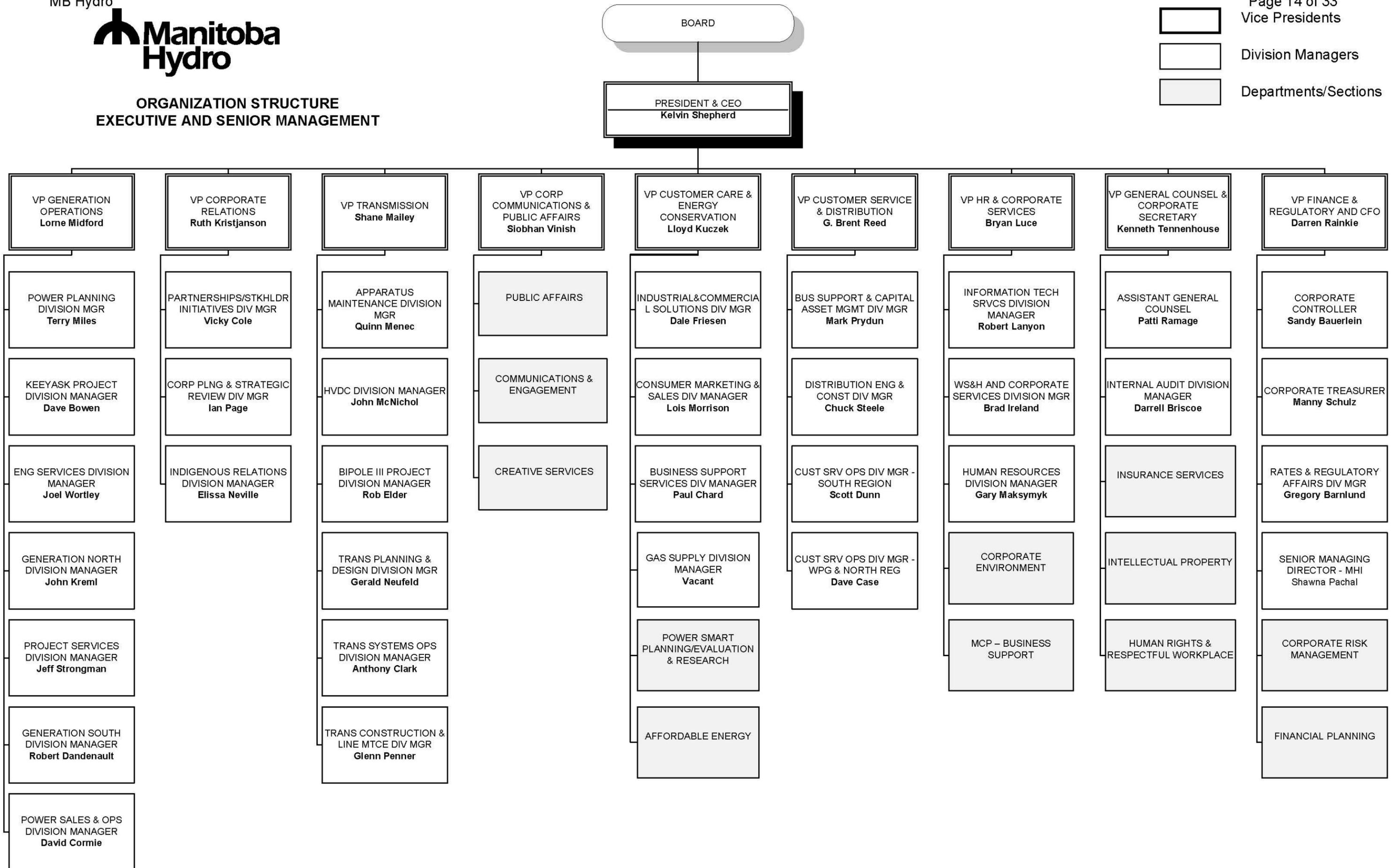


**ORGANIZATION STRUCTURE
 EXECUTIVE AND SENIOR MANAGEMENT**

Vice Presidents

Division Managers

Departments/Sections



Strategic Overview

1. Strategic priorities

Manitoba Hydro's mandate is to meet the energy needs of the Province today and for the future. In order to continue to deliver safe and reliable energy to its customers, Manitoba Hydro must continually invest in its system to provide for the growing demand for electricity in Manitoba as well as to replace aging infrastructure. Much of the infrastructure that Manitobans rely upon to meet their energy needs has reached or will soon reach the end of its useful life and as a result is susceptible to more frequent and serious failures, as well as limitations on capacity to meet future requirements. It also often lacks the remote monitoring and control capability to provide real-time information that can be used to enhance reliability and to reduce response time should an outage occur. As society becomes more dependent upon technology, reliable, high quality energy becomes of vital importance. The required infrastructure investment costs will be many multiples higher than the historic cost of the existing asset base which in many cases is many decades old.

Manitoba Hydro's focus is on continuing to provide our electricity and natural gas customers with the level of reliability and service that they have grown accustomed to and expect, while continuously planning for the future energy needs of the province. Continuous planning recognizes ongoing technological changes and advancements in the energy industry. Manitoba Hydro seeks to be in a state of readiness and pursue advancements in new technology when cost effective and advantageous to Manitoba rate payers.

Manitoba's economy and population continue to grow and so does the demand for energy. Manitoba Hydro's near term plan to meet this need is based on its proven strategy of Power Smart energy conservation programs combined with the construction of renewable hydropower generating stations and increasing the interconnectedness of the Manitoba system with neighbouring jurisdictions. These interconnections provide Manitoba Hydro with access to export markets for the sales of surplus electricity and provide a means to import electricity in case of major equipment outages or when the hydro system experiences drought conditions. The current power resource plan includes:

Power Smart demand-side management	1,288 MW	by 2029/30
Keeyask Generating Station	695 MW	2019/20
Bipole III 2300 MW HVDC line and converters	80MW	2018/19

This plan provides the lowest long-term cost to customers while enhancing the level of reliable customer service. The plan provides significant socio-economic benefits to Manitoba, and to Indigenous northerners in particular, through training, employment, business opportunities, income opportunities and through the ability to participate in ongoing environmental protection efforts. The development of renewable energy projects positions Manitoba and Manitoba Hydro well in an increasingly green energy

world. In addition, as neighboring jurisdictions set objectives for greenhouse gas emissions reductions, elimination of coal fired generation, and look to increase their own mix of renewable energy, this may create new export and business development opportunities for Manitoba Hydro

The Power Smart plan targets energy savings for both electric and natural gas usage with programs directed at residential, commercial and industrial customers. The plan is to realize electricity savings of 1,288 MW and 4,619 GW.h and natural gas saving of 118 million cubic meters which will yield global greenhouse gas emission reductions of 3.3 million tonnes by 2029/30. The projected cost of the various programs is \$1.8 billion over the next 20 years.

The \$6.5 billion Keeyask generating station is being developed as a partnership with the four in vicinity First Nations. Tataskweyak Cree Nation, War Lake First Nation, Fox Lake Cree Nation and York Factory First Nation have the opportunity to invest in up to 25% of the project as equity partners and share in a portion of the project's profits. The first of the seven generating units of the project is currently projected to come online during the 2019/20 fiscal year.

Bipole III is principally a reliability enhancement project which adds a third high voltage direct current transmission line from the hydro-generation in the north to the main load centres in southern Manitoba with 2300 MW of ac-dc converter capability at each end. Today's Bipole I & II lines carry over 70% of the electrical energy used in the Manitoba electrical grid. Routing the new Bipole III line to geographically separate it from the existing two lines reduces the vulnerability of the system to threats such as severe weather or forest fires. Perhaps more importantly, since the current Bipole I and II lines terminate in a single converter station (Dorsey) the addition of a new converter station (Riel) will eliminate this current single point of failure. Unlike line failures which could result in failures lasting several weeks, a major failure of the Dorsey station, for example caused by a wind/tornado event, could interrupt 70% of Manitoba's energy supply for a very extended time frame.

As a supplemental benefit, by adding a third path for electricity via Bipole III, the loading on the existing lines will be reduced which, consequently, reduces line losses equivalent to adding 80 MW of new generation. The Bipole III project is planned to be in service during 2018/19 at a total cost of \$4.65 billion.

The Bipole and Keeyask projects are critical to Manitoba's future energy security and supply. Aside from the delivery of these important and strategic projects, Manitoba Hydro recognizes the vital role it plays in the province of Manitoba; not only in terms of delivering on the corporations' mandate but also in many other indirect ways. This includes but is not limited to the significance of being

- one of the largest corporations and employers in the province
- a significant provider of contracting and business opportunities including to/in northern and indigenous communities

- a corporation that citizens of the province (with a variety of stakeholder perspectives) have high expectations of including but not limited to the areas of environmental sustainability and indigenous relations.

Major project completion, aging infrastructure renewal, and financial health of the corporation while recognizing and balancing the expectations of stakeholders and the importance of Manitoba Hydro in the province are key priorities of the corporation.

2. Financial overview

Projected Financial Results

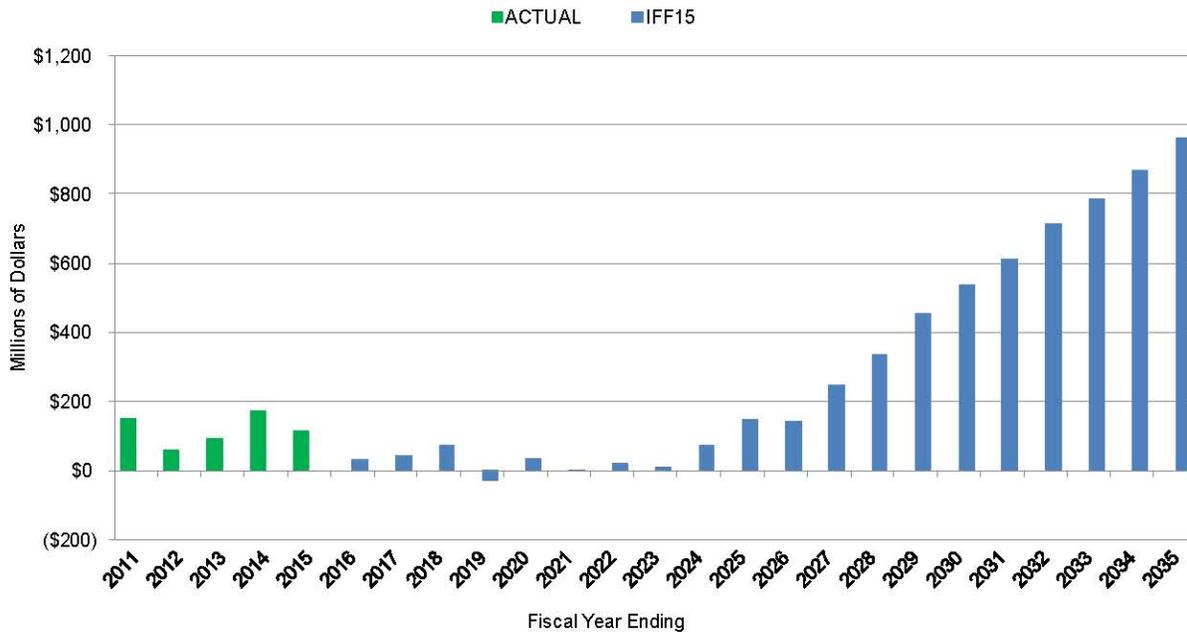
The Integrated Financial Forecast (IFF15) projects Manitoba Hydro's (MH) financial results over the 20-year period 2015/16 to 2034/35 and was approved by the Manitoba Hydro-Electric Board (MHEB) on December 2, 2015.

In IFF15, MH projected net income of \$31 million for the 2015/16 fiscal year based on the continuation of favorable water flow conditions and the assumption of normal winter weather. MH's actual loss was \$39 million for the nine months ended December 31, 2015, which was \$4 million unfavorable to the forecast. Based on preliminary financial results and considering regulatory deferrals, MH is projecting net income for the 2015/16 fiscal year to be in line with the forecast projected in IFF15.

In IFF15, MH projected net income of \$42 million for 2016/17, assuming median water flow conditions, normal winter weather and the approval of a requested 3.95% interim electric rate increase effective April 1, 2016 which is currently before the Public Utilities Board of Manitoba (PUB). In absence of the approval of the electric rate increase by the PUB, MH would project a loss of approximately \$19 million in 2016/17.

Over the eight year period from 2017/18 to 2024/25, Manitoba Hydro is projecting cumulative net income of \$327 million in IFF15 which assumes projected indicative electric rate increases of 3.95% on annual basis throughout this period. This net income is constrained due the impacts of the costs of the planned generation and transmission projects that are coming into service and the continued downward pressure on electricity prices in export markets. Net income levels are projected to increase significantly in the second decade of IFF15 due to Keeyask export revenues and cumulative domestic rate increases.

The following figure shows projected **Consolidated Net Income/(Losses) for IFF15**:



Projected Capital Expenditures

Total Capital expenditures included in IFF15 are projected to be \$16.8 billion to 2024/25 and \$25.7 billion to 2034/35, which include the following major new generation and transmission projects and initiatives (with their respective projected in-service dates):

- Bipole III HVDC transmission line and 2300 MW converter stations (2018/19);
- 695 MW Keeyask (2019/20)
- 500kV transmission line to the U.S. (2020/21);
- 230 kV transmission line to Saskatchewan (2021/22); and
- 2015 PowerSmart Plan 1288 MW/4619 GW.h, 118 million m³ of gas and 3.3 million tonnes of GHG emission reductions by 2029/30.

Construction activities have commenced on the Bipole III Reliability project including the clearing of the right-of-way, completion of the northern converter station site preparation and support buildings. The planned in-service date for the Bipole III Reliability project is in 2018/19. The Bipole III project has expended a total of \$1.72 Billion as of February 29, 2016 of the total \$4.65 Billion Control Budget (37%). While over \$1.72 Billion has been expended, the total committed costs for the project are greater. Over 90% (by \$ value) of the contracts on Bipole III have been awarded and the vast majority of these contracts are in-progress. It is estimated that total committed costs are approximately \$2.9 Billion as of February 29, 2016 (62% of control budget).

Construction on the Keeyask Generating Station has also commenced, specifically the spillway cofferdam construction and dewatering, as well as the powerhouse excavation

in preparation of major concrete placement activities to begin in the spring of 2016. The planned first power in-service date for this project is in 2019/20. To January 31, 2016 expenditures on the Keeyask Project total \$2.2 Billion; 34% of the total estimated project costs. Forecasted expenditures to the end of the fiscal year, March 31, 2016, are \$2.37 Billion; 36% of the total estimated project costs.

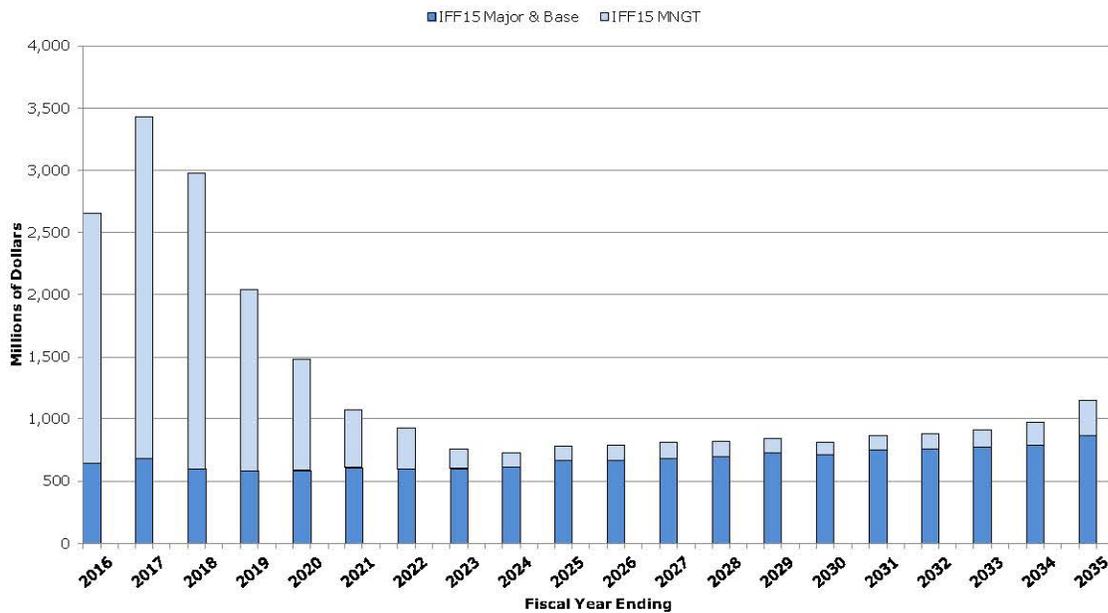
MH continues to develop the Manitoba-Minnesota Transmission Project, a transmission interconnection into the U.S. which supports enhanced export capability, improved reliability for Manitoba and increased capacity to address drought risk mitigation.

MH is also implementing a more aggressive demand side management Power Smart plan with the objective of driving a significant increase in consumption savings, but which also requires substantial additional investment in Power Smart programs.

Total capital expenditures are projected at \$2.6 billion for 2015/16 and \$3.4 billion for 2016/17. In 2016/17, projected capital expenditures related to major new generation and transmission projects (primarily Bipole III and Keeyask) and demand side management investments total \$2.7 billion while sustaining capital expenditures are projected to total \$0.7 billion.

Major New Generation and Transmission capital expenditures are projected to be \$10.6 billion to 2024/25 and \$12.1 billion to 2034/35. Electric and Gas Major and Base (sustaining) capital expenditures are projected to be \$6.2 billion to 2024/25 and \$13.6 billion to 2034/35.

The following figure shows the **Capital Expenditure Forecast for IFF15:**



Net capital assets are projected to nearly double over the next 10 years from \$15.3 billion at March 31, 2015 to approximately \$26 billion by 2024/25 with carrying costs

(depreciation and finance expenses) associated with this increase in assets commensurately doubling over the same period. Thereafter, net capital assets are projected to remain relatively constant at \$26 billion as projected depreciation expense keeps pace with projected capital expenditures for aging infrastructure. Net debt was \$12.1 billion at March 31, 2015 and is projected to nearly double by 2024/25 to approximately \$22 billion. By the end of the forecast period in 2034/35, net debt is projected to decrease due mainly to increases in cash and cash equivalents resulting from Keeyask export and domestic energy sales.

3. Broad policy or financial pressures

MH is in the midst of a period of extensive capital investments to meet the growing energy requirements of Manitoba, replace aging utility assets, and address increased capacity constraints on the electricity system. The level of MH's capital investments are projected to be significantly higher than in the past 10 years. Given the higher costs of infrastructure today as compared to what would have been experienced historically, MH's planned capital program is significantly higher than any previous capital investment program in the Corporation's history. As noted above, the increased carrying costs of these investments will almost double MH's costs in the next 10 year period.

The majority of MH's capital investments will be funded through greatly increased levels of debt financing which will need to be funded through higher rates, while placing pressure on the Corporation's financial strength and also result in deterioration of certain key financial ratios.

MH has a solid plan to balance the need for investment to maintain safe and reliable service with the need to provide stable and predictable rates for customers. Key areas of focus include:

- Continuing to find and implement innovative ways to control costs without compromising the ability to deliver safe and reliable service. MH is targeting to limit increases in its operating costs to 1% on an annual basis through to 2021/22, excluding the impacts of accounting changes;
- Continuing to aggressively pursue a balanced portfolio of profitable export sales to provide the highest financial benefits to ratepayers and Manitobans over the long-term;
- Continue to manage finance expense exposure by closely monitoring financial markets and taking action to reduce financing costs where prudent and feasible;
- Implementing reasonable and predictable rate increases while continuing to have electricity rates that are affordable and competitive; and
- Offering new expanded Power Smart programs to aggressively target additional electricity and natural gas savings to reduce/delay the need for further infrastructure investments while assisting customers in managing their overall energy costs.

MH is projecting the need for 3.95% rate increases from 2016/17 to 2028/29 and then 2.0% thereafter to 2034/35. The major factors contributing to the need for the 3.95% rate increases are the extensive capital investments required to maintain a secure, reliable energy supply, as well as the continued downward pressure on electricity prices in export markets. The amount of rate increases also assumes that increased investment in demand side management programs will cost effectively offset a significant amount of projected future load growth.

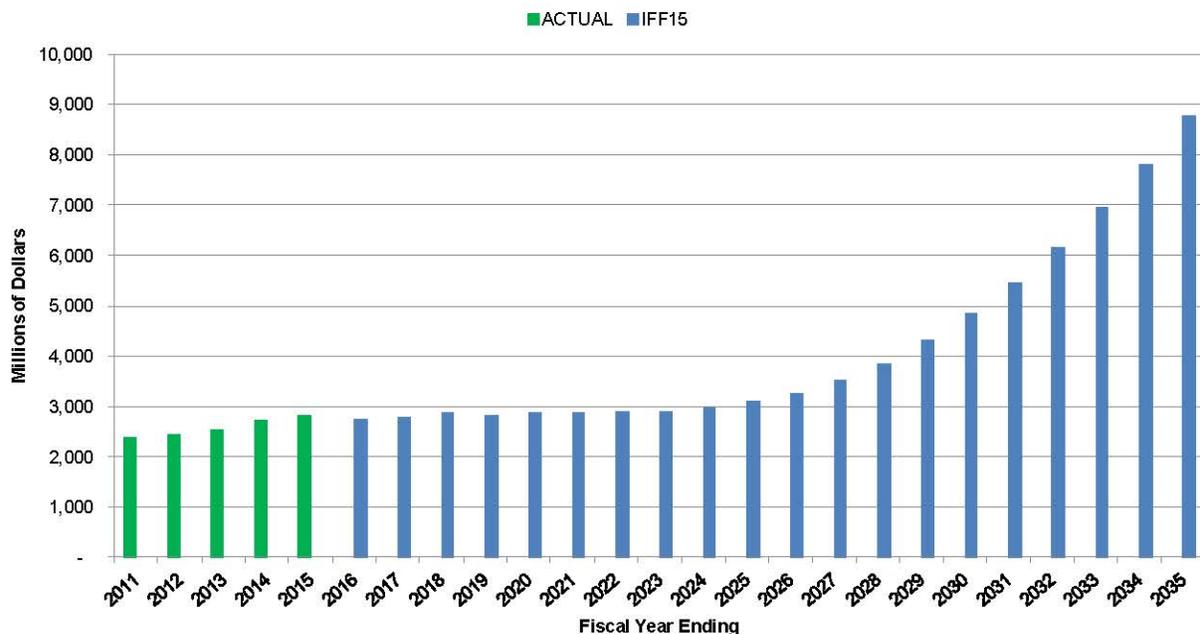
Financial Reserves

MH's major financial and operational risks include the impacts of

- a potential (extended) drought
- cost of new infrastructure development
- risks associated with reliance on aging infrastructure as well as cost for its renewal and replacement
- weather (e.g. risks of service interruption)
- price and market uncertainties
- interest, inflation and foreign exchange rates
- skilled labor availability and costs
- increasing regulatory, environmental and legal requirements
- increasing stakeholder expectations
- accelerated technological change

MH manages these risks and provides customers with long-term rate stability and predictability through the maintenance of an adequate level of financial reserves (retained earnings). In the next 10 years there is significant financial risk and potential for rate volatility as MH's financial ratios deteriorate due to the large capital investment program and associated borrowing requirements. MH is relaxing its adherence to its key financial targets over this period in order to alleviate rate increases in excess of 3.95% to the extent possible. Due to the deterioration in MH's financial ratios, any further increases in cost or reductions in revenues increases the risk of higher rate increases to customers.

The following figure shows projected **Consolidated Retained Earnings IFF15**:



In a Crown-owned utility such as MH, financial reserves are needed to maintain rate stability and predictability for customers and maintain access to low-cost financing on behalf of customers as the cost of financing is collected from customers through rates.

If MH does not maintain its financial strength, there is significant risk to customers that rate changes will become more volatile and there will be a need for sudden or large rate increases in the near future. As well, there could be negative impacts to the credit rating of the Province of Manitoba if credit rating agencies were to deem MH to no longer be financially self-supporting. These risks are particularly acute in the period of extensive capital investment.

In IFF15, MH is projecting that financial reserves will be relatively stable in comparison to current levels and increase marginally in the first 10 years of the forecast, including the impacts of the 3.95% rate increases. The stabilization of financial reserves in IFF15 combined with continued cost containment initiatives should assist MH in maintaining the 3.95% rate increases in the near to medium term and help to reduce the risk of the requirement for higher rate increases in the future.

However, if lower than average water flows occur in the first 10 years of the forecast, lower forecast electricity prices continue or interest rates rise sharply, rate increases higher than the projected 3.95% per year may be required. Additionally, as further extensive reviews of asset condition and aging infrastructure progress, an increase in capital investment requirements in future periods relative to IFF15 may be required to address customer growth requirements and to sustain MH's current infrastructure. This would place downward pressure on MH's financial position and upward pressure on rate increases.

The proposed 3.95% electricity rate increase for 2016/17 and the indicative rate increases of 3.95% per year from 2017/18 to 2028/29 are the minimum necessary to support needed investments in infrastructure, to preserve the financial integrity of the Corporation and to protect customers against much higher rate increases in the future.

The aging infrastructure issue is facing all utilities in North America and is resulting in considerably higher electricity rates than are being projected in Manitoba. Even with the rate increases being projected in IFF15, it is expected that Manitoba's domestic electricity customers will continue to have rates that are affordable and competitive with other utilities in North America.

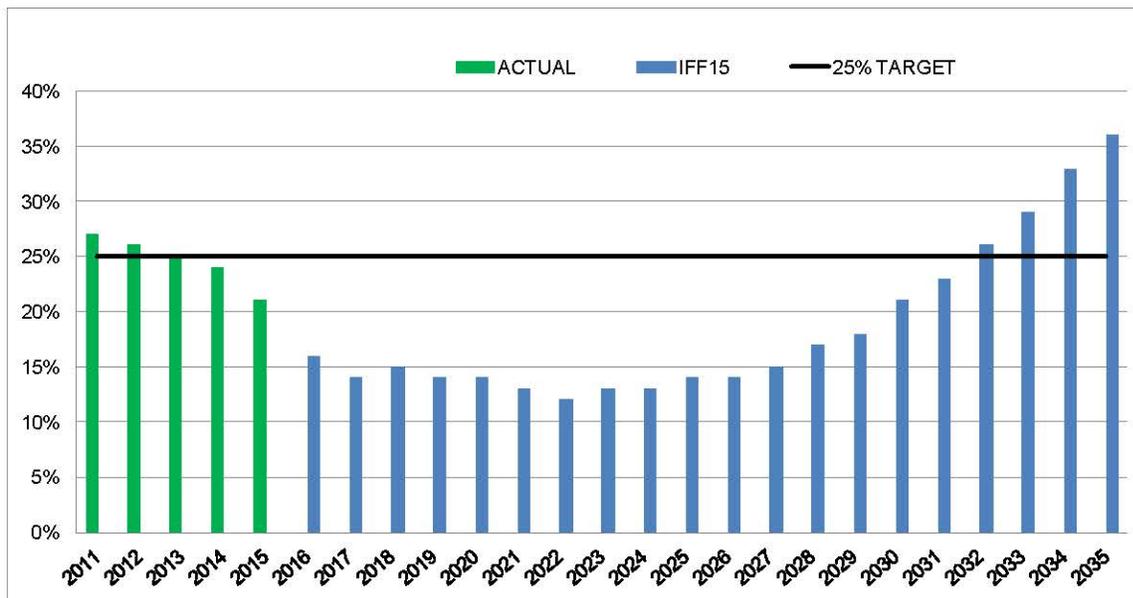
In the 20 year timeframe, the indicative 3.95% rate increases and export revenues generated from the Keeyask Generating Station are projected to accumulate to a sufficient level to cover the increased costs and MH will begin to increase its financial reserves.

Financial Targets

MH uses three primary financial targets to measure its financial strength, the debt/equity ratio (a measure of the portion of assets that are financed by internally generated funds/equity rather than debt), the interest coverage ratio (a measure of the ability to meet interest payment obligations with cash flow from operations) and the capital coverage ratio (a measure of the ability of current period internally generated funds to finance sustaining capital expenditures). MH has recently reviewed its financial targets, retaining the debt/equity ratio 75:25 target and capital coverage ratio with a minimum target of 1.20, and has replaced the its 1.20 EBIT (Earnings Before Interest and Tax) interest coverage ratio target with an EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization) interest coverage ratio with a minimum target of 1.80. Graphical depictions of these projected financial targets to 2034/35 in IFF15 are displayed below.

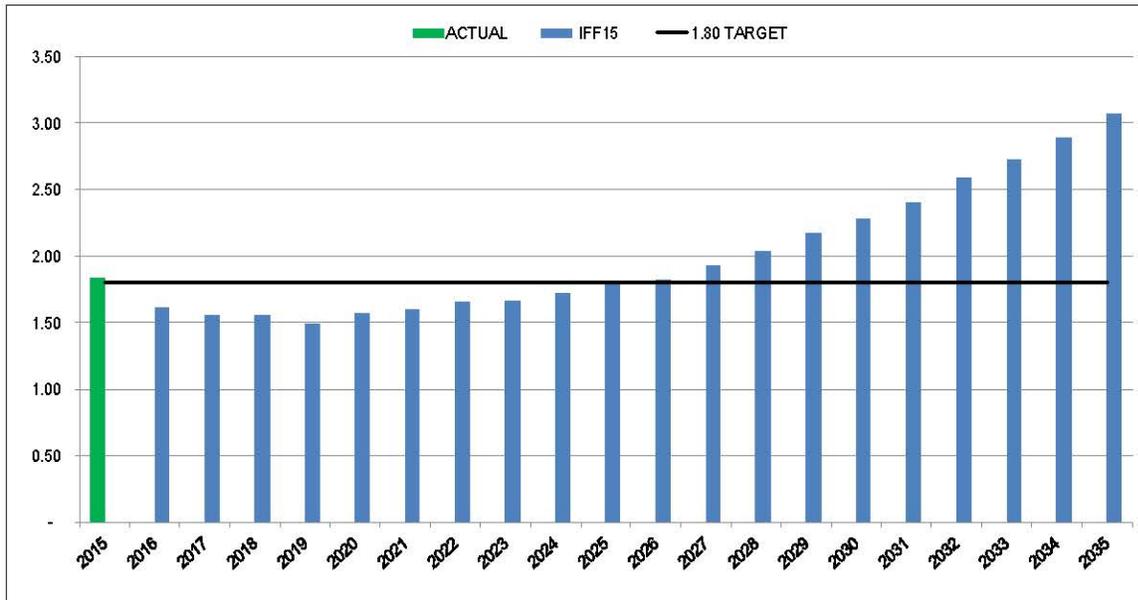
The debt/equity ratio was 79:21 at March 31, 2015 and is projected to weaken to 88:12 by 2021/22 (during the period of heavy capital investment), gradually improving to the target ratio of 75:25 by 2031/32.

Consolidated Equity Ratio:



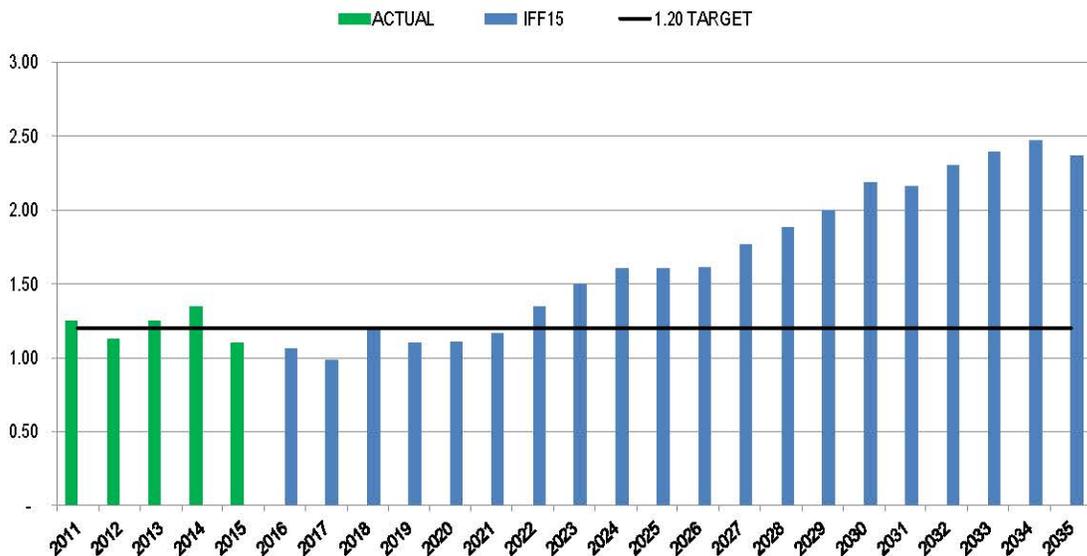
The lower levels of projected net income associated with lower export revenues than historically and the carrying costs associated with the large capital investments in the generation and transmission system result in interest coverage ratios lower than target for a period of nine years before returning to the 1.80 target level by 2024/25.

Consolidated EBITDA Interest Coverage Ratio:



Capital coverage is below target for the first six years of the forecast due to lower net income and capital requirements to renew aging infrastructure and then projected cash flows are sufficient to enable this target to be met in the remaining years of the forecast.

Consolidated Capital Coverage Ratio:



4. Stakeholders

Manitoba Hydro stakeholders are varied, often with unique and competing interests. For example, while ratepayers as a distinct stakeholder group generally have an interest in maintaining the lowest rates possible, other stakeholder groups have expectations which often have financial implications. Manitoba Hydro's challenge is to cooperatively work with these varying stakeholder groups and attempt to strike a reasonable balance between competing interests and priorities.

Below, and in no particular order, is a list of some of the key stakeholders Manitoba Hydro interfaces with on a regular basis.

Specific contacts and contact information is available as required upon request.

- The Province of Manitoba, the owner of Manitoba Hydro as a crown corporation representing the people of Manitoba
- Ratepayers
- Crown Corporations Committee of the Legislature
- Various Manitoba Government Departments with specific responsibilities – i.e. Conservation and Water Stewardship (including Environmental Approvals Branch), Manitoba Infrastructure & Transportation, Energy Division, Aboriginal & Northern Affairs
- Crown Corporations Council
- Credit Rating Agencies
- National Energy Board
- Public Utilities Board
- Clean Environment Commission
- Environmental interest groups
- Aboriginal Communities including
 - Umbrella organizations such as the Assembly of Manitoba Chiefs (AMC), Manitoba Keewatinowi Okimakanak Inc. (MKO), Southern Chiefs Organization (SCO), Assembly of First Nations, Treaty 2, Swampy Cree Tribal Council (SCTC), Manitoba Métis Federation (MMF)
 - Individual communities and organizations (First Nations, Northern Association of Community Councils (NACCs)
 - Partner communities (Nisichawayasihk Cree Nation (NCN) for the Wuskwatim Generating Station, and the four partner First Nations

for the Keeyask Project - Tataskweyak Cree Nation, War Lake First Nation, York Factory First Nation and Fox Lake Cree Nation)

- Media – local, regional, national and international
- Current and future export customers in Canada and the US – including SaskPower, Minnesota Power (MP), Basin Power Electric Cooperative (Basin), Xcel Energy/Northern States Power (NSP), Great River Energy (GRE), Minnesota Municipal Power Agency (MMPA), Wisconsin Public Service (WPS), Wisconsin Electric Power Company (WE Energies)
- Standards bodies
- Educational bodies/institutions
- Unions/Professional Associations
- Suppliers
- Landowners
- Municipalities

5. Statutory responsibilities of the Minister / Legal framework

Manitoba Hydro is a Crown Corporation which operates under the authority of *The Manitoba Hydro Act*. The affairs of the corporation are administered by a board whose members are appointed by the Lieutenant Governor in Council, pursuant to Section 5 of *The Manitoba Hydro Act*.

The Board of Manitoba Hydro is responsible to a Minister designated by Executive Council, pursuant to *The Crown Corporations Public Review and Accountability Act* (the “CCPRA Act”) which states as follows:

Boards responsible to minister

14(1) Subject to subsection (2), every board is responsible to the member of the Executive Council charged by the Lieutenant Governor in Council with the administration of the Act by or under which the corporation is established.

Manitoba Hydro prepares an annual report, and the Minister is required to timely lay the report before the Legislative Assembly, pursuant to Section 19 of the *CCPRA Act* and Sections 45-46 of *The Manitoba Hydro Act*. In addition to the annual report, Manitoba Hydro also prepares quarterly reports, and the Minister is required to lay these reports before the Legislative Assembly, pursuant to Section 20 of the *CCPRA Act*.

Manitoba Hydro is required to make payments into the Affordable Energy Fund from time to time, in consultation with the Minister, pursuant to Section 4(3) of *The Energy Saving Act*.

Manitoba Hydro is required to prepare an annual Energy Efficiency Plan, in consultation with the Minister, pursuant to Section 7(1) of *The Energy Saving Act*. Manitoba Hydro provides a report to the Minister on the results of the plan, and the Minister is required to table the report with the Legislative Assembly, pursuant to Section 8 of the *Act*.

Manitoba Hydro recognizes and appreciates the Minister’s role under the aforementioned Acts. The Office of the President & CEO of Manitoba Hydro liaises directly with the Office of the Minister responsible for Manitoba Hydro as the need for information and briefings arises.

6. Scheduled events – first 30 days

Manitoba Hydro has been contacted by the Office the Secretary to the Governor General of Canada regarding a planned upcoming northern visit (northern Manitoba, Nunavut & Nunavik) by Their Excellencies the Right Honourable David Johnston, Governor General of Canada, and Mrs. Sharon Johnston. Manitoba Hydro has been specifically invited to attend the planned visit to Churchill, Manitoba, on May 4, 2016.

The communicated format is to hold a discussion with participants from different institutions involved in research projects. By way of background, the Natural Sciences and Engineering Research Council of Canada (NSERC) and Manitoba Hydro announced in May 2015 more than \$13 million direct and in-kind funding to the University of Manitoba for three projects associated with the following:

- the impacts of climate change and hydro-electric activities in the Hudson Bay system;
- the complex processes affecting river ice formation on the Lower Nelson, Red and Assiniboine Rivers;
- better ways to protect and sustain the endangered Lake Sturgeon

If not already formally invited, Manitoba may choose to make further inquiries with Canada.

While not finalized nor scheduled at the time of writing, additional possible events/media items include

- the anticipated decision from the PUB on Manitoba Hydro's submission for the 3.95% rate increase for 2016 (requested effective date April 1st)
- the sale by Manitoba Hydro and the purchase by SaskPower of *up to* 140 megawatts of electrical generating capacity and associated energy. The new 20-year agreement signed between Manitoba Hydro and SaskPower for a *minimum* of 100 megawatts of renewable hydroelectricity was announced in September 2015

7. Acronyms

AEA	Adverse Effects Agreement
AHC	Allied Hydro Council (of Manitoba)
AIP	Agreement-in-Principle
ATK/TK	Aboriginal Traditional Knowledge/Traditional Knowledge
B/N (BN)	Briefing Note
BCR	Band Council Resolution
BNA	Burntwood/Nelson Agreement
BP	Bipole
C&C	Chief and Council
CDI	Community Development Initiative (Bipole III)
CEA	Canadian Electricity Association
CEF	Capital Expenditure Forecast
CFL	Compact fluorescent light bulb / lamp
CGA	Canadian Gas Association
CHA	Canadian Hydropower Association
CIA	Comprehensive Implementation Agreement
CIP	Critical Infrastructure Protection (NERC)
CNP	Cree Nation Partners
CPJ	Capital Project Justification
CPP	Clean Power Plan
CRD	Churchill River Diversion
CSA	Canadian Standards Association
CSC	Customer Service Centre
CSP	Corporate Strategic Plan
DNC	Direct Negotiation Contract(s)
DSM	Demand Side Management (Power Smart Programs)
EC	Executive Committee
EIS	Environmental Impact Statement
EMF	Electro-Magnetic Field
EnvPP (also EPP)	Environmental Protection Plan
EPA	(Canadian) Environmental Protection Act
EPA	Environmental Protection Agency (US)
EPP	Environmental Protection Plan
EPP	Equal Payment Plan
FERC	Federal Energy Regulatory Commission
FPIC	Free, Prior and Informed Consent
G.S. (GS)	Generating Station
GHG	Greenhouse Gases
GNTL	Great Northern Transmission Line
GRA	General Rate Application
GRE	Great River Energy
GREP	Gillam Redevelopment and Expansion Program

GW (GWh)	Gigawatt (Gigawatt hour)
HGD	Harmonized Gillam Development
HNTEI	Hydro Northern Training Employment Initiative
HVDC	High Voltage Direct Current
IFF	Integrated Financial Forecast(s)
IFRS	International Financial Reporting System
IHA	International Hydropower Association
IR	Information Request
IRP	Integrated Resource Plan
ISD	In Service Date
JKDA	Joint Keeyask Development Agreement
KCN	Keeyask Cree Nations (Tataskweyak, War Lake, Fox Lake and York)
KHLP	Keeyask Hydropower Limited Partnership
kWh	Kilowatt hour
LWR	Lake Winnipeg Regulation
MH	Manitoba Hydro
MHEB	The Manitoba Hydro-Electric Board
MHI	Manitoba Hydro International
MHUS	Manitoba Hydro Utility Services
MISO	Midcontinent Independent System Operator
MP	Minnesota Power
MPUC	Minnesota Public Utilities Commission
MRO	Midwest Reliability Organization
MW/MWh	Megawatt/Megawatt hour
NFAT	Needs For and Alternatives To
NCTT	Northern Construction Trades Training
NEB	National Energy Board
NERC	North American Energy Reliability Corporation
NFA	Northern Flood Agreement
NSP	Northern States Power
OATT	Open Access Transmission Tariff
OM&A	Operating Maintenance and Administration
PDA	Project Development Agreement
PPE	Personal Protective Equipment
PRA	Personnel Risk Assessment
PUB	Public Utilities Board of Manitoba
RCEA	Regional Cumulative Effects Assessment
RMA	Resource Management Area
ROW	Right of Way
SARA	Species at Risk Act
SCC	System Control Centre
SPC	Saskatchewan Power Corporation (now called SaskPower)
T/L (TL)	Transmission Line
TRC	Truth and Reconciliation Commission

UNDRIP
WPA
WPLP
WPS

United Nations Declaration on the Rights of Indigenous Peoples
Water Power Act
Wuskwatim Power Limited Partnership
Wisconsin Public Service

MANITOBA LIQUOR & LOTTERIES - MINISTERIAL BRIEFING

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OVERVIEW

Manitoba Liquor & Lotteries a Crown corporation of the Province of Manitoba that distributes and sells liquor and provides gaming and entertainment experiences, all in a socially responsible manner. Net revenue from liquor and gaming operations is directed to the Province of Manitoba, which in 2014-15 was a combined \$596 million.

Liquor Operations

Liquor & Lotteries purchases product from over 2,900 suppliers in 56 countries. Through its Distribution Centre, Liquor & Lotteries supplies over 1,700 commercial customers and annually processes over 33,000 orders.

In addition to the 54 Liquor Marts and nine Liquor Mart *Express* locations in the province operated by Liquor & Lotteries, there are approximately 173 privately run rural liquor vendors, four duty-free stores, 243 licensed retail beer vendors and eight specialty wine stores. This model provides a balance of private and public retailers while ensuring Manitoba consumers enjoy uniform pricing throughout the province.

Gaming Operations

Liquor & Lotteries owns and operates Club Regent Casino and McPhillips Station Casino in Winnipeg; the province's Video Lottery Terminal (VLT) network from offices in Morris; manages and operates gaming activities at the Shark Club Gaming Centre for True North Sports & Entertainment; delivers online gambling for Manitobans on PlayNow.com; is the exclusive supplier of breakopen tickets and bingo paper in Manitoba; and distributes and sells tickets for lotteries operated by the Western Canada Lottery Corporation (e.g. Sport Select, Lotto 6/49, Lotto Max). Liquor & Lotteries works in partnership with a network of about 900 lottery retail centers, Manitoba's hotel and restaurant industries, First Nations communities and veterans' organizations throughout the province.

Corporate Social Responsibility

Manitoba Liquor & Lotteries' commitment to corporate social responsibility is evident through community support programs, sustainable development policies and practices, as well as leading edge social responsibility (responsible drinking and gambling) initiatives. The financial commitment for social responsibility programs, services, and research is 2% of Liquor & Lotteries annual net income. The budget in 2015-16 was \$11.7 million.

Liquor & Lotteries is proud to sponsor community, cultural, arts, health and sporting events and organizations; provide silent auction donations for non-profit fundraising events; and coordinate the Bingo Volunteer Program at Winnipeg's casinos. Through the Bingo program, approximately 400 nonprofit organizations receive about \$4 million annually. Additionally, Manitoba Liquor Marts assists urban and rural communities to host tasting events as fundraisers for community and charitable organizations. These events also provide Liquor & Lotteries with opportunities to enhance customer product knowledge.

First Nations Casino Agreements

The Province of Manitoba is responsible for approving the development of First Nations casinos.

Manitoba Liquor & Lotteries, as the agent of the provincial government pursuant to the Criminal Code of Canada, is responsible for the conduct and management aspects of the First Nation casino operations in Manitoba. Liquor & Lotteries owns all gaming devices at the casinos and controls the operation through Minimum Internal Control Standards (MICS). The MICS state how the bank, slots, tables and security should operate. Liquor & Lotteries is not responsible for the stewardship of the casinos' financial results, which rest with the casino operator.

There are three First Nation casinos in Manitoba:

- Aseneskak Casino
- South Beach Casino
- Sand Hills Casino

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: STRATEGIC PLAN

DATE: April 11, 2016

SUMMARY:

- Preliminary work is underway to develop the next Corporate Strategic Direction. This involves reviewing and refining the organization's mission, vision, value statements, goals and objectives. The new Corporate Strategic Direction will be reviewed and validated by the Strategic Leadership Council and presented to the Board.
- An integrated Corporate Strategic Planning Framework has been developed to provide a high level overview of the process and activities necessary for the organization to establish a creative vision and a comprehensive plan defining the strategic direction. The framework outlines process linkages between strategic planning, enterprise risk management, business planning and the project office enabling Liquor & Lotteries to advance its strategic priorities through internal planning and allocation of human and financial resources.

STRATEGIC PLAN 2013-2016:

- Divisional planning continues, including KPIs in support of business objectives.

CORPORATE DIRECTION:

Vision:

- To exceed customer expectations while supporting our communities.

Mission:

- Innovative and responsible delivery of quality products and entertainment, generating revenue for Manitoba.

Values:

- *Importance of People* – Foster a positive and diverse workplace and work together towards our common goals.
- *Responsibility* – Demonstrate responsible business, social and environmental practices.
- *Integrity & Fairness* – Be respectful, ethical and fully accountable for our actions and decisions.
- *Service Excellence* – Provide superior service to our customers, partners and co-workers.
- *Innovation* – Learn from our experiences, embrace change and encourage innovation.

Strategic Pillars:

- *Customers* – Maintaining satisfied customers and increasing our customer base.
- *Effectiveness* – Delivering profitable growth and quality products while embracing innovation.
- *Responsibility* – Committed to business integrity, community investment, environmental sustainability practices, and encouraging the responsible use of our products and services.
- *Employees* – Building a new shared culture with an engaged and diverse workforce that is knowledgeable, in a respectful and safe workplace.

Contact: John Stinson, CEO



Senior Management Council - Biographies



John Stinson

Chief Executive Officer

John joined Manitoba Liquor & Lotteries in February 2015 as Chief Executive Officer. He previously spent 30 years working in the health and social services fields and also served as Assistant Deputy Minister for the Department of Health with the Province of Manitoba.

Before joining Liquor & Lotteries, John was CEO of Interlake-Eastern Regional Health Authority in Manitoba. He has worked on the front lines as a health educator, as a policy advisory and manager for Health Canada, and as a senior health executive in the community, provincial and private sectors.

As an AIDS activist, John was a founding member of the NAMES Project Canada (Canada's AIDS Memorial Quilt), is a past board member of the Canadian AIDS Society, and was the founding Executive Director of Nine Circles Community Health Centre – Winnipeg's integrated-services HIV/AIDS clinic.

John holds a degree in social history from the University of Manitoba and has completed the Executive Leadership Program at Queen's School of Business.



Tracy Graham

Chief Financial Officer

Tracy joined Manitoba Lotteries in 2009 as CFO. Under Tracy's guidance, Manitoba Lotteries was recognized seven consecutive years for excellence in government budgeting with the Government Finance Officers Association Award.

At Manitoba Liquor & Lotteries, she is responsible for accounting, corporate procurement, risk management, environmental sustainability, casino banking and financial planning & systems.

Tracy is a chartered accountant with over 20 years' experience, much of which she spent at Ernst & Young LLP in their Assurance and Risk Advisory practices. She worked several years providing guidance to large public companies in the areas of governance, internal control optimization, policy and finance.

Tracy currently serves on the boards and committees of Multi Material Stewardship Manitoba, the Winnipeg Foundation, the Young Associates, and the Associates of the Asper School of Business.



Peter Hak

Chief Corporate Services Officer

Peter is responsible for Information Technology, Entertainment & Hospitality Services, Facilities, Central Support Services and Security & Surveillance. Since joining Manitoba Lotteries in 1984, Peter has held a variety of positions including Vice President of Gaming, Director of Finance and Administration, and Audit Manager.

Under Peter's guidance, there have been a number of significant gaming and facilities projects completed and more that are underway. These projects included the development of the Winnipeg Casinos, the development of the former Crystal Casino (the first full time casino in Canada), the first VLT replacement program in 2004 and the current VLT replacement program, the late 1990s Casinos' expansion and Club Regent Hotel development, as well as the current Casinos' redevelopment projects, including the West Side Development. Peter has overall responsibility for the Downtown Office project.

Prior to Manitoba Lotteries, Peter was employed with Coopers & Lybrand Chartered Accountants and the Provincial Auditor's Office. Peter has served on the Board of Directors of the Western Canada Lottery Corporation and the Interprovincial Lottery Corporation. Peter is a Chartered Accountant with a Bachelor of Commerce (honours) degree and an MBA from the University of Manitoba.



Larry Wandowich

Chief Community Relations & Marketing Officer

Larry has been with Manitoba Lotteries since 1993 and has been part of its executive management team since 2004. In his current position with Manitoba Liquor & Lotteries, Larry oversees Partnerships, Community Relations, Marketing Campaigns & Loyalty Programs, Casino Promotions, and Player Development & Recognition.

Larry's prior positions at Manitoba Lotteries included both Executive General Manager and General Manager of McPhillips Station Casino, and Director of Security & Surveillance.

Larry holds a Bachelor's degree from the University of Winnipeg and an MBA from the University of Manitoba. In 2010/11, Larry was Honourary President for BASA (Business Administration Students' Association) at the University of Winnipeg. He is currently a Chamber Ambassador with the Winnipeg Chamber of Commerce, and a member of The Associates of the Asper School of Business.



Rob Campbell

Vice President, Human Resources

Rob joined Manitoba Lotteries in September 2011 as Executive Director, Human Resources (HR). One of his first priorities was to restructure the HR department with the help of his senior HR leadership team. As a result of the merger in 2012, HR was revised into five key service areas: Employee & Labour Relations; Payroll, Scheduling & HRIS; Organizational Development; Recruitment, Staffing & Compensation; and Total Rewards, Health & Wellness. Rob was appointed as Vice President.

Prior to joining Manitoba Lotteries, Rob spent 28 years at the Workers Compensation Board of Manitoba with 23 of those years in management roles. His last position was Vice President of HR, Information Technology, Administration and Review Office.

Rob has served on many Boards, including the Seven Oaks General Hospital, Rossmere Country Club and the Phoenix Soccer Club. Rob also spent many years coaching and attending his kids sporting events including soccer, volleyball and basketball.



Brent Hlady

Vice President, Corporate Governance & Business Transformation

Brent is the Corporate Secretary and is responsible for Corporate Governance, Strategic Planning, Policies & Procedures, the Project Management Office, Market Research & Analysis, and Business Transformation & Improvement.

Since joining Manitoba Lotteries in 1994, Brent has held senior positions in a variety of areas including Gaming Operations, Corporate Security and Corporate Gaming Initiatives.

Brent has a Master's Degree in Economics from the University of Manitoba. For several years, Brent has lectured at the University of Nevada in Las Vegas and Reno as an instructor in the Gaming Management program and taught several courses at the University of Manitoba through the Asper School of Business.

	<p>Robert Holmberg</p> <p>Vice President, Liquor Operations</p> <p>Robert joined Manitoba Liquor & Lotteries in 2013 and is responsible for liquor operations, including all Liquor Marts, Liquor Mart Express stores, Liquor Vendors, and Purchasing & Distribution. He works closely with industry partners such as the Manitoba Hotel Association and Manitoba Restaurant and Foodservices Association.</p> <p>Robert has over 20 years of extensive executive experience, including eight years with Home Depot as a District Manager, several years with Standard Aero, and a tenure with Versatile (now Buhler Versatile) that saw several ownership changes to eventually become Case New Holland. During that time, Robert drove manufacturing optimization, and also worked in a reliability engineering & customer service management role.</p> <p>Robert obtained his Industrial Engineering Degree from the University of Manitoba and holds his professional designation with Engineers & Geoscientists Manitoba.</p>
	<p>Susan Olynik</p> <p>Vice President, Corporate Communications & Social Responsibility</p> <p>Susan began her career with Manitoba Lotteries in November 1991. At Manitoba Liquor & Lotteries, she is responsible for the development and implementation of corporate-wide communications and social responsibility strategies and is the organization's media spokesperson. She is also Chair of the governance committee on Corporate Social Responsibility.</p> <p>Susan developed the first Responsible Gambling policy and strategy in Manitoba, led the communications for the launch of VLTs and was also responsible for communications related to the opening of Club Regent and McPhillips Station Casinos and the merger of the MLCC and Manitoba Lotteries.</p> <p>Susan is a board member of the Responsible Gambling Council and the CNIB-Manitoba/Saskatchewan. She also serves as Chair of the CNIB's 'Eye on the Arts' Benefit Dinner/Auction in Winnipeg. Prior to joining Manitoba Lotteries, Susan held a senior position with a full-service public relations and advertising agency.</p>



Dan Sanscartier

Vice President, Gaming Operations

Dan is responsible for Club Regent and McPhillips Station Casinos' operational requirements, Commercial Gaming, PlayNow.ca, the Shark Club Gaming Centre, and First Nations' Casinos. He started with Manitoba Lotteries in 2004 as Security Director, where he assisted with the restructuring of the casino security departments.

Since joining the gaming industry in 1995, Dan assisted with the opening of several casinos in Nova Scotia, Ontario and on the Caribbean two-island state of St-Kitts and Nevis. He currently acts as one of the representatives for Manitoba Liquor & Lotteries on the Western Canada Lottery Corporation's Strategic Advisory Committee.

Dan served in the Canadian Armed Forces as a decorated soldier for 20 years, the first half as a Military Police Officer and then as a Para-Rescue Specialist.



Signy Shaw

Vice President, Internal Audit & Corporate Compliance

Signy oversees Internal Audit & Corporate Compliance with Manitoba Liquor & Lotteries, having previously held the position of Director, Internal Audit & Risk Management with the Manitoba Liquor Control Commission. Prior to that, she was an experienced auditor who had worked at Arthur Anderson and for the Auditor General of Canada.

Signy holds both a Bachelor of Science degree and a Bachelor of Commerce degree (Honours) from the University of Manitoba. Additionally, she is designated as a Chartered Accountant, a Certified Internal Auditor and a Certified Information Systems Auditor. In the past, Signy has been a board member for Osborne House and a local day care centre.



Wayne Perfumo

Vice President, Entertainment & Hospitality

Wayne began his career with Manitoba Lotteries in 1984 and at Manitoba Liquor & Lotteries, is responsible for Hospitality & Entertainment Services at Club Regent & McPhillips Station Casinos.

Wayne's previous positions include Executive General Manager of McPhillips Station and Club Regent Casinos as well as General Manager of Video Lotto in Morris. He led the initial rollout and installation of Manitoba's VLT network.

Prior to joining Manitoba Lotteries, Wayne worked in senior management positions with Westin Hotels and the Burntwood Hotel in Thompson. He has been involved with the Hotel Sales and Marketing Association and has been a member of the Manitoba Hotel & Restaurant Association.



Mike Langedock

Vice President, Information Technology Services

Mike joined Manitoba Liquor & Lotteries in 2015 as Vice President of Information Technology Services. Mike has over 34 years of progressive senior management experience in the IT Industry, with a focus on systems renewal and integration, application development, business process re-engineering, organizational design, and change and project management.

Prior to joining Liquor & Lotteries, Mike held senior IT positions at the University of Manitoba, Bird Construction Ltd., Warehouse One, and the University of Winnipeg.

Mike has completed the Management Studies Program at the University of Winnipeg and the Data Processing Management Program at the University of Manitoba. He holds a Bachelor of Arts degree from the University of Winnipeg with a double major in Justice & Law Enforcement and Applied Business Computing, and also a Programming and Business Systems degree from Herzing Institute.

Mike is presently a Board member with the Information Technology & Communications Association of Manitoba (ICTAM).



Gerry Sul

Vice President, Facilities, Central Services, Security & Surveillance

Gerry oversees Facilities, Central Services and Security & Surveillance with Manitoba Liquor & Lotteries. He joined the Manitoba Liquor Control Commission in 2008 as the Chief Information Officer and was promoted shortly after to Chief Corporate Services Officer. Prior to joining the MLCC, Gerry had worked for over 20 years in the agriculture industry directing the IT function and was a program manager for a number of large scale mergers and acquisitions both in Canada and the United States.

Gerry holds a Bachelor of Science (Computer Science) degree from the University of Manitoba and also completed the Queen's School of Business Executive Program. He is currently a member of the Computer Information Professional Society and was accepted as a member of the British Computing Society in 2006. Additionally, Gerry has been a member of Red River College's Business Information Technology advisory committee for more than 10 years.

	<p>Kerry Wolfe</p> <p>Senior Executive Director, Strategic Program Development</p>
<p>Kerry currently leads the Strategic Liquor Development function for Manitoba Liquor & Lotteries. He is responsible for the development, implementation, and assessment of liquor product strategies.</p> <p>Kerry has over 20 years' experience in the gaming and lottery industry, starting with the Western Canada Lottery Corporation (WCLC) in 1993. Since joining Manitoba Lotteries in 1996 he has held numerous senior positions including Executive Director, Strategic Gaming Development; Director, Casino Gaming Systems; Director, Systems Consultancy; and Manager of Information Systems Security & Recovery.</p> <p>Kerry is a Certified Management Accountant. He is also the chairman of the Operator Advisory Committee for the Gaming Standards Association, and acts as a representative for Liquor & Lotteries on the WCLC's Strategic Advisory Committee. For several years, Kerry moderated the Society of Management Accountants Strategic Leadership Program.</p>	
	<p>James Anastasio</p> <p>Senior Executive Director, Strategic Gaming Development</p>
<p>James began his career with Manitoba Lotteries in 1991, working at both the Pot O' Gold and Bonanza bingo halls prior to working at Club Regent and McPhillips Station Casinos after they opened in 1993. Over the years, James has held the positions of Senior Manager or Director in areas including Gaming Operations, Technical Services, and Strategic Gaming Development.</p> <p>At Manitoba Liquor & Lotteries, James oversees Strategic Gaming Development and is responsible for researching, developing, planning and implementing comprehensive Gaming and Lottery product strategies. James is a member of the Strategic Advisory Committee for the Western Canada Lottery Corporation and sits on several Cross Jurisdictional Committees.</p> <p>James has a Bachelor of Business Administration degree from the University of Winnipeg, a Certificate in Industrial Electronics from Winnipeg Technical College, and Certificates from the University of Nevada, Reno, in Gaming Management and the Executive Development Program.</p>	

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor & Lotteries Corporation Act

SUBJECT: LIQUOR PRODUCT PRICING

DATE: April 11, 2016

CURRENT STATUS:

Pricing Review Project

- Liquor & Lotteries has engaged an external consult to conduct a full review of pricing policies, procedures and practices.
- It is anticipated that the review will include recommendations for simplifying the pricing process while ensuring policies remain relevant and accurate.
- This review will be completed in consultation with liquor industry partners.

BACKGROUND:

Pricing and Adjustments

- Liquor suppliers, not Manitoba Liquor & Lotteries, determine shelf prices for their products.
- Liquor & Lotteries allows suppliers to adjust their prices quarterly. (Monthly for the privately distributed, popular brands of beer.)
- At the same time, Liquor & Lotteries notifies suppliers of any adjustments for things such as changes to freight or exchange rates (these can go up or down), and annually adjusts minimum markup for low-priced products - tied to the Consumer Price Index.
- These adjustments by Liquor & Lotteries do not necessarily mean corresponding price changes:
 - The suppliers sometimes absorb all or some of any increases into their pricing, particularly when the adjustment is very small.
 - The suppliers will not necessarily reduce their prices when there is a decrease.
 - The suppliers may choose to increase the price of their products over and above the adjustments made by Liquor & Lotteries.

Minimum Pricing for Beer – Social Responsibility

- A minimum price is socially responsible as it protects against extremely low prices, mitigating the risk of over-consumption of higher alcohol products.
- Liquor & Lotteries has had a minimum pricing policy for single serve beer since 2009, which reflects Liquor & Lotteries commitment to social responsibility. Minimum pricing for all liquor categories will be part of the 2016 pricing review.
- Liquor & Lotteries has had a minimum pricing policy for packaged beer since June 2014.
- Minimum price is set per litre of absolute alcohol regardless of package size or alcohol/volume; with the exception of single serve beer less than 5.6% alc./vol., the minimum price is set at a per litre price.
- This is a common best practice in most Canadian jurisdictions.

Liquor & Lotteries Margin Increases

- Profits from the sale of liquor are returned to the provincial government to support priority programming.
- Margin increases help Liquor & Lotteries achieve its financial obligations to the provincial government.
- Liquor & Lotteries does not increase its margin on liquor very often. Spring 2013 was the first time surcharges on beer and spirits had increased since March 2010; prior to that, the last increase was in May 2004.

Cross-Canada Comparison

- The Canadian Association of Liquor Jurisdictions (CALJ) prepares a price survey report ranking the liquor jurisdictions across Canada. The most recent survey was conducted in January 2016.
- Manitoba's overall ranking from the previous report (October 2015) remained the same eleventh out of thirteen, while our ranking in the beer category was downgraded from fifth place in October 2015 to eighth place.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: PRIVATE VS PUBLIC LIQUOR RETAILING SYSTEMS

DATE: April 11, 2016

KEY MESSAGES:

- A privatized liquor retailing system (Alberta) does not mean better prices, service and selection than a public system (Manitoba).
- While there may be more access regarding the number of liquor stores in Alberta since privatization, many stores tend to be smaller and carry limited selection. Product assortment and prices also vary widely, sometimes resulting in an inconvenience to customers who may have to drive to several locations to find their favourite product at the best price.
- Manitobans are assured that no matter where they live in the province they will pay the same prices for liquor.
- In most comparisons, Alberta and Manitoba are closely ranked in respect to retail pricing and Manitobans do enjoy some cheaper products, including favourite brands of beer.
- Customer surveys consistently score Manitoba Liquor Marts very high in friendly, knowledgeable service, and availability of products.
- In fiscal 2014-15, Liquor & Lotteries' liquor operations returned \$281.6 million in revenue to the provincial treasury to support government programs and initiatives that are a benefit to all Manitobans.
- Liquor & Lotteries commits two per cent of its anticipated net revenue to fund initiatives that promote liquor and gambling social responsibility, including research and treatment programs.

BACKGROUND:

Alberta: History of Privatization

- Between September 1993 and March 1994, the Alberta Liquor Control Board (ALCB) sold or closed all government run liquor stores. At the time, there were 208 government-run retail liquor stores in Alberta; 530 hotels doing off-sales; and 65 private retailers. In total: 803 outlets.

- As of June 30, 2015, there are 1,383 retail liquor stores operating in Alberta. In addition, there are 459 hotels/manufacturers/other doing off-sales, 93 general merchandise liquor stores and 110 other liquor retailers (i.e. sacramental wine, delivery service, commercial caterers). In total: 2,045 outlets.
- Prior to privatization, Alberta liquor prices were regularly among the lowest in Canada. Over the years, prices have steadily increased.
- The Alberta model has shown that total privatization means more outlets, more employees, higher overall selection of products and greater convenience for customers. It also means lower employee salaries, less selection per store and generally higher prices.

Saskatchewan: Expanding Private Retail System

- On November 18, 2015, the Saskatchewan government announced it will implement an expanded private retail system of alcohol retailing in Saskatchewan.
- Under this new system, 40 Saskatchewan Liquor and Gaming Authority stores will be converted to private retail locations. These 40 stores have historically less profitable. The closures will impact over 200 positions in retail stores and corporate offices.
- The government is also 'levelling the playing field,' meaning that all liquor retailers will pay the same wholesale price for alcohol they purchase for resale and be subject to the same rules when it comes to factors like product selections, ability to sell chilled products, ability to choose their own hours, set their own prices, etc.

Social Responsibility

- Liquor & Lotteries ensures that social responsibility is built into all its practices. The corporation has implemented strict controls in our retail locations to prevent sales to intoxicated customers and to prevent minors from purchasing alcohol.
- Professional undercover shoppers are used to ensure employees are not selling alcohol to minors. In fiscal 2015 the compliance rate at Liquor Marts was 90%.
- Cashiers request proof of age when a shopper appears to be under the age of 25. Over 623,700 proof of age requests were made in fiscal 2015, resulting in over 15,500 minors being refused service.
- Liquor Mart staff refused service to 19,135 impaired customers in fiscal 2015.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: DOWNTOWN HEAD OFFICE AT 233 KENNEDY STREET

DATE: April 11, 2016

KEY MESSAGES:

- Following a comprehensive evaluation and due diligence process, Manitoba Liquor & Lotteries publicly announced on September 29, 2015, that it chose 233 Kennedy Street (Medical Arts Building) for its corporate head office.
- The corporation purchased the building, surface parking lot and parkade for \$7.9M and plans to redevelop the building and expand the first five floors for an additional \$66M.
- This selection represents the best value and met the corporation's objectives to achieve cost savings and efficiencies; improve workplace quality standards; improve collaboration, communication and teamwork; reduce travel costs between multiple offices; and build a new shared corporate culture.
- The location contributes to net cost savings of \$23.6M in the 20 years following relocation, as a result of the efficiencies associated with centralization. This amount is over and above the \$36M that has already been saved as a result of the merger of Manitoba Lotteries and the MLCC.
- The downtown head office will draw about 400 employees from departments currently at Buffalo Place, Empress Street, Milt Stegall Drive, St. James Street and Pacific Avenue. Liquor & Lotteries' distribution function and warehouse facilities, located at 1555 Buffalo Place and 1390 Pacific Avenue, will remain at those locations.
- Following relocation to 233 Kennedy Street, the Empress Street office will be sold and the leases at Milt Stegall Drive and St. James Street will be terminated.
- Construction on the head office expansion is scheduled to begin in summer/fall 2017 and be completed in 2019.
- The redevelopment and expansion project will generate a provincial economic impact of \$46.6M through labour and material costs, and 385 full-time person years of employment.

CURRENT STATUS:

Design Phase

- The head office project is currently in the schematic design phase.

Tenant Relations

- Consultation continues with building tenants in preparation for tenant relocation prior to construction. The tenants are kept informed of any progress on design and construction planning through communication updates and occasional meetings.

External Stakeholder Relations

- Consultation continues with a stakeholder group that includes Liquor & Lotteries, Prairie Architects Inc., CentreVentre, Downtown Biz, Manitoba Hydro, City of Winnipeg, U of W (Institute of Urban Development), and Yes! Winnipeg.
- The stakeholder group is examining how Liquor & Lotteries will complement the bordering SHED district as well as enhance the downtown neighborhood and corner of Graham & Kennedy. Topics under discussion include the property's green space, pedestrian walkways and the building's proximity to street and city sidewalks.
- As Liquor & Lotteries and Prairie Architects Inc. progress through the design phase, they will also consult with the City of Winnipeg's Planning, Property and Development department to ensure compliance with all zoning bylaws and that the design aligns with Downtown Winnipeg Urban Design Guidelines.

Parkade Renewal

- Engineering consultant Crosier Kilgour & Partners are developing construction drawings for the planned issuance of a tender in April 2016. This will address the required restoration work for the Edmonton Street parkade and life-safety issues identified during the purchase due-diligence phase.
- This project will go to tender in April with construction expected to begin in summer 2016. Renewal includes a wheelchair accessible bridge from the parkade to 233 Kennedy Street.
- Work will take place over a three-year time period to minimize disruption to existing parking tenants and align with seasonal opportunities to conduct required work.
- The parkade will remain open throughout the construction activities.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

**SUBJECT: HOTEL STAKEHOLDER ISSUES:
VLT SITEHOLDERS / BEER VENDORS**

DATE: April 11, 2016

KEY MESSAGES:

- The hospitality industry is a valued business partner and Liquor & Lotteries has always been committed to working with the industry members and their associations to address common issues.
- Manitoba's hospitality industry receives just under \$100 million consistently year over year, through Liquor & Lotteries VLT and Beer Vendor programs. This includes VLT siteholder commissions and contributions, beer vendor margins, beer handling fees and low volume discounts.

CURRENT STATUS:

- The Manitoba Hotel Association (MHS) continues to lobby Liquor & Lotteries with issues related to beer handling fees, growlers, VLTs, and competition from ongoing development of Liquor Mart Express stores and casino redevelopment.
- Liquor & Lotteries representatives have had a number of meetings with the Rural Hotel Owners of Manitoba, a grassroots coalition group that has been vocal in the media stating that the reason rural hotels are failing is because their share of liquor and VLT profits is not high enough. Areas of concern include increased liquor discounts, the ability to set their own prices and to sell other liquor products.
- Liquor & Lotteries recently spearheaded the formation of the Licensee Advisory Committee, an industry working group comprised of representatives from Liquor & Lotteries, the MHA, rural hotels, restaurant associations, private wine stores and liquor vendors – the first such initiative involving representation from all the licensee partners and stakeholders. The committee is chaired by John Stinson, CEO, Manitoba Liquor & Lotteries and creates a forum for members to engage in an open dialogue with other stakeholders involved in the sale liquor in Manitoba.

BACKGROUND:

Beer

- Over 240 privately-owned hotel beer vendors sell the majority of beer (high volume popular brands) in the province. Beer is also sold in Liquor Marts and Liquor Mart Express locations, as well as some rural liquor vendors.
- Liquor & Lotteries sells beer to hotel beer vendors at a discounted commercial price. This margin on beer purchases generates approximately \$40 million for beer vendors.

- Some hotel beer vendors receive an annual low volume discount, based on sales, of \$4,000 to \$12,000. This discount does not have any criteria and may be used for anything. The total amount of low volume discounts paid annually is approximately \$1.5 million.
- The MHA has stated that Liquor Marts pose a competitive threat and that hotel beer vendor market share has eroded as Liquor Marts expanded in-store beer selection and cold beer products, and launched the new LMX stores.

Beer Container Handling Fees

- Beer prices include a handling fee paid to hotel beer vendors for collecting empty containers, amounting to approximately \$4 million annually for hotel beer vendors.
- Liquor & Lotteries, in collaboration with the MHA, developed an RFP to study the costs of empty container handling by vendors. Deloitte completed the review in 2014 and recommended increasing the handling charge reflect current average costs. Liquor & Lotteries implemented the recommended increase and the current fee is 41¢/dozen.
- The MHA has consistently maintained that the beer handling fee paid to the licensees is insufficient. The MHA does not support Deloitte's recommendations. They propose a tiered structure with small vendors receiving 40¢/doz., medium-sized vendors 50¢/doz., and larger vendors 60¢/doz.
- During their review, Deloitte noted inefficiencies in the operating costs of large vendors. It is the view of Liquor & Lotteries that the corporation should not pay for these vendor inefficiencies.

VLTs

- VLTs were installed in rural Manitoba in 1991 and Winnipeg in 1993. Manitoba's hotels and restaurants have collectively earned over \$981 million operating VLTs since 1991. There are approximately 450 commercial sites with just over 5000 VLTs in Manitoba.
- Liquor & Lotteries pays for all of the capital costs of the commercial VLT program which includes the terminals, the network and the central system and maintains the equipment on an ongoing basis. None of these costs are passed on to commercial siteholders.

Commission Structure

- In September 2013 a revised commission structure effectively reduced the average commission paid to commercial siteholders to approximately 18.5%. Commissions now fall between 17.5% and 22% depending upon individual site's VLT revenues
- The tiered commission structure is most beneficial to small siteholders whose commission increased by 2%. Only after \$400K total net win does a site see a reduction in commissions from the prior flat rate commission of 20%.
- Manitoba's sites earn the highest commission in Western Canada. In Alberta/Saskatchewan it is 15% while here it is 17.5% to 22%.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: COMMUNITY CONCERNS REGARDING ALCOHOL

DATE: April 11, 2016

KEY MESSAGES:

- Manitoba Liquor & Lotteries is aware of the concerns regarding alcohol and works closely with community partners to address issues surrounding the misuse of these products.
- Liquor Mart employees are trained in socially responsible service and do not sell alcohol products to those appearing intoxicated.
- Liquor Marts do not sell economy-priced single serve beer products or 'king cans.' All single serve beer products sold in Liquor Marts fall into the premium and deluxe categories. Beer vendors, who are responsible for their own product assortments, do sell these types of single serve, economy beer products.
- In 2014-15, Liquor Mart employees across the province refused service to 19,135 intoxicated individuals.

WINNIPEG

- Liquor & Lotteries is aware of the concerns surrounding downtown and works closely with partners such as the Downtown Winnipeg BIZ, the Winnipeg Police Service, CentreVenture and other stakeholders to address the issue of public intoxication.
- Additional security has been added to both the inside and outside of the Hargrave and Ellice Liquor Mart.
- Liquor & Lotteries, in consultation with downtown stakeholders, continues to explore ideas concerning liquor retail in the downtown area including the Hargrave & Ellice location.

Downtown Winnipeg BIZ

- Members of the Downtown Winnipeg BIZ's Community Homeless Assistance (CHAT) Team provide outreach to vulnerable populations in the downtown area including those with addiction issues. In 2014-15, Liquor & Lotteries provided the CHAT program with funding of \$60,000 to offset the salary costs for one additional Community Outreach worker.
- In 2015-16, Liquor & Lotteries increased their support of the CHAT program to a total of \$120,000. This money will be used to fund approximately 2.5 Community Outreach workers.

THOMPSON

- Liquor & Lotteries has been proactive in addressing concerns surrounding the misuse of alcohol and continues to have an open dialogue with the mayor and city officials in Thompson.
- Representatives from Liquor & Lotteries met with Mayor Dennis Fenske and city councilors on March 28, 2016 to present plans for the relocation of the Thompson Liquor Mart to a new, free-standing location at City Centre Mall, 300 Mystery Lake Road. The new location received unanimous support from both the mayor and council. A public information session about the relocation plans, held the following evening, was also well-received by the citizens of Thompson.
- To help address the issues in Thompson, Liquor & Lotteries has done the following :
 - In 2015-16, Liquor & Lotteries once again provided annual funding of \$15,000 to the Downtown Thompson Ambassador program. This Ambassador program supports Thompson's efforts to manage the risks related to high levels of public intoxication.
 - In 2014-15, Liquor & Lotteries provided a \$2,000 sponsorship for the "Sherry Bottle Pick Up" program. While Liquor & Lotteries had anticipated supporting this program at the same level in 2015-16, the city of Thompson did not submit an application for this funding.
 - Security is in place that both monitors the inside of the Thompson Liquor Mart and patrols the exterior of the store and parking lot.
 - Implemented a maximum daily bottle purchase on spirits (with the exception of commercial customers purchasing under their licence or permit customers):
 - 375 ml – maximum 4 bottles
 - 750 ml – maximum 6 bottles
 - 1140 ml – maximum 6 bottles
 - 1750 ml – maximum 2 bottles
 - Adhere to a zero tolerance policy at the Liquor Mart whereby staff refuses service if alcohol can be detected on an individual.

THE PAS

- The Pas is experiencing similar issues to Thompson in regard to public drinking and nuisance, loitering and panhandling near the Liquor Mart.
- In 2014-15, Liquor & Lotteries provided a \$2,000 sponsorship for the "Sherry Bottle Pick Up" program. While we had anticipated supporting this program at the same level in 2015-16, The Pas did not submit an application for this funding.
- In 2015-16, Liquor & Lotteries provided \$15,000 in funding to The Pas for their Ambassador Program, which assists in reducing the risks to individuals and the community related to high levels of public intoxication.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: LIQUOR & LOTTERIES MARKETING AND ADVERTISING

DATE: April 11, 2016

KEY MESSAGES:

- Manitoba Liquor & Lotteries engages in ongoing marketing and advertising of its products and services, in conjunction with the promotion of responsible use of its products.

MANITOBA LIQUOR AND LOTTERIES CORPORATION	
	FY 2014-15
ADVERTISING	4,522,900.00
PUBLIC AWARENESS	1,101,600.00
TOTALS	5,624,500.00
The figures include advertising to support community support initiatives, advertising to support the Casinos of Winnipeg (tourism, entertainment, the restaurants and lounges), PlayNow.com, Liquor Mart and liquor product advertising, as well as corporate (e.g. employee recruitment).	
Public awareness activity includes responsible gaming awareness and responsible consumption campaigns (e.g., With Child Without Alcohol, Be Safe and Sober).	

GAMING

KEY MESSAGES:

- Liquor & Lotteries gaming advertising generally falls into the following segments: entertainment and tourism, casino gaming, e-Gaming, social responsibility awareness and education.

MANITOBA LOTTERIES CORPORATION						
	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10	FY 2008-09
ADVERTISING	2,605,400.00	2,328,400.00	1,769,500.00	1,588,700.00	1,845,800.00	1,343,700.00
PUBLIC AWARENESS	70,700.00	126,600.00	253,600.00	242,700.00	273,200.00	460,000.00
TOTALS	2,676,100.00	2,455,000.00	2,023,100.00	1,831,400.00	2,119,000.00	1,803,700.00
(in 000's)	2676.1	2455.0	2023.1	1831.4	2119.0	1803.7
The figures include responsible gaming awareness, advertising to support community support initiatives, and advertising to support the Casinos of Winnipeg (tourism, entertainment, the restaurants and lounges).						

Casinos:

- In 1990 there were eight casinos in our region including Northwestern Ontario, Saskatchewan, North Dakota, South Dakota & Minnesota. There are now approximately 50 in this same area that continue to advertise in the Manitoba marketplace.

- Liquor & Lotteries advertises Winnipeg's casinos within the province and to promote tourism from North Dakota, Minnesota, South Dakota, Saskatchewan and Northwestern Ontario.
- Media used includes print, internet, television, radio, outdoor and direct mail.

Lottery:

- Liquor & Lotteries is a partner of the WCLC. Advertising and promotions are developed and coordinated on a regional or national basis.

PlayNow.com:

- Liquor & Lotteries' e-Gaming product, PlayNow.com, operates in a highly competitive marketplace and requires marketing and promotion support to compete against established grey-market sites. Many of these sites advertise aggressively online, on TV and through sponsorships with celebrities and events such as major real-world poker tournaments.

LIQUOR MART RETAIL ADVERTISING

KEY MESSAGES:

MANITOBA LIQUOR CONTROL COMMISSION	FY 2013-14	FY 2012-13	FY 2011-12	FY 2010-11	FY 2009-10	FY 2008-09
ADVERTISING	555,300.00	554,300.00	460,600.00	451,500.00	467,700.00	434,100.00
PUBLIC AWARENESS	655,200.00	513,200.00	757,500.00	837,300.00	820,800.00	792,200.00
TOTALS	1,210,500.00	1,067,500.00	1,218,100.00	1,288,800.00	1,288,500.00	1,226,300.00
(in 000's)	1210.5	1067.5	1218.1	1288.8	1288.5	1226.3
These figures include responsible consumption campaigns (e.g., Be With Child Without Alcohol, Be Safe and Sober); and Liquor Mart and product advertising (e.g., regional product features, Air Miles, fair trade campaign). Product and Air Miles advertising are done jointly with product suppliers.						

- Like other retailers, Liquor Mart advertising helps to keep customers informed of changing product assortments, changes to store operating hours, new store openings, store renovations, sales, as well as specific product promotions related to AIR MILES® and other promotions.
- Liquor Marts have been advertising in print, radio and television for over 25 years.
- Liquor & Lotteries partners with liquor suppliers to support their marketing initiatives and brand /product advertising which are partially funded by the fees liquor suppliers pay to participate in various Liquor Mart marketing programs.
- About \$1.3 million is spent by Liquor & Lotteries annually on liquor related advertising with about half of that spent on social consumption campaigns (With Child Without Alcohol, Be Undrunk, Safe and Sober etc.)

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: LIQUOR OPERATIONS PROGRAM DEVELOPMENT

DATE: April 11, 2016

BACKGROUND:

- The LOPD initiative is responsible for the development and implementation of the five-year liquor strategy including the support of the craft brewing industry, store development programs, and a strategic review of Liquor & Lotteries' purchasing and distribution areas.

PROGRAMS UNDERWAY:

Liquor Five-Year Growth Strategy

- A five-year growth strategy was presented to the Liquor & Lotteries Board in October 2015. It is now being introduced to industry partners.
- An important component of the strategy is the scheduling of an annual review. This review provides a forum to consider changing environmental, societal, political and technological conditions that may impact the plan or provide additional opportunities.

Store Development Program – Liquor Mart Financial Investment Evaluation

- This project is aimed at enhancing the process Liquor & Lotteries uses when making investments in its Liquor Mart/Liquor Mart Express retail network.
- The enhanced framework will help determine:
 - When to build a store and at what size per market conditions
 - When to expand/contract a store
 - When to renovate a store
 - When to close a store

Liquor Operations/Partner Analytics

- Liquor & Lotteries plans to enhance its capabilities of analyzing its liquor business data. Analytics requirements have been gathered and are now under review.

Purchasing/Distribution Centre Review

- A review to identify process improvements in the Liquor Purchasing department and Distribution Centre is complete. The recommendations are being incorporated into the five-year liquor strategy.

Pricing & Markup Structure Review

- Liquor & Lotteries will simplify the pricing structure based on a review now underway.
- Liquor & Lotteries has committed to implementing social reference pricing on all beverage alcohol product categories. Currently only beer has social reference pricing.

COMPLETED PROGRAMS:

Store Development Program – Store Standards

- Standardized Liquor Mart/Liquor Mart Express store formats were developed in summer 2015. These standards will help ensure consistency in the look and feel of retail locations within the store network, ensure that locations are properly sized, and contain appropriate features.

Supporting the Manitoba-Based Craft Brewing Industry

- This program focuses on sectors where the outputs are manufactured in Manitoba: microbreweries, brewpubs, regional craft brewers, nano-breweries, and micro-distilleries. (See Advisory Note, *Supporting the Manitoba-Based Craft Brewing Industry*)

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: LIQUOR MART DEVELOPMENT

DATE: April 11, 2016

KEY MESSAGES:

- Manitoba Liquor & Lotteries maintains an ongoing development plan to ensure its stores are located in the most appropriate locations to meet customer demand; are kept up-to-date; and are well maintained. The plan includes new store development as well as expansions, renovations and relocations.
- The wishes and needs of the community and viability are taken into consideration when formulating plans for the development, renovation or relocation of Liquor Mart locations.

CURRENT STATUS:

Liquor Mart Express

- As part of the 2011 Hospitality Strategy, the Liquor Mart Express concept was launched. The following activity has since occurred:
 - The most recent Liquor Mart Express location opened November 13, 2015 at 215 St. Anne's Road (inside Superstore). This location represents the 9th Liquor Mart Express in Manitoba.
 - Previously-opened Liquor Mart Express locations, in order:
 - **Airport Liquor Mart** opened November 28, 2011. *Manitoba's first Liquor Mart Express.
 - **Pembina Village Liquor Mart Express** (Safeway) opened December 3, 2012. *Manitoba's first Liquor Mart Express located within a grocery store.
 - **Brandon West End Liquor Mart Express** (Sobeys) opened March 27, 2013.
 - **Park West Liquor Mart Express** (standalone) opened April 29, 2013.
 - **Gateway Liquor Mart Express** (Superstore) opened August 22, 2014.
 - **Sargent Avenue Liquor Mart Express** (Superstore) opened February 27, 2015.
 - **Jefferson Liquor Mart Express** (Safeway) opened June 19, 2015.
 - **Reenders Liquor Mart Express** (Sobeys) opened June 30, 2015.

New Store Projects

- **Liquor Mart Express (Bridgwater Centre)** A new standalone Liquor Mart Express at Bridgwater Centre, adjacent to the Centre's anchor grocer has been approved. We are currently proceeding with store development and design.

- **True North Square Liquor Mart** On February 24, 2016, True North Sports and Entertainment announced Manitoba Liquor & Lotteries as one of the major retail tenants of True North Square, a mixed-use development located in the heart of downtown Winnipeg. The new downtown Liquor Mart could be up to 50,000 sq. ft. in size, but details will not be finalized until a comprehensive design/concept review is completed.

Store Renovations / Relocations

- **Thompson Liquor Mart** A new, free-standing, 12,000 square foot Liquor Mart at City Centre Mall, 300 Mystery Lake Road will be established. The new location has received unanimous support from the Mayor and city council and has received a favourable response from the public.
 - **Swan River Liquor Mart** Designs have been completed for a renovation that will refresh the retail area and improve efficiencies in the store warehouse.
 - **Garden City Square.** A renovation/remodel is planned to refresh the retail area and improve efficiencies in the store warehouse.
 - **River & Osborne** A renovation/remodel is planned to refresh the retail area and improve efficiencies in the store warehouse.
 - **Hargrave & Ellice** A renovation/remodel is planned to refresh the retail area and improve efficiencies in the store warehouse.
 - **Transcona Square.** A lease agreement is currently being prepared to downsize the existing Liquor Mart to an approximate 4,400 square foot standalone and rebrand this location as a Liquor Mart Express.
- Manitoba Liquor & Lotteries continues to investigate relocation opportunities in some rural areas where the leases on existing Liquor Mart locations are set to expire.

BACKGROUND:

- Manitoba currently has a mix of public and private liquor retailers with 54 full-service Liquor Marts, nine (9) Liquor Mart Express locations, 173 privately operated liquor vendors, 243 privately owned beer vendors and eight (8) specialty wine stores.
- All new store projects are undertaken within sustainable and Power Smart standards.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: CAPITAL PROJECTS – CASINOS

DATE: April 11, 2016

KEY MESSAGES:

- The current redevelopment of Club Regent Casino and McPhillips Station Casino is necessary to maintain the two properties and to ensure they remain competitive entertainment destinations. The market area includes several casinos of varying scope and size. Many are within a day's drive in Saskatchewan, Ontario, Minnesota and North Dakota.
- The Winnipeg casinos were originally built in 1993 and upgrades were completed in 1997 and 1999 including the addition of table games, a full service restaurant, live entertainment and other attractions. Industry trends continue toward providing customers with an all-inclusive entertainment experience that also includes gaming, live entertainment and dining.
- The Club Regent Event Centre was completed in late 2014 and is a popular venue for concerts, conferences, tradeshow and banquets.

CLUB REGENT CASINO PROJECT STATUS:

South-Side Casino Renewal

- Customer amenities to be added to the gaming areas include a bar/lounge, an ice cream shoppe, renovated washrooms and a new bank area, scheduled for completion in the fall of 2016.

Façade Renewal & Site Development

- This project includes upgrading the casino exterior, developing a new patron drop off area as well as an entrance canopy on the south side. The project is expected to be completed in early summer 2016.

Casino Parkade

- A tender has been awarded to construct a five floor, 1000 car parkade on the northeast side of the casino. Construction is scheduled to begin in early 2016.

Westside Development

- Liquor & Lotteries is planning to partner with the private sector in a new development on the west side of Club Regent Casino. This development will include a boutique hotel and two destination restaurants.
- Two private restaurants and a casino buffet will provide additional food and beverage choices to support casino concerts and events. The hotel will offer unique accommodations for out-of-town guests in an area that does not have an overabundance of hotel rooms.

- The capital investment for the Westside development is \$30 million each by Liquor & Lotteries and the private sector. Liquor & Lotteries will recover its investment from the hotel land lease and restaurant property rentals.
- The overall footprint is about 50,000 square feet. The boutique hotel footprint will be about 6,250 sq. ft. with between 100 and 150 rooms. The remaining components are: two restaurants, each about – 6,000 sq. ft.; Liquor Mart Express – 1,820 sq. ft.; courtyard – about 15,000 sq. ft. Both restaurants will seat between 200 and 250 seats each.

MCPHILLIPS STATION CASINO PROJECT STATUS:

Capital Overview

- Liquor & Lotteries is initially investing \$45 million in capital improvements at McPhillips Station Casino. The tender was awarded in January 2016 and construction has begun. This project will include an addition, upgrades to the outside façade, entry relocation and link from the casino parkade. A second stage of renewal for the casino's interior will result in a future capital investment of similar size.

Casino Addition

- The project involves an addition on the south front side of the casino that will include two floors above grade with approximately 10,000 sq. ft. per level. The main floor will provide gaming space while the 2nd floor will feature a renovated Hudson Room and customer service amenities.

Hudson Room

- This project will be constructed in coordination with the casino addition. The initiative includes the renovation of the Hudson Room to increase the banquet space capacity from 150 to 300 guests and add an enhanced kitchen to service larger banquets. This addition of banquet space mitigates the capacity loss due to the closure of the concert bowl at the McPhillips Station Casino, which was also used for banquets.

Casino Link to Parking Structure

- An overhead link will be constructed to connect the new 900-car parking structure.

Canad Inns Hotel

- Liquor & Lotteries is awaiting feedback from Canad Inns on how they plan to proceed regarding the new hotel development, which was publically announced in 2011.

BACKGROUND:

- Construction of the Event Centre, along with other casino improvements, followed the recommendations of a consultant's report commissioned in 2009. The Innovation Group was hired as a casino industry expert knowledgeable of casino trends and an organization that could provide a future roadmap to maintain and grow the casino's customer base.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: MANITOBA CRAFT BREWING STRATEGY

DATE: April 11, 2016

KEY MESSAGES:

- Manitobans continue to express their passion for craft beers and the local brewers who produce them. Sales of craft beer, especially those produced locally, continue to grow.
- A collaborative effort, the *Supporting Manitoba Craft Brewing Strategy* launched by the Province of Manitoba encourages and supports the local craft brewing industry.
- Increasing the number of craft producers in the province will have a ripple effect, leading to the creation of local jobs and opportunities in the agriculture, hospitality, and tourism industries.

CURRENT STATUS:

- There are currently two microbreweries operating in Manitoba: Fort Garry and Half Pints. A third company, Farmery, grows hops and barley in Manitoba and contracts out brewing in another province.
- Approximately 20 other prospective manufacturers having expressed interest in opening a brewery or brewpub. They are in various stages, from initial inquiry to having a scheduled start date.
- An association of craft brewers was formed in September 2015. The Manitoba Brewers Association brings together craft brewers to share information, provide a unified voice, build relationships and collaborate with industry partners.
- A three-year marketing strategy is being developed by Liquor & Lotteries to increase consumer awareness and demand.

Incentives & Financing

- On July 29, 2015, the Small Business Venture Capital Tax Credit was amended to allow brew pub eligibility. This encourages small business to develop within Manitoba.
- As of April 1, 2016 craft breweries, distilleries and wineries will be subject to lower markups to facilitate incremental growth of these small businesses.
- On January 18, 2016 as part of the province's *Supporting Manitoba Craft Brewing Strategy*, Liquor & Lotteries announced a \$5 million economic incentive loan program to support the local craft brewing and distilling industry. Loans of up to

\$250,000 will be available for the purchase of brewing/ distilling equipment or towards the expansion of existing production and/or sales capacity. It is anticipated that the loan program will begin accepting applications in late spring/early summer 2016.

Long Term Growler Strategy

- Growlers are refillable beer containers. They are commonly sold at micro-breweries and brewpubs to sell takeout craft beer. With the growing interest in craft beer, growlers are becoming an increasingly popular format in North America.
- A total of 18 growler stations will be available in the province by the end of 2016. Fourteen are operating now. These are located at Liquor Marts(9) and beer vendors(5). A 3-year strategy for further expansion has been developed.

Regulations & Licensing

- The Liquor and Gaming Authority (LGA) clarified regulation processes for manufacturing licenses and simplified the LGA handbook including the establishment of tasting rooms.
- Working with the City of Winnipeg Zoning department to adjust current regulations that prohibit Brew Pubs from retail sales in the downtown area.

www.manitobabrewhub.ca

- A website was launched in summer 2015 gathers key information for those interested in opening a brewery, distillery or winery in the province.

Education

- The Province, in consultation with the Manitoba Brewers Association, will be determining educational and training needs including the feasibility of partnering with academic institutions with existing brewing programs to offer brewing certification in Manitoba.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: LEGALIZED RECREATIONAL MARIJUANA WORKING GROUP

DATE: April 11, 2016

KEY MESSAGES:

- In response to the federal government's decision to begin the process of legalizing marijuana, Manitoba has created an interdepartmental working group to develop advice for the Province on how to legalize, regulate and distribute recreational marijuana.
- The Manitoba government identified Manitoba Liquor & Lotteries as the preferred sales agent in the throne speech on November 19, 2015.
- The provincial working group has developed a work plan and has begun to undertake preliminary analysis and will begin stakeholder consultations once it receives clear direction from the federal government on marijuana legalization.

BACKGROUND:

Internal Working Group

- Liquor & Lotteries representatives have visited Colorado, Vancouver, and Amsterdam to evaluate the approaches these jurisdictions have taken with recreational marijuana.
- An internal working group, comprised of senior staff from Liquor & Lotteries and the Liquor & Gaming Authority, is undertaking and analyzing research on the strengths and challenges of recreational marijuana regulation and distribution in the following jurisdictions as noted above. This group will also provide other support to the provincial working group.

Canadian Association of Liquor Jurisdictions (CALJ)

- The CALJ is the national networking group for provincial crown corporations charged with the distribution and sale of retail liquor products. The possible legalization of recreational marijuana was discussed at both their June 2014 and June 2015 meetings. Liquor & Lotteries led the discussion at the June 2015 meeting.
- Liquor & Lotteries is currently leading an informal working group of CALJ and Association of Liquor Licensing Authorities of Canada (ALAC) members to organize a more comprehensive presentation and discussion session for the June 2016 CALJ/ALAC meeting in New Brunswick.

Provincial Working Group

- A provincial working group has been formed to provide advice to the Manitoba Government on how legalized recreational marijuana regulation and distribution might be managed in the province. The group includes representation from Liquor & Lotteries, Manitoba Justice, LGA, MPI, Winnipeg Police Service and Manitoba Health, Healthy Living and Seniors.

Work Plan:

The working group will undertake its activities in three phases (currently in first phase), with each phase dependent on the outcome of the previous phase. These include:

1. Completion of an issue analysis to identify current best practices for the regulation and distribution of recreational marijuana, with a specific emphasis on identifying potential risks and lessons learned in other jurisdictions. This analysis will include the following elements:
 - Consultation with other Canadian jurisdictions, led by Liquor & Lotteries and the LGA, occurred during the CALJ and ALAC conferences in February 2016.
 - Legal analysis on how anticipated changes to federal government legislation/regulation will impact Manitoba.
 - Literature review and annotated bibliography.
 - Review of U.S. jurisdictions that have moved to legalize and regulate the recreational sale of marijuana, including Colorado, Washington, Oregon, and Alaska.
 - Summary of the current management of Canada's medical marijuana system. The working group plans to tour Delta 9 in April, Manitoba's only medical marijuana growing facility.
 - Identification of resources and research related to driver safety including, MADD, Canadian Centre on Substance Abuse and the Canadian Council of Motor Transport Administrators.
 - Identification of resources and research related to health policy.
 - Identification of industry, law enforcement, health (including public health, addictions and substance abuse and others as appropriate) community and other stakeholders to consult throughout the process.
2. Development of policy papers, identifying high level policy options and a conceptual framework for a Manitoba approach to the regulation and distribution of recreational marijuana. This includes identifying immediate, intermediate and long term policy outcomes.
3. Development of an implementation framework, pending government direction:
 - Planning for legislative and regulatory consultation, preparation and drafting.
 - Developing a communication strategy for clear, consistent messaging to stakeholders.
 - Planning and developing the administrative model to regulate a new recreational marijuana industry in Manitoba, including licensing and compliance functions.
 - Developing a production/distribution/retail system.
 - Building capacity to mitigate any potential harms resulting from increased marijuana use including prevention, treatment and public education.
 - Developing research and evaluation capacity to review Manitoba's marijuana framework.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor & Lotteries Corporation Act

SUBJECT: MERGER UPDATE

DATE: April 11, 2016

KEY MESSAGES:

- The merger process at Manitoba Liquor & Lotteries is substantially completed with a few complex tasks well underway.
- The process of examining opportunities through the original MNP review has stimulated a significant number of additional recommendations from staff that have also achieved significant benefits.
- The merger was achieved without any disruption of ongoing customer service in either liquor or lotteries operations.

MNP Reports

- An interim report by MNP was released by the Province on September 15, 2014 that outlined merger savings that have been achieved and that are anticipated.
- A final report was issued on September 18, 2015 although it has not been publically released. It reports net cost savings until March 31, 2015 of \$35.8M acknowledging that savings will not be tracked further but approximately \$3.9M in recurring annual savings identified will continue to provide benefits.
- Liquor & Lotteries has achieved significant staffing efficiencies as a result of the merger, reporting a total of 57 positions that have been identified as redundant and will be removed from the staffing complement of the organization. Savings were also achieved by reducing from two Boards of Directors to one. Employees impacted by the merger have been offered alternate opportunities.
- Staffing and operating cost efficiencies provide a total of \$3.9 million in recurring annual savings. Cumulative actual or estimated savings from salaries, operating and contract improvements of \$14 million have been realized to March 31, 2015. A \$26.1 million pension adjustment increases benefits realized to the end of March 2015 to \$40.1 million. After merger related costs of approximately \$4.3 million, cumulative actual or estimated net savings to the end of March 2015 are \$35.8 million.
- Additional benefits are projected associated with HR and Financial systems integration and head office consolidation that provide further combined savings with a Net Present Value (NPV) of \$ 25.9 million.

Summary Merger Cost Savings	
Total permanent reduction in staff positions related to the merger	57 positions
Merger savings from salaries, operating and contracts (net of costs), cumulative actual or estimated to March 31, 2015	\$35.8 million
Net Present Value of Future Savings from Systems Integration (over 10 years) and Head Office Consolidation (over 20 years)	\$25.9 million

- Liquor & Lotteries has carefully tracked merger-specific savings and costs since October 2012, incurring ongoing staff time across merged departments to do so. The formal legal merger was effective April 1, 2014. Over time it becomes less clear whether a particular savings is as a result of the merger, or just an evolution of business practices that may otherwise have occurred. Liquor & Lotteries has accepted MNP's recommendation that the ongoing evaluation of merger savings and costs be considered complete as of March 31, 2015.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: FIRST NATIONS GAMING WORKING GROUP

DATE: April 11, 2016

BACKGROUND:

- The Manitoba/Assembly of Manitoba Chiefs Gaming Steering Committee was established in 2005 under a Letter of Understanding. Composed of two Ministers and two Chiefs, it is staffed by a working group initially composed of officials from the Province, the Liquor and Gaming Authority, and the AMC. The mandate of the steering committee is to address current challenges related to First Nations Gaming, and to move forward in a cooperative manner to seek opportunities that maximize economic development for First Nations.
- The steering committee is guided by the following principles:
 - First Nations gaming development should be supported by solid market analysis and business plans
 - First Nations gaming developments should not compromise the viability of existing gaming in Manitoba, and instead consider new and existing untapped markets
 - Consideration of First Nations gaming development should include new, creative and innovative models in addition to established ones
 - First Nations gaming developments should promote job development, capacity building and broad economic benefits for all Manitoba First Nations
 - First Nations gaming developments, if not located on-reserve, must have the support of local communities and municipalities
- Manitoba Liquor & Lotteries was invited to join the working group in 2015. It was directed to complete these projects:
 1. Update Manitoba's 2006 gaming market analysis
 2. Conduct a jurisdictional review of Canadian First Nation gaming models
 3. Engage with Manitoba First Nations on current gaming proposals
 4. Advance First Nation career development opportunities in the different sectors of Manitoba's gaming industry
 5. Renew discussions and develop options for the establishment of a self-sustaining First Nations gaming corporation
- The working group has completed the first three projects identified by the steering committee: the updated market analysis; the jurisdictional review; and met with First Nations on current proposals. Work to identify and open career development opportunities is ongoing. The working group expects to renew discussions about options for a First Nations gaming corporation in 2016.

- The Manitoba Gaming Market Assessment (2015) identified and examined a range of regional, provincial and national data points to compare and assess Manitoba's gaming market. The evidence shows:
 - Manitoba's gaming market is over-saturated
 - Spending on gaming as an entertainment option in Manitoba has gone down, even though the population has increased
 - Total spending in Manitoba per adult has declined by 8% since 2009, while the total number of adults in Manitoba has increased by 8% over the same period
 - Manitoba also has the highest number of electronic gaming devices (VLTs and slot machines) per capita with an average of 101 adults per gaming device compared to the Canadian average of 289 adults per gaming device
 - Manitoba also has the lowest performing electronic gaming devices with daily per machine average revenue of \$153 compared to the Canadian average of \$247.
 - Gaming markets across North America are also experiencing market and revenue drops as gaming is a large and mature part of the entertainment sector
 - The Canadian market will become more dependent on providing customers with new and different types of gaming activities
- The working group heard a number of presentations from First Nations communities for gaming opportunities that range from casinos and gaming centres to large VLT sites:
 - Gaming Centre at Dauphin Golf Course
 - Gaming Centre West of Brandon (Four First Nations)
 - Gaming Centre in Portage la Prairie
 - Dakota Tipi First Nation micro casino
 - Relocation of Sand Hills to Headingley
 - Relocation of Aseneskak to Kapyong Barracks
- No formal recommendations have yet been proposed by the working group to the Manitoba/Assembly of Manitoba Chiefs Gaming Steering Committee.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: SOCIAL RESPONSIBILITY STRATEGY (LIQUOR & GAMING)

DATE: April 11, 2016

KEY MESSAGES:

- Liquor & Lotteries' financial commitment for Social Responsibility (SR) initiatives is 2% of anticipated net income pursuant to the *Manitoba Liquor & Lotteries Act*. The budget was \$11.7 million for 2015-16 and \$11.9 million for 2016-17 for liquor and gambling SR initiatives.

BACKGROUND:

- Liquor & Lotteries is among the leaders in Canada for its innovative social responsibility programs and for its national collaboration. The Corporation focuses its SR efforts in six main areas:
 1. Consumer information and education initiatives inform customers and promotes healthy use of our products. The consumer information is branded GameSense and DrinkSense. Consumer information is available at Club Regent Casino, McPhillips Station Casino, the Shark Club Gaming Centre, Lottery Ticket Centres, VLT sites, Liquor Marts and on the corporate and all product websites.
 2. Risk & harm minimization initiatives help consumers manage risks associated with using our products. They include VLT responsible gambling features; staff training; information related to FASD, impaired driving, binge/excessive drinking, and preventing underage access to our products.
 3. Funding for treatment and support services. Just under \$8.0 million is budgeted for 2016-17 to Addictions Foundation of Manitoba, Marymount, Community Financial Counselling Services, Winnipeg's Community Homeless Assistance Team Program, and others.
 4. Research and evaluation ensures our programs achieve the desired outcomes. This is accomplished through program metrics and evaluations. Liquor & Lotteries also funds research through the \$1 million Manitoba Gambling Research Program and the \$1.35 million research contribution to the FASD research through the Canada-Israel International Fetal Alcohol Consortium.
 5. Standards and accreditation allow us to measure our SR performance against external indicators, using independent assessors. In 2014, Liquor & Lotteries was awarded Level 4, the highest level in Responsible Gambling accreditation, by the World Lottery Association. We will pursue maintaining this top accreditation.
 6. Advisory services ensure the SR perspective is included in major internal liquor and gambling business development projects. Additionally, Liquor & Lotteries partners nationally with other provincial liquor and gambling jurisdictions to help raise the bar for SR in Canada.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: CORPORATE SOCIAL RESPONSIBILITY (CSR) STRATEGY

DATE: April 11, 2016

KEY MESSAGES:

- Manitoba Liquor & Lotteries (MBLL) understands that its corporate decisions and operations affect society, the environment and communities. Therefore it continually demonstrates responsible business, social and environmental practices as well as being respectful, ethical and fully accountable for its actions and decisions.

- A three-year CSR Strategy (2015-2018) was developed to embed CSR in everything the corporation does, including governance, customer engagement, social responsibility (responsible gaming and responsible alcohol consumption), support to communities, industry partnerships, employee engagement and environmental innovation. There are about 30 comprehensive initiatives that will be undertaken.

BACKGROUND:

- The Corporation's CSR vision and 2015-2018 strategy were approved by the Board of Directors in December 2014.

- The development of the vision and strategy included a review of current CSR practices, national and international best practices, internal and external stakeholder consultations and executive level visioning sessions.

- The CSR vision is "**Entertaining for Good**" – which means:
 - Taking a sustainable approach to running the business.
 - Striving to reduce risks associated with liquor and gambling.
 - Helping communities thrive through support of non-profit organizations. As a major employer in the province, MBLL contributes to the economy and supports employee voluntarism.
 - MBLL profits go directly to support provincial priorities for health, education and other government programs that make Manitoba a great place to live.

- Below are three areas where MBLL makes a large positive impact:
 - Healthy Choices: It wants customers to make healthy choices around the use of liquor and gambling products. Customers, employees and business partners are informed to inspire moderation.

- Economic Prosperity: MBLL works with partners to increase the vitality of Manitoba's tourism, entertainment and hospitality industries, local beer and liquor production and supply, and other local businesses.
- Environmental Innovation: MBLL is part of the solution to environmental issues. Recycling and water stewardship are important issues in our industry. MBLL supports Manitoba's green economy.

Contact: John Stinson, CEO

ADVISORY NOTE
Minister Charged with the Administration of
The Manitoba Liquor and Lotteries Corporation Act

SUBJECT: FINANCIAL SUMMARY

DATE: April 11, 2016

ALLOCATION TO THE PROVINCE:

Net Income and Allocation to the Province for the years ended March 31:

2014-15 (Actual)	2015-16 (Budget)	2015-16 (Forecast)	2016-17 (Budget)
\$596.0 million	\$581.5 million	\$589.2 million	\$585.7 million

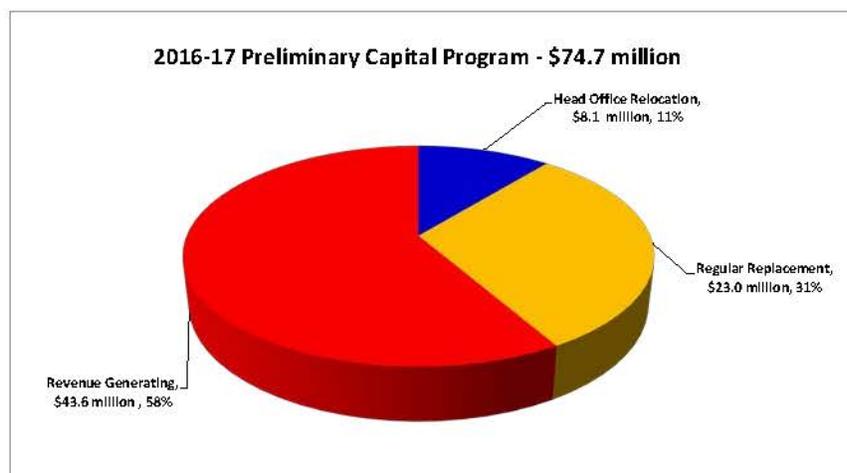
- Manitoba Liquor & Lotteries' net income is directed back to the Province of Manitoba to support government programs in health care, education, community and social services, as well as economic development.
- With the exception of 2012-13 and 2013-14, due primarily to declining VLT and casino revenues, income has consistently grown year over year.
- Liquor & Lotteries' allocation to the Province for the year ended March 31, 2015 was \$596.0 million, which is an increase of \$33.9 million (6.0%) from the same period of 2013/14. This increase was the result of a merger related one-time gain on the settlement of pension liability of \$26.1 million. Net income prior to the pension settlement was \$569.9 million.
- Liquor & Lotteries has budgeted a total allocation to the Province of Manitoba of \$581.5 million for 2015-16. The impacts associated with revenue generating initiatives were factored into this budget. (These include among other things: liquor store development the; new VLT games and equipment enhancements). Results to date in 2015-16 are favourable compared to budget as sales of lottery tickets and liquor products have been better than expected.
- The 2016-17 budget shows growth from the budgeted net income for 2015-16; however, represents a small decline from the current forecast. There are several factors that influence revenues taken into consideration:
 - Recent revenue trends across the country indicate a mature gaming industry. Independent market studies have demonstrated that Manitoba is a saturated market that will not continue to grow in gaming revenue through expansion.
 - Growth in gaming revenue will only be achieved through the evolution of the types of products offered (different game options, more non-gaming experiences, customer services, etc.).
 - National lottery revenues depend largely to the frequency of large jackpots. There was a significant increase in the number of large jackpots between 2014-15 and 2015-16 resulting in approximately \$13 million more net income.

While the 2016-17 budget is optimistic, it does not assume that the number of jackpots will recur.

- Overall liquor sales volumes are expected to increase in 2016-17 with new locations and store renovations. However, volume sales often are impacted by factors outside of the corporation's control such as supplier price increases and weather.
- Operating costs outside of those tied to store expansions (rent, staffing, bank charges, etc.) and sharp increases in US exchange rates have been maintained within inflationary increases. Merger savings continue to provide reductions in budgeted operating costs.

CAPITAL REINVESTMENT:

- As the corporation enters its third year as a merged entity, capital investment remains critical to the long term viability of the organization. Capital spending has been an important part of both the liquor and gaming lines of business. Investment in new or upgraded facilities, utilization of the latest technologies and the use of up to date equipment are required to meet customer needs and to ensure effective operation of the organization.
- Highlights of the current five year plan include the start of the head office relocation project, liquor store development and renovation, casino renewal, gaming equipment replacement and information technology replacement.
- The proposed 2016-17 Capital Budget totals \$74.7 million for regular capital and \$10.9 million for the First Nations' capital.
- The Corporation follows the Loan Act process. Debt repayment is self-funded by the corporation through asset depreciation.
- The majority of the corporation's capital plan is focused towards revenue generating initiatives



Contact: John Stinson, CEO



Key Business Stakeholders

Liquor & Gaming Authority of Manitoba (LGA)
Western Canada Lottery Corporation (WCLC)
Addictions Foundation of Manitoba (AFM)
Assembly of Manitoba Chiefs (AMC)
Manitoba Health & Healthy Living
Manitoba Hotel Association (MHA)
Manitoba Restaurant & Food Services Association (MRFA)
Restaurants Canada (CRFA)
Manitoba Liquor Vendors Association (MLVA)
Private Wine Stores
South Beach Casino
Sand Hills Casino
Aseneskak Casino
Multi-Material Stewardship Manitoba (MMSM)
Manitoba Brewers Association

MINISTER OPPORTUNITIES LIST: MAY 1 – 31, 2016

Date:	Event Name:	Opportunities:
May 4	YMCA-YWCA Women of Distinction Awards Dinner	to bring greetings & accept plaque to present Gerrie Hammond Memorial Award to present Arts, Culture & Heritage Award
May 14	Manitoba Day at the Manitoba Museum (afternoon ceremony)	to bring greetings
May 18	Vision Quest Conference Opening Morning Ceremonies	to participate in Grand Entry
May 18	Manito Ahbee Festival Kickoff	to bring greetings
May 21	Manito Ahbee Festival Grand Entries (1:00 pm or 7:00 pm)	to participate in Grand Entry
May 22	Manito Ahbee Festival Grand Entry (1:00 pm)	to participate in Grand Entry
May 28	Motorcycle Ride for Dad	to bring greetings at kick off to ride in parade
May 30	Winnipeg Tourism Awards of Distinction Gala Luncheon	to bring greetings

Manitoba Liquor & Lotteries Community Support – Major Sponsorships

Past Sponsorships

- **Cavalria Odysseo (2015)– Winnipeg & San Francisco Marketing/Tourism Sponsorship**
 - In partnership with Travel Manitoba.
- **103rd Grey Cup Festival (2015) – Premier Partner sponsorship**
- **Manitoba Craft Beer Marketing Sponsorship (Grey Cup)**
 - To increase recognition for Manitoba-based craft brewers (Fort Garry Brewing Co, Half Pints Brewing Co, and Farmery Estate Brewery) helped secure product exclusivity at all Grey Cup Festival events. Supported with extensive marketing and merchandising support in Winnipeg Liquor Marts.
- **FIFA Women’s World Cup 2015**
 - Provided in-kind support with extensive displays in Casinos of Winnipeg and Winnipeg Liquor Marts, to generate community awareness, build excitement and welcome visitors from around the world.
- **Junos/BreakOut West Music Conference/Year of Music (2014) – Combined sponsorship – National and Presenting Partner status.**
- **CFL HALL OF FAME Induction Weekend (2012)**
- **CN Canadian Women’s Open (2010)**

Current Sponsorships

- **Winnipeg Jets – Marketing and Community Support sponsorships**
- **Winnipeg Blue Bombers – Marketing and Community Support sponsorships**
- **Winnipeg Goldeyes – Marketing and Community Support sponsorships**
- **Assiniboia Downs - Season Sponsorship**
- **PGA Players Cup - Founding Partner sponsorship**
- **Upper Fort Garry – Sponsorship of Heritage Wall**
- **Winnipeg Symphony Orchestra – Community Engagement Sponsor**

- **Habitat for Humanity** – Legacy Build Program – Multi year agreement to help fund Habitat homes throughout Manitoba and reinvest mortgage payments from these homes to help build additional Habitat homes.
- **SSCY (Specialized Services for Children & Youth)** - Naming rights to specialized area within new multi-service facility
- **Canadian Museum for Human Rights** – Five-year commitment to support Dr. Stuart Clark’s matching dollar challenge to original donors and sponsors.
- **ManitoAhee Festival** – Presenting Sponsor
- **Royal Manitoba Theatre Center** – Sponsor of Rural Tour and Fringe Festival
- **Centralia Manitoba/Centralia World**
- **Tourism-Related Sponsorships:**
 - **Countryfest**
 - **Folklorama**
 - **Folk Festival**

Future Sponsorships

- **2017 Canada Summer Games** – Legacy Partner sponsor

ADVISORY NOTE
Minister Charged with the Administration of the
Manitoba Liquor and Lotteries Corporation Act

SUBJECT: STATUTORY RESPONSIBILITIES OF THE MINISTER/
LEGAL FRAMEWORK

DATE: April 11, 2016

- The minister assigned responsibility for the administration of *The Manitoba Liquor and Lotteries Corporation Act* has the following statutory responsibilities:
 1. to add any other information that the Minister requires in the annual report of MBLL (at subsection 19(c)); Note: The corporation writes and produces the annual report.
 2. to facilitate requests of Crown Corporations Council for certain reports from MBLL (at subsection 6(2) of *The Crown Corporations Public Review and Accountability Act*);
 3. to receive reports from the chairperson of the board of MBLL (at subsection 14(3) of *The Crown Corporations Public Review and Accountability Act*);
 4. to table the annual report of MBLL in the Legislative Assembly (at subsection 19(2) of *The Crown Corporations Public Review and Accountability Act*); and
 5. to table the quarterly financial statements of MBLL for each of the first three quarters of a fiscal year in the Legislative Assembly (at subsection 20(3) of *The Crown Corporations Public Review and Accountability Act*).

There are a number of powers assigned to the Lieutenant Governor in Council under *The Manitoba Liquor and Lotteries Corporation Act* (for example, the authority to approve the establishment of a wholly-owned subsidiary, the authority to borrow and the authority to make regulations). The minister assigned responsibility for the administration of *The Manitoba Liquor and Lotteries Corporation Act* would present the Orders in Council to Cabinet to request that these powers be exercised.

Contact: John Stinson, CEO

Crown Corporations Council Briefing Package

Mission

“The Crown Corporations Council assists government in strengthening Manitoba Crown Corporations through effective oversight and governance education.”

Board Mandate

The Board functions as the broad policy setting body of the corporation and ensures that government policy is translated into Crowns’ corporate policies. The Board reviews annually the mandate of Crown corporations, their strategic plans, capital and operating budgets and major activities.

Background/History

- Council was created 27 years ago by the Filmon Government through the *Crown Corporations Public Review and Accountability Act*. Council’s role is to ensure that public confidence in the effective planning, control and management of Manitoba’s Crown corporations is maintained and to strengthen the accountability mechanisms for Manitoba’s Crown corporations.
- Council was established as part of the accountability framework under this Act.
- The current Crown corporations that fall under this Act are:
 - Manitoba Hydro
 - Manitoba Public Insurance
 - Manitoba Liquor & Lotteries
 - Manitoba Centennial Centre Corporation
 - Communities Economic Development Fund
- The Act established Crown Corporations Council as a corporation responsible to the Minister charged by the Lieutenant Governor in Council with the administration of the Act.

Budget & Funding

Council’s oversight activities are financed through levies applied to the five (5) Crown corporations under its purview. Council has budgeted approximately \$900 thousand with a staff complement of five (5) for the 2016 fiscal year to fulfil this duty.

In addition Council receives an allocation of \$80 thousand, which is supplemented by participant fees, to provide a training program for provincial appointees to Agencies, Boards & Commissions. The Provincial contribution is drawn proportionally from each department.

Board Composition

Subsection 4.2 of the *Crown Corporations Public Review and Accountability Act* lays out the requirements for membership on Council:

“The Council shall consist of at least seven members appointed by the Lieutenant Governor in Council:

- a) one of whom is the Dean of the Faculty of Management of the University of Manitoba or his or her designate from that faculty;
- b) one of whom is a person nominated by Chartered Professional Accountants of Manitoba;
- c) one of whom is a person who, in the opinion of the Lieutenant Governor in Council, represents organizations of consumers in Manitoba; and
- d) at least three of whom are persons who, in the opinion of the Lieutenant Governor in Council, have demonstrated management or technical expertise.”

Current Council Membership:

Director	Criteria	Date Appointed	Expiration
Michael Benarroch Chair Chair, HR Committee Member, Audit Committee	4.2(a)	Appointed 2011 Reappointed July 29, 2015	July 31, 2018
Ron Bailey Vice-Chair Member, HR Committee	4.2 (c)	2008 Reappointed May 2011 & August 2013	July 31, 2016
Charles Henaire Chair, Audit Committee	4.2(b)	2013	March 26, 2016
Manisha Pandya Member, Audit Committee	4.2(d)	2013	July 31, 2016
John Plohman	4.2(d)	2014	July 31, 2017
Peter Olfert	4.2(d)	2014	October 1, 2017
Darlene Beck Member, HR Committee	4.2(d)	2015	November 4, 2018

Executive

Chuck Sanderson – *President and CEO*

- Formerly Executive Director of Manitoba Emergency Measures Organization 2002-2013.

David Navratil, MA, MBA – *Senior Corporate Analyst & Manager of Education Programs*

Donna Frame, H.B. Com., CPA, CGA – *Senior Corporate Analyst & Manager of Corporate Operations*

Core Functions of Council

Council is engaged in 3 primary functions: Oversight, Training and Complaint Investigation.

Oversight

Council provides support to Manitoba Crown corporations and offers advice to government related to Crown corporations. Oversight comes in the form of government reporting where Council's analysts review information provided by the Crowns (combined with environmental scans) to ensure that the Crowns are functioning in a way that best delivers their mandate and operating in alignment with government priorities. There is also a strong focus on Board governance and composition.

Reports for each Crown include:

- Monthly Monitoring – focusing on the activities of the Board, financial performance of the Crown, and a risk assessment.
- Quarterly Financial Reports – overview of the financial performance to date, coupled with explanations of any major deviations from the current budget.
- Capital and/or Loan Acts – review and/or approval of the 5-year capital programs and *Loan Act* requirements for the next fiscal year, coupled with analysis and overview – focusing on major expenditures and deviations from previously stated targets.
- Annual Report – Prepared annually for all of the Crowns under our purview, this in-depth report consists of a detailed analysis of the Crown's performance for the previous fiscal year, with a look ahead to the current fiscal year. Three primary sections of the report are: Mandate review, Strategic Plan review, and Governance Evaluation. The report also contains an Overview of Crown's performance and a discussion of relevant risks.

All reporting is reviewed and/or approved by Council's board and when necessary issues are brought forward to the Minister responsible. Quarterly, Capital and Annual reports are all provided to the Minister after approval by Council's Board of Directors.

Advice to Government:

- Creation of policies for the Crowns when requested (e.g. Use of Community Event Tickets).
- Meetings, briefings, consultations and reports to relevant Minister(s) regarding potential risks related to a particular Crown.
- Keeping government abreast of current trends in other Canadian jurisdictions, with respect to issues related to the governance of Crown corporations.
- Report back to government when asked to prepare or investigate specific issues related to a Crown.
- Provide neutral, unbiased advice.
- Can serve as an early warning system on emergent issues in relation to Crown corporations.
- Knowledge source on items such as: Crown mandate reviews, Board appointment processes, Board governance best practices, government letters of direction, etc.

Training

Council enhances public sector Board governance through training programs and workshops for all Manitoba public sector Agencies, Boards, Commissions (ABCs) and Crown corporations. Council has become the knowledge centre for public sector governance in Manitoba, and to that end we frequently

engage with other government experts and departments to ensure we deliver a high quality product. The training program is facilitated by the two Senior Corporate Analysts with subject matter experts utilized for specific training sessions. Past and present partners, collaborators and facilitators are:

- Office of the Auditor General Manitoba
- Legal Services Branch of Manitoba Justice
- Insurance and Risk Management Branch, Manitoba Finance
- Dr. Karen Busby – a Professor of Law and the Director of the Centre for Human Rights Research.
- James Burns Executive Education Centre and the Asper School of Business.
- Various private sector experts in Strategic Planning, Conflict Resolution, Risk Oversight and Minute Keeping.

The training program was created as a result of recommendations made in the 2009 Auditor General's Report at the request of government. Board training consists of the following programs:

Board Performance Training (BPT)

- These workshops cover areas of core competencies as well as current issues that affect governance and leadership in Manitoba's public sector. Courses are open to Directors and senior staff who provide direct support to governance of all Manitoba public sector Agencies, Boards, Commissions (ABCs) and Crown corporations.
- Quasi-Judicial Boards & Administrative Tribunals – developed exclusively for appointees to boards/tribunals that have a quasi-judicial or decision making function.
- Courses are regularly offered in Winnipeg, Brandon and the North.

Emerging Topics Series

- Council enhances public sector Board governance by delivering workshops to Manitoba's Crown corporation Boards to encourage sharing of information and experiences related to public sector leadership and governance. These workshops revolve around new topics that affect governance and leadership of Manitoba's Crown corporations. This Series is intended for all Board Directors and the Executive Management teams of the Crown corporations under our purview.

Hearing of Complaints

Council receives and hears submissions from any person who, in the opinion of Council, has knowledge respecting any aspect of a corporation's activities regarding alleged failures by a corporation to comply with any Act or any policy of Council and reports back to government on these submissions.

Opportunities for Development

The operating environments for the Crowns are constantly changing. Issues related to Risk, Accountability, Transparency, Due Diligence, and effective Board Governance are always in the forefront and are of concern to government. Council is always looking at ways to best serve government in the areas of oversight and training.

Expanded Oversight Function

The oversight provided by CCC is not limited to Crowns. Subsection 2(4) reads as follows:

“The Lieutenant Governor in Council may, by regulation, extend the application of all or any part of this Act to any Crown Corporation, board, commission, agency or like body on any terms and conditions that the Lieutenant Governor in Council considers appropriate.”

There are many other entities that might be considered for our oversight, due to potential or proven risks. For example: East Side Road Authority, Deposit Guarantee Corporation and the Workers Compensation Board.

It is also noted that under subsection 6(1)(c) the Lieutenant Governor in Council may request advice from Council on any matter of policy that affects Crown corporations.

Council, through ongoing research and its participation in the Government Owned National Network (GONN), has access to information, policies and practices across jurisdictions in Canada with regard to governance in general and appointment processes and mandate reviews in particular which may be of interest as government restructures across departments.

Expanded Training Program

We are continuously improving our training program and opportunities for further development have been identified:

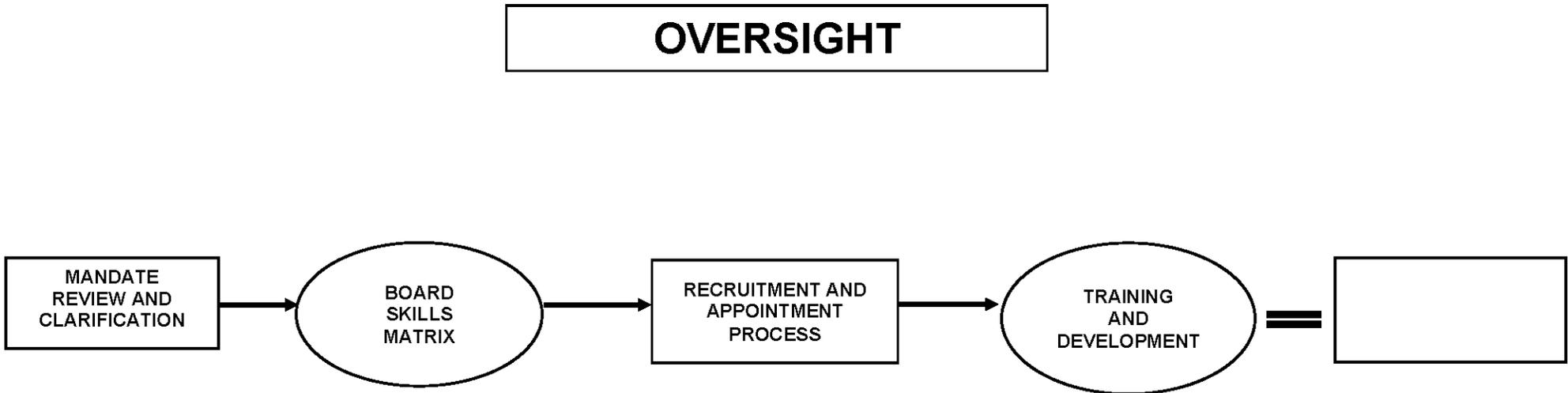
- Expand the training program beyond the current offering, which includes over 180 Agencies, Boards and Commissions. We are often asked to do presentations for government departments, deputy ministers, and non-ABCs who fall outside of our mandate, but are nestled within a larger agency (for example, Child & Family Services has several regional Boards whose members are not eligible for our training).
- Offer some of our training online, so we can better reach directors located outside of our primary training cities.

Additional Information

For additional information please contact Chuck Sanderson, President and CEO at 204-949-5270, ext. 105 or chuck.sanderson@crowncouncil.mb.ca.

CROWN CORPORATIONS COUNCIL

Board Governance Risk Management Oversight





2016 BPT Schedule

Workshop

Sessions

Leadership Series (Chairs)

The Chair's Role in Strategic Planning – an interactive workshop	Oct 20 (Aft)
Director Liability for Public Sector Boards, Agencies & Commissions	May 5, Dec 5 (12:00-1:30PM)
What to do when things go wrong: 20 mistakes boards make	Sept 29, (12:30-3:00PM)

Governance Fundamentals Series (Directors and Chairs)

Roles & Responsibilities of Effective Boards (Orientation).	Apr 6 (Aft), May 11 (Mor), Jun 8 (Aft), Sep 7 (Aft), Oct 6 (Eve), Oct. 27 (Aft), Nov 3 (Aft), Dec 6 (Aft)
Building a High Performance Board	Oct 13 (Aft)
Financial Essentials for Directors <i>Note - a Brandon session will be held on Jan. 28th – please consult our website for details.</i>	Apr 13 (Mor), May 19 (Eve), Sep 21 (Eve), Oct 12 (Aft), Nov 17 (Aft)
Special Topics in Governance: The Audit Committee	June 2, Nov. 30 (12:30-3:00PM)
Partnerships & Relationships between Board & Staff	April 19 (Aft)
The Role of the Board in Risk Oversight	June 9 (Aft), Nov 15 (Aft)
Board Evaluation & Governance Assessment	Oct 18 (Aft)
Director Liability for Public Sector Boards, Agencies & Commissions	Sep 22 (12:00-1:30PM)
The Board's Role in Strategic Planning – an interactive workshop	Apr 21 & Nov 29 (Aft)
Learning Lunch with Sylvia Groves, the author of AAA+ Minutes	Oct. 5 (12:00-1:30PM)
What to do when things go wrong: 20 mistakes boards make	Nov. 22, (12:30-3:00PM)

Quasi-Judicial Boards & Administrative Tribunals

The Fundamentals of Tribunal Decision-Making:	May 25 (Aft)
What New Appointees Need to Know	Sep 28 (Aft)

Please consult our website (<http://www.crowncc.mb.ca/en/training/about/>) for detailed course descriptions and information about our facilitators. *Note – actual session length may end up being shorter than posted.*

Morning: (9:00AM-12:30PM)

Afternoon: (12:30PM-4:00PM)

Evening: (5:30PM-9:00PM)

Governance Fundamentals Series (Directors and Chairs)

Roles & Responsibilities of Effective Boards (Orientation)

Public boards, agencies and commissions have a significant role to play with respect to the success of their organizations. From legal to ethical, understanding the board's roles and responsibilities are critical to the effectiveness of a board's performance. This orientation session will also cover the public sector environment and the duties expected of directors. *If you have recently been appointed to a board, this is the course the government recommends you take.*

Building a High Performance Board

Would you like to make your board even more effective? This course is designed to examine new trends in governance and best practices of high performing boards. From the board building cycle to organizing board committees, this course will help to answer some common questions about governance models and board organizations. *Suggested prerequisite: Roles & Responsibilities of Effective Boards (Orientation)*

Financial Essentials for Directors

The goal of this course is to provide Board Chairs and Members a better understanding of financial information in the public sector that will help them to better fulfil their roles and responsibilities. We will look at the roles of Board members, management, the Audit Committee and the external auditors together with some fundamental concepts that are the basis for financial reporting. Using some simple examples we will look at each of the main financial statements including the notes to allow participants to become more comfortable with each of the statements. We will also look at some procedures and tools that can be applied to the statements to build on this information. *Suggested prerequisite: Roles & Responsibilities of Effective Boards (Orientation)*

Special Topics in Governance: The Audit Committee

The focus of the course will be on the role of the Audit Committee and how it relates to the roles and responsibilities of the Board as a whole. We will discuss the audit function, both external and internal, fundamentals of Audit Committee membership and best practices. In addition to emerging issues, we will also examine the relationship between the Board, Management, and the Audit Committee. This course is intended for all Board members, not just those who serve on the Audit Committee. *Suggested prerequisite: Financial Essentials for Directors*

The Role of the Board in Risk Oversight

The board has a collective role when it comes to risk, which includes identification and oversight of relevant risks affecting the organization. What role does the board play when developing a risk culture, strategy, or appetite? How does the organization come up with metrics to monitor the identified risks, and who is responsible when things go wrong? This course will examine the risk oversight process, including the role of management, staff and the board.

Director Liability for Public Sector Boards, Agencies & Commissions

Do you think you are "bullet-proof" because you were told government has a blanket liability insurance policy for directors? Wrong! Think again! This workshop tells you the realities of liability for board members: What are the sources of board member liability? What protections are available for board members? What should board members do when things go wrong?

This workshop is hosted by Mary McGunigal – Crown Counsel with Civil Legal Services of Manitoba Justice.

The Board's Role in Strategic Planning – an interactive workshop

Developing strategy is a key function of the Board. Although there are many ways to go about this process, there are best practices that one can embrace. During this interactive strategy development workshop, Josée Lemoine (Founder and President, Pivot Advisory Services) will demonstrate the importance of embracing a strategic planning process, how it works, and the Board's role in seeing it through to completion. Josée - a skilled facilitator with many years direct experience in working with Crown Corporations, not-for-profits, and private sector organizations - will facilitate this session. *Suggested prerequisite: Roles & Responsibilities of Effective Boards (Orientation)*

Learning Lunch with Sylvia Groves, the author of AAA+ Minutes

Sylvia Groves, FCIS, is the author of AAA+ Minutes. The Three Must-Do Fundamentals And 100s Of Practice Tips For Writing Minutes That Protect Your Organization And Its Directors. She is also a professional speaker, facilitator and consultant. From her award-winning work in corporate governance, she created Governance Studio, a firm dedicated to Adding Value to Every Seat in the Boardroom Table™. She works exclusively with organizations that seek to apply good governance practices as a fundamental way to add value. Sylvia's expertise and no-nonsense practical advice has helped thousands of corporate secretaries and directors enhance the effectiveness of their boards and their organizations

Board Evaluation & Governance Assessment

How effective is your board? How do you know?? One of the first steps is performing an effective evaluation of your current processes and performance. Examining your board practices and performance, as well as director self-evaluations, are all components of this important process. This course will review the rationale and purpose for performing board evaluations, coupled with an examination of some of the tools available for conducting analyses – including CCC's Director Competency Profile evaluation tool created by MNP. As well, we have invited the Office of the Auditor General of Manitoba to provide some insights into this challenging aspect of board governance, and share key evaluation practices used in their governance assessment.

Suggested prerequisite: Roles & Responsibilities of Effective Boards (Orientation)

Session Facilitators:

David Navratil, MA, MBA, Manager of Education Programs, CCC

Maria Capozzi, MPA, Principal, Board Governance, OAG

Partnerships and Relationships between Board and Staff

A strong relationship between Board and Staff is pivotal to the successful operation of any entity that is governed by a Board of Directors and is even more crucial when the number of staff persons is small. It can also be challenging for board and staff to work together to build a strong and productive relationship when the parties do not intersect on a daily basis. This workshop will help to clarify the Board's role in this area, and examine topics such as communication strategies, defining lines of authority, defining shared and separate responsibilities, day to day feedback, performance evaluation, working with stakeholders and succession planning. The Facilitator for this session, Priti Shah, is a lawyer, mediator, arbitrator, investigator, facilitator and the CEO of PRAXIS Conflict Consulting in Winnipeg. This is a new course for 2016. *Suggested prerequisite: Roles & Responsibilities of Effective Boards (Orientation)*

Quasi-Judicial Boards & Administrative Tribunals

Due to the unique nature and responsibilities of these organizations, Council has created a special course for people appointed to these organizations. Please check the schedule for updated course offerings.

The Fundamentals of Tribunal Decision-Making: What New Appointees Need to Know

Congratulations on your appointment as a subject matter expert to an administrative tribunal in Manitoba. This session will help answer four questions that should be top-of-mind for all tribunal members:

1. How do you work with your enabling legislation?
2. How do you conduct a fair hearing?
3. How to you deal with bias (real or apprehended) regarding either the subject matter or the people affected by your decisions?
4. How do you write good reasons for decision?

The Facilitator for this session, Karen Busby, is a Professor of Law and the Director of the Centre for Human Rights Research. As is a long time teacher of administrative law, a former member of the Vulnerable Persons Review Panel and author of the Manitoba Law Reform Commission Report, Improving Administrative Justice In Manitoba: Starting With The Appointments Process (2009), Professor Busby brings a wealth of knowledge to the classroom. In 2015 she received the University of Manitoba's Saunderson Award for Excellence in Teaching. This is a new course for 2016.

Leadership Series

This series has been designed specifically for Board Chairs, and will provide an opportunity to learn and to share insights and experiences among peers. Please check the schedule for updated course offerings.

The Chair's Role in Strategic Planning – an interactive workshop

Developing strategy is a key function of the Board. Although there are many ways to go about this process, there are best practices that one can embrace. During this interactive strategy development workshop, Josée Lemoine (Founder and President, Pivot Advisory Services) will demonstrate the importance of embracing a strategic planning process, how it works, and the Board's role in seeing it through to completion. Josée - a skilled facilitator with many years direct experience in working with Crown Corporations, not-for-profits, and private sector organizations - will facilitate this session. *Suggested prerequisite: Roles & Responsibilities of Effective Boards (Orientation)*

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This workshop is hosted by Mary McGunigal – Crown Counsel with Civil Legal Services of Manitoba Justice.

What To Do When Things Go Wrong: 20 Mistakes That Boards Make

See website for details

You can also contact us for additional information 204.949.5270 ext. 106 or info@crowncc.mb.ca to learn more. Or check out our website at <http://www.crowncc.mb.ca/en/training/about/>

Manitoba Public Insurance Ministerial Briefing Government Transition 2016

Section	Subject
1	Manitoba Public Insurance History and Evolution
2	Key Priorities Required within 90 Days of Transition
3	Personal Identification Card (PIC) Initiative
4	General Rate Application (GRA) Update
5	Suggested Board Member Credentials
6	Government House Book Notes
7	Manitoba Public Insurance Corporate Overview <ul style="list-style-type: none">a. Corporate Overviewb. How we define successc. Lines of business and servicesd. Key strategic Initiativese. Divisional Overviews

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: Manitoba Public Insurance History and Evolution

DISCUSSION:

The following document provides contextual information for the Minister on Manitoba Public Insurance history and evolution that will be discussed during the Ministerial Briefing.

Manitoba Public Insurance

High Level Overview

May 2016

WHERE HAS MPI COME FROM?

MPI is no longer just a simple insurance company.

Only fifteen years ago, we were just AUTOPAC – providing only auto insurance to Manitobans. We are now a company with four lines of business with total revenues in excess of \$1B and assets of \$3.2B. We rank 320 on the FP 500 list.

Today, we are MPI, a public auto insurance provider, serving the Government of Manitoba and people of Manitoba with secure identity and residency information.

Today MPI has specialization in:

- Public auto insurance (foundational)
- Vehicle registration
- Licensing
- Issuance of travel documents
- Identity management
- Financial services
- Long term health care services (PIPP House)

WHAT HAS MPI BECOME?

Over the past 15 years, MPI's capabilities have expanded beyond the delivery on the mandate of public auto insurance by:

- Combining compatible businesses with the integration of Driver Vehicle and Licensing (DVL) and auto insurance
- Capitalizing on its investment mandate to establish the winter tire loan program
- Developing the Province's most comprehensive list of Manitobans, with accurate, secure data on their identities and residency in order to offer the Personal Identity Card (PIC)

These capabilities create a powerful asset for Manitoba – a deeply trusted and effective keeper and manager of information about Manitobans.

WHAT IS ON MPI'S AGENDA TODAY?

Under the scrutiny of the Public Utilities Board (PUB), MPI has maintained a solid financial position that prudently supports the obligations it has to Manitobans. In the short term, MPI's priority is its annual filing of the General Rate Application (GRA) with the PUB. The Board-approved GRA must be filed by June 17, 2016. MPI's Board of Directors to approve the final rates during the May 19, 2016 Board of Director's meeting.

s.23(1)(a)

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: Manitoba Public Insurance Key Priorities

DISCUSSION:

Manitoba Public Insurance has identified the key priorities to be addressed in the first 90 days following transition.

Manitoba Public Insurance Key Priorities

Purpose: To identify key priorities for Manitoba Public Insurance within the first 90 days following transition

Decision	Desired Date	Business Rationale
Repurposing of the Pembina Highway Service Centre	May 6, 2016	To divest leased space at 1745 Ellice Avenue by October 31, 2017, resulting in up to \$1 million in lease cost savings annually
General Rate Application (Basic Autopac Rates) for the 2017/18 insurance year	May 17, 2016	General Rate Application must be filed with the Public Utilities Board on June 17, 2016
Transfer of excess retained earnings from the Extension (non-Basic) line of business to the Basic Rate Stabilization Reserve	May 17, 2016	General Rate Application must be filed with the Public Utilities Board on June 17, 2016
Approval of Financial Statements for the 2015/16 fiscal year	May 17, 2016	Legislative mandate to file Financial Statements within 90 days of fiscal year end
Personal Identification Card Initiative	May 17, 2016	To mitigate financial risk to the Corporation and achieve targeted delivery date; Fall 2017
PIPP Mediation Pilot Program	June 24, 2016	To formally conclude the Mediation pilot and move the program to normal operations
s.23(1)(f)	[REDACTED]	[REDACTED]
s.23(1)(f)	[REDACTED]	[REDACTED]

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: Personal Identification Card (PIC) Initiative

DISCUSSION:

Manitoba Public Insurance is currently working with Manitoba Health, Healthy Living and Seniors on a new initiative – the Personal Identification Card – which will integrate an individual's Personal Health Identification Number (PHIN) onto the back of their driver's licence or identification card.

The following House Book Note is included in the supplementary Government House Book binder and can be discussed in more detail during the Ministerial Briefing.

CRITICAL ISSUES HOUSEBOOK NOTE

TOPIC: Personal Identification Card (PIC)

ISSUE: Creation of an All-in-One Personal Identification Card

REFERENCE: Government Transition 2016

KEY POINTS:

- On January 11, 2016, the Manitoba Government announced the approval of the all-in-one Personal Identification Card (PIC).
- The PIC will integrate an individual's Personal Health Identification Number (PHIN) onto the back of their driver's licence or basic identification card.
- Scheduled to begin being issued in the fall of 2017, the PIC will provide Manitobans with:
 - A convenient and durable all-in-one card.
 - Improved protection against identity theft, forgery and fraud.
 - The assurance that private information stays confidential.
- Among the advantages to government, the PIC will:
 - Help address technology obsolescence at Manitoba Health.
 - Achieve potential cost savings by:
 - Eliminating duplicate functions.
 - Reducing health-care fraud.
 - Leveraging established infrastructure already in place at Manitoba Public Insurance including tamper-resistant photo card technology (with embedded security features) and proven management practices through the Corporation's existing Registry of Identity.
 - Establish a new family relationship database with the flexibility to meet evolving societal changes that will continue to challenge the definition of traditional family structure in future.
- The information that will be integrated with the Manitoba Public Insurance Registry of Identity database would be limited to what is currently displayed on an individual's health card. This includes:
 - First and last name, address, gender, six-digit Registration Number, nine-digit PHIN, date of birth, coverage date, coverage information on dependants.

- No personal health records would be shared with Manitoba Public Insurance and no driver licence information or driver history would be shared with Manitoba Health or Healthy Living and Seniors.

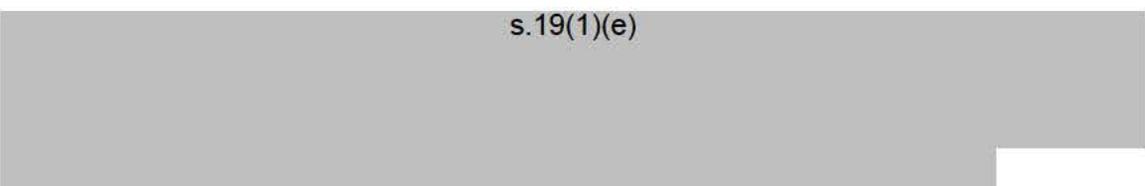
DISCUSSION:

- On August 28, 2015, Manitoba Public Insurance, in partnership with Manitoba Health, Healthy Living and Seniors, launched a comprehensive, province wide consultation process that invited Manitobans to share their views on the PIC.
- In addition to engaging individual Manitobans through a dedicated website, print and radio advertising, a discussion paper, surveys and face to face conversations, the Corporation identified and reached out to a total of 55 stakeholder groups for their written and verbal feedback. Key findings:
 - The PIC received enthusiastic support from the vast majority of the nearly 4,000 Manitobans who shared their views, plus the many thousands more who were represented in the feedback provided by 29 key stakeholders.
 - Survey results also indicate that Manitobans strongly support the PIC and believe it will offer them many benefits including convenience, durability, privacy and improved security.

➤ s.28(1)(b)



➤ s.19(1)(e)



- Post PIC implementation, the Corporation will also absorb all operational costs within the annually indexed funding provided by government to administer driver and vehicle licensing programs.
- Every step necessary will be taken during this transition process to ensure the privacy of Manitobans is protected through legislation, regulation and review of a full privacy impact assessment by the Provincial Ombudsman.
- PICs will be available through all Autopac agents. Anyone requiring a Manitoba Health Card will transition to a new PIC at no charge.

Contact: Ward Keith, Vice President, Business Development, Communications and Chief Product Officer (204-781-4742).

This is a record prepared to brief the Minister responsible for Manitoba Public Insurance about a matter that is before, or is proposed to be brought before, Cabinet or that is the subject of communications amongst ministers relating directly to government decisions or the formulation of government policy – as per Section 19(1) (e) of The Freedom of Information and Protection of Privacy Act.

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: General Rate Application (GRA) Update

DISCUSSION:

At its meeting on April 15, 2016, the Board of Directors of Manitoba Public Insurance approved the approach for establishing Basic Autopac program rates for the 2017/18 insurance year which runs from March 1, 2017 to February 28, 2018.

The direction provided by the Board of Directors will be used to finalize the 2017/18 General Rate Application which is to be filed with the Public Utilities Board on June 17, 2016.

An overview of the current relationship with the Public Utilities Board and details of the Corporation's approach for the 2017/18 GRA filing will be discussed during the Ministerial Briefing.

DRAFT MINUTES**Date:** April 15, 2016**Page:** 8 of 10

- Partnership with Google Inc., and
- Crown Corporations Council survey

Ms. Reichert, Ms. Martin, Mr. Crozier, Mr. Cerqueira and Mr. Johnston joined the meeting.

16-080 2017/18 Basic Autopac Program and Rates

Ms. Reichert, Mr. Cerqueira and Mr. Johnston presented Agenda Item 4.1 "2017/18 Basic Autopac Program and Rates".

Moved by Mr. Prychitko and seconded by Ms. Millis that the Members approve the following:

1. an overall rate indication of 2.0%;
2. direct Management to file an application that will allow for collaboration with the PUB to consider interest rate forecast risk factor;
3. authorize Management to amend the application at the hearing to reflect significant current interest rate forecasts and equity forecasts;
4. the rate increase should not increase more than 5.0%.
5. authorize Management to seek a RSR rebuilding fee if necessary

CARRIED

Ms. Reichert, Ms. Martin, Mr. Crozier, Mr. Cerqueira and Mr. Johnston withdrew from the meeting.

Mr. Keith joined the meeting.

16-081 Corporate Sponsorships

Mr. Keith presented Agenda Item 4.2 "Corporate Sponsorships".

Moved by Mr. Saunders and seconded by Ms. MacKinnon that Members approve the following sponsorships:

- \$25,000 Corporate Sponsorship: Community Support for Free the Children's 2016 WE Day event

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: Suggested Board Member Credentials

DISCUSSION:

The following document provides a summary of Manitoba Public Insurance operations and the background, experience and formal education qualifications that the Government may wish to consider when appointing members to the Manitoba Public Insurance Board of Directors.

Desired qualifications are also suggested for Committee Chairs.

Manitoba Public Insurance

Suggested Board Member Credentials

Purpose:

To provide the Minister's office with information on the desired background and credentials for incoming members of the Manitoba Public Insurance Board of Directors.

Corporate Overview:

Revenue:	In excess of \$1B per annum
Assets:	Approximately \$3.2B
Lines of business:	Four lines of business Two "for profit" – Extension; Special Risk Extension Two "break even" – Basic; DVA Administration
Key Business Expertise:	Public Auto Insurance Vehicle Registration Driver Licensing Issuance of Travel Documents Commercial Insurance Identity Management Law Enforcement Financial Services

Desired Requirements:

Level III Security clearance for the Board Chair and the Audit Chair

Level II Security clearance for all other Board members

Previous experience on a Board of Directors; preferably a Board with a large operating budget and complex business models.

Knowledge of and experience with:

- The insurance industry
- Crown Corporation and its relationship with the Government; includes familiarity with legislative process
- Unionized environment

Expertise:

- Legal expertise, preferably regulatory
- Customer service expertise
- Finance expertise
- Human Resource expertise
- Business/Strategic Planning expertise
- Information Technology expertise
- Communications/marketing expertise

Requirements of Committee Chairs

Chair – Audit/Finance/Risk

- At least one designated accountant (CA) with experience in audit or risk management
- Experience in a larger multifaceted organization
- Holds or has held a senior level position in a Finance area

Chair – Investments

- Experience on another Investment Committee – pension fund or organization with a large investment portfolio (like a University or Hospital Foundation)
- CFA Designation
- MPI's portfolio in excess of \$2.5B

Chair – Planning and Technology

- As this committee is responsible for approving the budget – some experience with a multi-faceted organization with a large budget. i.e. in excess of \$200 million and 1000 FTE

Chair – Governance and Human Resources

- Experience in the field of Human Resources or strong management experience within a unionized environment.
- Under graduate degree.
- Certified Human Resources Professional (CHRP)

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: Government House Book Notes

DISCUSSION:

Government House Book Notes have been prepared for the Minister's review in preparation for the Spring 2016 Legislative Session. The House Book Notes are provided in the supplemental binder and will be updated for the start of all future Legislative Sessions.

The information in the House Book Notes is supplemental to the Corporate overview materials provided in Section one of this briefing binder.

**Manitoba Public Insurance
Ministerial Briefing**

Government Transition – 2016

TOPIC: Manitoba Public Insurance Corporate Overview

DISCUSSION:

Executive Management at Manitoba Public Insurance has prepared a Board of Directors orientation package to introduce new Board members to the Corporation. The following sections of this orientation package are provided for the Minister's review:

- Corporate Overview
- How We Define Success
- Lines of Business and Services
- Key Strategic Initiatives
- Divisional Overviews

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Executive Team Overview

ISSUE: The MPI Executive team is composed of the CEO and six Vice-Presidents.

KEY POINTS:



Dan Guimond
President and Chief
Executive Officer

Heather Reichert
Vice-President, Finance
and Chief Financial Officer



Christine Martin
Vice-President, Customer
Service and Chief
Operating Officer



Kathy Kalinowsky
(on leave)
General Counsel and
Corporate Secretary



Brad Bunko
Vice-President, Information
Technology & Business
Transformation and Chief
Information Officer



Shannon Leppy
Vice-President, Human
Resources and Chief
Human Resources Officer



Ward Keith
Vice-President, Business
Development &
Communications
and Chief Product Officer



ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Corporate Performance Monitoring

ISSUE: Brief summary on how Manitoba Public Insurance monitors its performance

KEY POINTS:

- To ensure Manitobans receive effective, efficient and sustainable services, the Corporation has developed a comprehensive system of external and internal indicators to monitor corporate performance.
- The performance management system consists of continual monitoring, including the following metrics:
 - Detailed quarterly rolling poll customer surveys
 - Internal MPI Benchmarking
 - Service Standards
 - Productivity Measures
 - Key Performance Indicators
 - Cost Containment
 - Quality Control/Internal Auditing
 - Financial Reporting
 - Operational Reporting
- Three committees comprised of executive directors and directors are responsible for the oversight of the performance management system:
 - Strategic Directions Committee
 - Operations Management Committee
 - Innovation and Cost Containment Committee

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Strategic Directions Committee (SDC)

ISSUE: Overview of the SDC Management Committee and its functions

KEY POINTS:

- The Strategic Direction Committee (SDC) was formed to exemplify the Executive Committee's commitment to dynamically evolving the corporate culture.
- The mandate of the Committee is to increase the development of strategic thinking across the Corporation.
- Composed of executive directors and directors, the committee was formed in 2015 and operates on behalf of Executive Committee and under the direction of the Vice-President, Finance and Chief Financial Officer.
- The Committee will participate in and review all corporate strategic planning materials by undertaking analyses and jurisdictional scans of similar corporations, as well as reviewing industry trends that may have an impact on the Corporation and Manitobans.
- As part of the Corporation's annual strategic planning cycle, the Committee will participate in the annual Executive Committee Planning Session held in September.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Operations Management Committee (OMC)

ISSUE: Overview of the OMC and its functions

KEY POINTS:

- The Operations Management Committee (OMC) ensures and facilitates the operations mandate of the Corporation, including all aspects of service delivery and day-to-day operations in general.
- Composed of executive directors and directors, the committee was formed in 2015 and operates on behalf of Executive Committee and under the direction of the Vice President, Customer Service and COO.
- This shift in accountability will free up Executive Committee members to focus on strategic initiatives and corporate business direction.
- The OMC provides leadership and facilitates collaboration among leaders to achieve operational objectives including, but not limited, to Customer Service Standards, system availability, service delivery and adherence to budget.
- The OMC informs the Executive Committee of operational issues affecting or likely to affect the Corporation and provides the Executive Committee with mitigation or resolution options and recommendations. These include a range of issues such as changes to rental vehicle claims processes, revisions to DVL road test forms and staff recognition program changes.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Innovation & Cost Containment Committee

ISSUE: Overview of Manitoba Public Insurance's Innovation & Cost Containment Committee

KEY POINTS:

- In order to continue and augment Manitoba Public Insurance's culture of innovation and cost containment, the Corporation has assembled a team of senior leaders that form an Innovation and Cost Containment Committee.
- Composed of executive directors and directors, the Innovation and Cost Containment Committee was formed in 2014, and operates on behalf of Executive Committee and under the direction of the Vice President, Finance and Chief Financial Officer. The committee reports regularly to the Corporation's Executive Committee.
- The primary purpose of The Innovation & Cost Containment Committee is to identify process and technology strategies that will lead to an overall reduction in Manitoba Public Insurance's corporate operating expenses on a year over year basis.
 - The committee has identified \$8.5 million in reductions in 2015-16 towards this goal, including reductions to staff and overtime costs, software and licensing costs, premises costs and other costs.
- The Committee was involved in reviewing and guiding the forecast for the 2017 General Rate Application as it pertains to Corporate Operating Expenses for the 2017/18 and 2018/19 rating years.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Senior Leadership Team

ISSUE: The SLT provides a forum for senior management to share information, prepare for planning sessions, and coordinate divisional priorities

KEY POINTS:

- The Senior Leadership Team (SLT) consists of members of Executive Committee and all executive directors and directors at Manitoba Public Insurance.
- SLT quarterly planning sessions are conducted in March, June, September and December. These sessions keep senior management aware and updated of corporate initiatives and the activities of various committees, plus prepare for upcoming planning sessions.
- Planned outputs from throughout the year include:
 - Share divisional SWOT (Strengths, Weaknesses, Opportunities, Threats) and PESTEL (Political, Economic, Social, Technological, Environmental, Legal) inputs and discuss from a corporate perspective
 - Review and coordinate the initial list of divisional priorities for each year and update accordingly throughout the year
 - Continue work on culture change initiatives
 - Review updates from Strategic Direction Committee, Operations Management Committee and Innovation & Cost Containment Committee
 - Review highlights from the General Rate Application filing (in June)
 - Discuss agenda items for June and December Corporate Managers Meetings
 - Identify any key issues that should be discussed at the September Executive Committee Planning Session
 - Review the Corporate Capital and Operating Budget
 - Disseminate output from the Joint Board Planning Session including decisions made and initiatives approved for the following fiscal year

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Financial Overview

ISSUE: Overview of the financial information provided to the Board on a monthly, quarterly and annual basis

KEY POINTS:

- MPI is an insurance company where financial performance is a key measure of corporate performance.
- Regular financial reporting is provided to the Board and the Minister in the form of the annual financial statement, quarterly financial statements and monthly financial results.
- The financial results for the Basic line of business are key inputs into the rate regulation process with the Public Utilities Board.
- The Board (and the Audit Finance & Risk Committee) has oversight over internal controls and process which can impact financial results.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Operational Budget

ISSUE: Overview of the annual operational budget which is provided to the Board for review and approval

KEY POINTS:

- The operating budget is an annual process that is recommended by MPI management to the Board for the upcoming fiscal year.
- The operating budget consists of the corporate operating expenses required to run the Corporation. The operating expenses represent approximately 24% of total corporate costs.
- Corporate operating expenses include but not limited to:
 - Compensation
 - Data Processing
 - Building Expenses
 - Telephone
 - Postage
 - Advertising
 - Regulatory
 - Merchant Fees and others
- The operating budget is a key input into the rate regulation process with the Public Utilities Board. The approved operational budget is used as the basis for forecasting the following four years of operating expenses, which is used in the forecast process.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Capital Budget

ISSUE: Overview of the capital budget process which is provided to the Board for review and approval

KEY POINTS:

- The capital budget is an annual process that is recommended by MPI management to the Board for the upcoming fiscal year.
- The capital budget contains a listing of the capital expenditures that are planned to be spent in the next fiscal year.
- Projects included in the capital budget may have been previously approved on an individual basis throughout the year, or are new projects proposed during the process.
- The capital budget consists of the project expenses that are capitalized deferred development, physical assets or expenses relating to improvement initiatives.
- As many capital projects are longer term in nature, the annual process sets forth the next fiscal year's capital expenditures for approval by the Board and the forecasted following four years for planning purposes.
- The capital budget is a key input into the rate regulation process with the Public Utilities Board. The approved capital budget and forecasted capital spend is used in the forecasting process.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Investment Strategy

ISSUE: Explanation of Manitoba Public Insurance's investment strategy

KEY POINTS:

- The purpose of Manitoba Public Insurance's investment assets (the "Fund"), approximately \$2.5 billion, is to first pay the liabilities of the Corporation as they come due, and then to provide investment income that will assist in minimizing premiums payable by policyholders.
- *The Manitoba Public Insurance Corporation Act* requires that the Minister of Finance manage the Corporation's investment assets and as such retains the ultimate responsibility for the prudent investment and management of the Fund.
- The Manitoba Department of Finance manages the Fund's fixed income portfolio. External investment managers are hired to oversee the day-to-day management of all other asset classes.
- The Investment Committee reviews the Investment Policy Statement on an annual basis which contains, among other things, allocation targets for each approved asset class.
- Allocation targets are: 70% fixed income; 20% equities; 5% real estate and 5% infrastructure.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Rate Setting Process

ISSUE: How Basic rates are determined

KEY POINTS:

- Rates are the premiums charged with respect to compulsory driver and vehicle insurance, and are designed to generate the necessary funds for the Corporation to breakeven during the rating period.
- Each spring, the Corporation forecasts the impact the following items will have on the next year's rating period:
 - The number of motor vehicle accidents
 - Costs associated with those motor vehicle accidents such as:
 - The costs of repairing/replacing vehicles (including new model vehicles that are not currently on the road)
 - Costs to repair/replace property other than motor vehicles damaged in the accident
 - Damage to vehicles caused by hail storms
 - Personal injury compensation (PIPP benefits) that will be paid out during the life of the claim. This entails predicting the number of people injured, the nature of their injuries and the costs of health care decades into the future.
 - Income or losses generated by investments
 - Changes in interest rates
 - Operating expenses
 - Number and type of vehicles that will be insured
- Based upon this the Corporation calculates the necessary premiums required to breakeven on its budget during the rating period.
- The sustainability and financial soundness of the universal compulsory automobile insurance program is ensured by a Rate Stabilization Reserve (RSR) range that is actuarially determined to provide an adequate capital base.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

- As part of the 2017 General Rate Application, the Corporation is seeking to formalize the purpose of the RSR as:
 - To protect motorists from rate increases that would otherwise have been necessary due to unexpected variances from forecasted results and due to events and losses arising from non-recurring events and factors.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Benchmarking and Best Practices (Ward Group)

ISSUE: Overview of the Ward Group's benchmarking services for Manitoba Public Insurance

KEY POINTS:

- The [Ward Group](#) has provided benchmarking services for Manitoba Public Insurance since 2010.
- Based out of Cincinnati, Ohio, The Ward Group is a leading provider of benchmarking and best practices studies for insurance companies in North America, and provides benchmarking services and operational efficiency assessments.
- The Ward benchmarking process allows for an apple-to-apple comparison through the use of standard definitions that have been developed so that results can be directly compared against benchmark groups.
- Ward's benchmarking program provides a detailed analysis of staff levels, revenues and expenses for the Corporation's insurance operations.
- The benchmarking program does not include driver and vehicle licensing operations.

ONBOARDING SUPPORT MATERIALS: INTRODUCTION

TOPIC: Succession Planning

ISSUE: To maintain business continuity, succession planning is required for key roles and senior leadership positions

KEY POINTS:

- Manitoba Public Insurance has a succession management process with focus on executive, senior management and key positions.
- On an annual basis, the Executive Committee performs a comprehensive review of the senior leadership team at the Corporation. The intent of the review is to identify which employees could fill key positions within the organization if a key role or senior leadership position becomes vacant.
- Employees with high potential are identified for accelerated talent development (ATD), which starts a focused and accelerated development plan for that individual.
- To determine the overall readiness of a potential successor, that individual's performance and potential is assessed to determine if and when they would be prepared to assume increased responsibility.

TOPIC: Manitoba Public Insurance Mission and Value Equation

ISSUE: Describing the Corporation's mission and value equation, and how they guide the Corporation's operations

KEY POINTS:

- The mission statement of Manitoba Public Insurance is "Working with Manitobans to reduce risk on the road".
- The value equation of Manitoba Public Insurance is

"Price + Coverage + Service + Access = Value"

- Price: affordable insurance
 - Coverage: comprehensive protection against the cost of collisions
 - Service: service where and when you need it
 - Access: easily attainable coverage and services that do not discriminate
 - Value: for all Manitobans
- All of these statements demonstrate the good value the Corporation provides to Manitobans, both in terms of service and cost.

TOPIC: Manitoba Public Insurance Corporate Goals

ISSUE: Overview of the Seven Corporate Goals

KEY POINTS:

- Manitoba Public Insurance strives to achieve seven broad corporate goals.
 1. Universally available mandatory protection against the cost of automobile collisions. Rates, on average, will be lower than those charged by private insurance companies for comparable coverage and service.
 2. The Basic plan will return at least 85 per cent of premium revenue to Manitobans in the form of claims benefits.
 3. Manitoba Public Insurance will be a leader in automobile insurance and vehicle and driver licensing, providing Manitobans with superior products, coverage and service. The Corporation will utilize technology to provide products and services that will enhance the value it delivers to Manitobans.
 4. Manitoba Public Insurance will provide service that is responsive, fair, courteous and convenient. Manitoba Public Insurance will meet corporate customer service standards that are based on customer expectations.
 5. Total equity will be maintained within established target levels.
 6. Manitoba Public Insurance will offer an environment and career opportunities that encourage employees to strive for excellence. Our people will be treated with respect and fairness and their contributions will be recognized.
 7. Manitoba Public Insurance will lead driver and vehicle safety initiatives that reduce risk and protect Manitobans on our streets and in their neighbourhoods. Manitobans will recognize the Corporation is living its mission.

TOPIC: Vision and Values

ISSUE: The Corporation's vision and values govern the way in which the Corporation conducts itself

KEY POINTS:

- Manitoba Public Insurance's Vision
 - Leader in automobile insurance and driver services
 - Provide Manitobans with guaranteed access to superior products, coverage and value
 - Anticipate and meet the evolving needs of Manitobans
 - Dedicated to offering province-wide accessibility and in co-operation with our business partners, perform at the highest attainable levels of economy, efficiency and effectiveness
 - Make roadways safer by enforcing standards for drivers and vehicles and by raising awareness of the inherent risk of driving
 - Develop educational programs and controls that help and encourage Manitobans to acquire the skills to avoid collisions
 - Deliver knowledgeable service with care, efficiency and justifiable pride
 - Appropriately recognize our people for their contributions in helping the Corporation achieve its goals
 - Manitoba Public Insurance will be one of the best and most inclusive places in the province to work and pursue a career
 - Ensure Manitobans understand and support the unique contribution the Corporation makes to the province of Manitoba

- Manitoba Public Insurance values:
 - Our Customers
 - Our People
 - Working Together
 - Financial Responsibility
 - Excellence and Improvement
 - Our Corporate Citizenship

TOPIC: Key Strategic Objectives

ISSUE: Overview of the Corporation's key strategic objectives

KEY POINTS:

- The Board approved the Corporation's 2015/16 key strategic objectives as follows:
 - Rate predictability and stability with the lowest cost compulsory auto insurance policy across Canada
 - Work collaboratively with the collision repair industry to ensure it and the Corporation are able to respond to the emerging trends and significant changes underway within the industry
 - Further diversify our business to manage disruptive technology and the move towards digitalization

- Manitoba Public Insurance conducts a robust annual corporate planning process which begins by revisiting the corporate goals. The department of Corporate Strategic Planning then compiles corporate and industry material for review and use in the annual planning sessions of the Corporation.

- The Corporation's Senior Leadership Team, comprised of the executive team, executive directors and directors, meet quarterly to ensure alignment on the strategic plan, keep senior management aware of corporate initiatives and the activities of various committees, plus prepare for upcoming planning sessions.

- The key strategic objectives are reviewed and revised by the Board if deemed necessary. This helps ensure that strategically important initiatives remain aligned with the Corporation's key strategic objectives.

- The annual strategic objectives are reviewed at the strategic planning sessions, attended by the Board and typically held in December of each year.

TOPIC: Economic Contribution

ISSUE: Manitoba Public Insurance contributes to community and economic development

KEY POINTS:

- Manitoba Public Insurance contributes to community and economic development through its local purchasing power and as a major Manitoba employer.
- Manitoba Public Insurance provides a direct contribution to Manitoba's economy of close to \$1 billion per year:
 - \$532.5 million physical damage claims
 - \$153.2 million salaries and benefits
 - \$149.2 million injury claims
 - \$81.7 million commissions to independent brokers
 - \$31.1 million in premium tax
 - \$25.7 million paid to Manitoba Health
 - \$2.6 million in Health and Education tax
 - \$1.8 million was provided to municipalities as grants
- As a major partner in the community, the Corporation also supports local charities and non-profit organizations to enhance the quality of life for Manitobans.
- It is with an eye to future generations and the health of all communities in the province that Manitoba Public Insurance ensures its business and purchasing practices as well as its operations are in keeping with the principles of sustainable development.

TOPIC: Business Partner Relationships

ISSUE: High-level overview of the external partnerships the Corporation currently works with

KEY POINTS:

- The Corporation distributes the vast majority of its products and services to customers through a network of 296 insurance brokers.
 - Manitoba Public Insurance and IBAM's leadership meet regularly to discuss operational issues, building a better working relationship and other matters of mutual interest.
- Manitoba Public Insurance works closely with over 1,000 partners in the collision repair industry, including the Automotive Trades Association, the Manitoba Motor Dealers Association and the Manitoba Commercial Vehicle Repair Association, to help ensure safe, proper repairs.
- The Corporation works with more than 600 care providers plus doctors, and partners with the Manitoba Chiropractic Association, Manitoba Physiotherapy Association, Athletic Therapy Association, Doctors of Manitoba and Manitoba Health, to ensure PIPP continues to meet the needs of Manitobans.
- Manitoba Public Insurance works closely with IT partners to provide services to our customers and stakeholders, including:
 - Mitchell International – physical damage products & services
 - FINEOS – case management for bodily injury claims
 - Giesecke & Devrient – drivers licences & identity products
 - Infor – Corporate Financials & Human Resource Management
 - HP – application portfolio management and development
 - IBM – data centre hosting and professional services

TOPIC: Corporate Citizenship

ISSUE: How Manitoba Public Insurance is recognized in the community for its accomplishments

KEY POINTS:

- Manitoba Public Insurance has been honoured to receive awards and acknowledgements from various stakeholders, business partners, industry leaders and others.
 - These awards highlight the Corporation's numerous accomplishments with respect to products, services, projects, advertising campaigns, innovation and development work
- Awards and plaques received from community partners are on display within the reception area of the Executive offices of cityplace.
 - Display of these accomplishments highlights MPI's corporate citizenship and helps to raise the Corporation's profile both within the office and the community at large.
- Recent recognition include:
 - **April, 2016:** Two awards from the Human Resource Management Association of Manitoba.
 - **February, 2016:** Canada's Best Diversity Employers Award.
 - Second consecutive year we have received this honour.
 - **January, 2016:** United Way of Winnipeg Campaign Chair's Award.
 - **November, 2015:** Recognized as one of Manitoba's Top Employers.
 - Recognition received for over four years.
 - **November, 2015:** Manitoba Customer Contact Association – Recognized three MPI Contact Centre employees.
 - **August, 2015:** American Association of Motor Vehicle Administrators, five PACE awards for *Your Last Words* texting and driving campaign.

TOPIC: Public Sentiment – How is Manitoba Public Insurance Perceived?

ISSUE: Outlining the key metrics the Corporation uses to understand the public's opinion on Manitoba Public Insurance

KEY POINTS:

- As a public-facing corporation, Manitoba Public Insurance's goal is to provide service that is responsive, fair, courteous and convenient.
- In order to understand whether the Corporation is meeting that goal, public opinion and satisfaction surveys are undertaken to understand how Manitoba Public Insurance is meeting the needs of Manitobans
 - Quarterly rolling polls of the general public are used to measure public support for the Corporation.
 - Telephone surveys are used to measure customer satisfaction with insurance and driver licensing transactions.
 - Telephone surveys are used to measure claimant satisfaction with physical damage and bodily injury claims.
 - Internal and external measures are used to measure compliance to established customer service standards.
- The quarterly Rolling Poll collects public feedback on various aspects of the Corporation's work, including public support for MPI and its image, its products and rates, and views about road safety.
 - Additional claimant and satisfaction surveys are conducted to monitor service experiences.
- The Corporation's Customer Service Standards are 18 high-level statements that commit divisions, departments and employees to provide services to certain time or quality-related benchmarks.
 - A performance target percentage is assigned to each standard, which meets staff expectations of the level of service the Corporation should be providing.
 - The survey which gathers information for the Standards is conducted quarterly or monthly, depending on the measure.

- For the 2015/16 survey results, the following results were measured:
 - 71% of Manitobans have a favourable opinion of the Corporation.
 - 88% satisfaction among physical damage claimants and 82% among injury claimants.
 - 89% satisfaction with service conducting Autopac policy transactions and 92% with driver licensing transactions.
 - 97% of Customer Service Standards met or exceeded at a departmental level.

TOPIC: Public Utilities Board

ISSUE: MPI's relationship with the Public Utilities Board

KEY POINTS:

- Under provincial legislation, premiums and service charges for Basic compulsory automobile insurance must be reviewed and approved by the Public Utilities Board (PUB) of Manitoba annually.
- Historically, the relationship between Manitoba Public Insurance and the PUB has been challenged by disputes over PUB authority and general concerns over rate setting methodologies, operating costs and perceived lack of transparency in the General Rate Application regulatory process.
- In response, the government has been very clear that both the PUB and Manitoba Public Insurance operate at arm's-length from government, and that both parties were to work collaboratively and respectfully to solve their differences in a way that ultimately preserves the best interests of ratepayers.
- As a result, since 2014 the Corporation has employed very deliberate strategies to diffuse longstanding points of contention between the Corporation and the PUB, and to find common ground on the key topics of significant interest to the regulator, including:
 - The appropriate Rate Stabilization Reserve (RSR) target range.
 - The use of competitive lines (non-Basic) excess retained earnings to prevent the need for a Basic RSR rebuilding fee.
 - Operational costs.
 - Optimization of road safety spending.
- Additional efforts have also been made to better engage external stakeholders – including registered PUB interveners – to address issues of mutual interest and concern outside of the annual PUB regulatory process; which has significantly improved the nature and tone of cross-examinations of Corporation witnesses during the annual PUB hearings.

- Over the last two years, there has been significant improvement in the relationship between Manitoba Public Insurance and the Public Utilities Board that has served to re-establish a foundation of trust, credibility and mutual respect during the annual GRA regulatory process.

TOPIC: Manitoba Public Insurance's Corporate Sustainability Program

ISSUE: Report on Sustainable Activities

KEY POINTS:

- Annually, the Premises Department compiles information on sustainable activities occurring throughout the Corporation. A report is prepared and provided to the Board of Directors in April of each year. The report includes data and results on:
 - Building testing including air and water quality testing at our facilities
 - Recycling and use of recycled goods
 - Sale of salvage vehicles and capture of Freon in salvage vehicles
 - Use of recycled parts in the repair of claim vehicles
 - Use of rebuilt salvage vehicles in the Corporate Fleet
 - Performance of the Corporate Vehicle Fleet
 - Facilities Management and Green Buildings Certification
 - Spill prevention and control from damaged vehicles
- Sustainable Development Procurement Guidelines are incorporated into the purchasing process.
- The Corporation has installed bike racks or secure storage rooms for both employees and customers at all locations.
- The Corporation participates in the Winnipeg Transit Eco Pass program which offers employees a monthly pass at a discounted rate to encourage commuting by bus.
- Manitoba Public Insurance is increasing use of electronic documents to reduce the cost and environmental impact of printing paper versions.

TOPIC: Manitoba Public Insurance Lines of Business

ISSUE: Overview of the four distinct business areas over which Manitoba Public Insurance has responsibility

KEY POINTS:

- Manitoba Public Insurance has responsibility for four (4) distinct business areas, two of which are break-even and two of which are profitable. Only one of these areas is regulated by the PUB:
- Basic Autopac (break-even and regulated by the PUB)
 - Provides universal compulsory driver and vehicle insurance for personal and commercial vehicles
 - Rates are approved by the Public Utilities Board, then prescribed in regulation annually
 - The average number of Basic and Extension policies in force last fiscal year was 1.1 million. Basic revenue was \$881.4 million.
- Autopac Extension (profit)
 - Optional insurance products for personal vehicles
 - Offered in competition with private insurers
 - Rates are recommended by Management and approved by the Board, to be set by Cabinet and prescribed in regulation
 - Extension revenue last fiscal year was \$151.9 million.
- Special Risk Extension (profit)
 - Optional coverages for commercial vehicles and specialized products
 - Offered in competition with private insurers
 - Rates are set by Manitoba Public Insurance management
 - About 12,600 policies were in force in the last fiscal year, with revenue of \$67.0 million.
- *Drivers and Vehicles Act* Administration (break-even)
 - Includes driver's licences, identity documents, travel documents and vehicle registration
 - Driver and vehicle licensing fees are set by Cabinet and prescribed in regulation
 - The Registrar of Motor Vehicles is an employee of Manitoba Public Insurance as required by legislation
 - About 916,000 driver's licences were in force in the last fiscal year, with revenue of \$28.7 million.

TOPIC: Personal Identification Card (PIC)

ISSUE: Update on the Corporation's proposal to create a secure all-in-one Personal Identification Card

KEY POINTS:

- On January 11, 2016, the Manitoba Government announced the approval of the all-in-one Personal Identification Card (PIC).
- Manitoba Public Insurance, in partnership with Manitoba Health, Healthy Living and Seniors, launched a comprehensive province-wide consultation process that invited Manitobans to share their views.
- The PIC will integrate an individual's Personal Health Identification Number (PHIN) onto the back of their driver's licence or basic identification card.
- The new PIC will provide Manitobans with a convenient and durable all-in-one identity card, improved protection against identity theft, forgery and fraud, and the assurance that that private health information remains confidential.
- The advantages to government include
 - addressing technology obsolescence issues
 - achieving potential cost savings by eliminating duplicate functions, reducing health care fraud and leveraging established infrastructure already in place at Manitoba Public Insurance
 - establishing a new family relationship database with the flexibility to meet evolving societal changes
- PIC is scheduled to begin being issued in the fall of 2017.

TOPIC: Physical Damage Re-engineering Program

ISSUE: Introduction to Physical Damage Re-engineering

KEY POINTS:

- In order to meet the demands of a changing automotive market which includes new materials and technologies, the Corporation has developed a new customer service and physical damage service delivery model.
- Physical Damage Re-engineering (PDR) is a major, multi-year, program that will capitalize on emerging technologies and make more effective use of resources to better meet the needs of our customers and partners across the spectrum of physical damage claims.
- The goal of PDR is to focus on improving the Corporation's estimating model and forging a new, more collaborative relationship with repair shops to help address the rapid and extensive change facing the repair industry due to the increasing complexity of vehicle design and manufacture.
- Benefits of implementing PDR include a reduced overall cost through the following saving opportunities and enhancements:
 - Vehicle Repairs meeting verifiable standards
 - Enhanced Customer Service and benefits
 - Employee benefits
 - Shop benefits
- The first project, Collaborative Estimating, is now complete. The Corporation moved to a shared software platform (Mitchell RepairCenter) with accredited light vehicle repair shops to enable the electronic sharing of estimates.
- Phase II of the Distributed Estimating (DE) pilot project is currently underway. DE will maximize efficiencies in the estimating and parts-sourcing processes. Phase II allows customers with eligible claims the option of going directly to a pilot shop for a First Estimate, bypassing a Manitoba Public Insurance Service or Claim Centre.

- In the Interim First Notice of Loss and Adjusting Model (IFAM) project currently underway, Manitoba Public Insurance is partnering with Mitchell International to develop and implement an online platform for a customer to register claim.
 - Customer benefits will include quicker resolution of a claim and the ability to file a claim at any time of day. The Corporation will achieve more consistent data capture of claims details and a productivity improvement for claims adjusting processes

- Projects are monitored on a quarterly basis by the Planning and Technology Committee.

TOPIC: Physical Damage Centre of Excellence

ISSUE: Complex Materials and Collision Repair Industry

KEY POINTS:

- Manitoba Public Insurance is committed to ensuring its customers' vehicles are repaired safely and fully comply with the stringent safety repair standards associated with newly manufactured vehicles.
- In order to meet this demand, the Corporation is investing in the construction of a new Physical Damage Centre of Excellence in automotive repair research and training.
- This state-of-the-art facility will be located within the Corporation's Physical Damage Compound in Winnipeg, and will enable qualified technicians to share and teach the newest auto body repair techniques and technologies.
- The Centre will ensure that the auto body technicians in Manitoba remain highly skilled and able to respond to rapidly developing construction and repair techniques.
- By increasing collision repair apprenticeship opportunities and fostering partnerships with Apprenticeship Manitoba, Red River College and Manitoba high schools, MPI will ensure that the auto body technicians in Manitoba remain highly skilled and able to respond to rapidly developing construction and repair techniques.

TOPIC: High School Driver Education Redevelopment

ISSUE: Plans for the redevelopment of the High School Driver Education (HSDE) program at Manitoba Public Insurance

KEY POINTS:

- The redesigned HSDE program will focus on enhancing the customer experience by addressing the needs of each key stakeholder: students, parents/guardians and instructors.
- The Corporation has developed a roadmap for implementing this initiative over the next three to five years.
- The roadmap allows for the necessary foundation for future end-to-end program redevelopment.
- Within this roadmap, Manitoba Public Insurance has a unique opportunity to pilot and test new technologies, while mitigating risk through a phased implementation strategy.
 - Within this context, the following opportunities will be pursued in the 2016 fiscal year:
 - Vehicle telematics, collision avoidance, and dash camera technologies
 - Driving simulators
 - Mobile and Online learning
- The intended outcomes of this initiative are to:
 - Develop better and safer drivers
 - Achieve a two percent decrease in driving infractions
 - Increase student engagement
 - Increase parental/guardian involvement
 - Improve the Class 5.0 road test pass rate for Program participants

TOPIC: Information Security Program

ISSUE: A third party assessment was carried out to gauge the maturity of controls (people, process and technology) in place to secure information hosted at Manitoba Public Insurance. On an industry standard scale of 1 to 5, the corporation is currently at a score of 2.4 and should be at 3.4.

KEY POINTS:

- In 2013, IBM was asked by Management to assess the Corporation's information security maturity level.
- Using International Standards Organization standard 27002 as a guide IBM assessed Manitoba Public Insurance to have a maturity rating of 2.4 while based on Manitoba Public Insurance's line of business and risk tolerance, the score should be at 3.4.
 - IBM's findings were independently confirmed by Gartner.
- In November 2013, the Members adopted the Security Strategy and Roadmap program and approved a three-year initiative to obtain a 3.4 maturity rating.
- The Information Security Strategy and Road Map (ISSRM) program was launched in 2014, to protect Manitoba Public Insurance and its stakeholders against information security threats. It is a multi-year program, broken down into six projects.
- The program will target risk mitigation strategies against cyber security risks such as email utilization, mobile phone usage and data loss prevention.
- The program impacts everyone at MPI.
- MPI will have its rating re-assessed as the program completes implementation.

TOPIC: Technology Risk Management Program

ISSUE: Overview of the Corporation's program and strategy to maintain and improve its existing technology

KEY POINTS:

- The goal of the Technology Risk Management stream is to implement projects that will keep existing technology in a stable and supported state and address other technology risk through process and technology improvements.
- The program will implement additional governance and processes to assess the health of applications, and prioritize application improvements by creating a standardized approach to application risk management.
- By identifying prioritized recommendations using Application Portfolio Management, anticipated investments seek to reduce operational risk and provide more consistent customer service.
- Investments in infrastructure upgrades will allow the Corporation to remain on current and supported technologies.
 - Infrastructure Health Improvements invests in technology services and solutions which improves the operation of IT infrastructure assets within the IBM data centre
- The Security Program manages identified risks and implements solutions to manage them.

TOPIC: Infor/Lawson Upgrade Project

ISSUE: The Infor upgrade project will perform an update to the Infor (Lawson) Talent Management, Financial, Time Reporting technology

KEY POINTS:

- An upgrade to the Corporation's Infor talent management technology will benefit the Corporation by eliminating manual work required with current processes due to software limitations.
 - The update will also allow the Corporation to remain on mainstream maintenance and support from the vendor
- The self-serve functionality of the updated software will alleviate the administrative manual workload for Human Resources staff, thereby increasing the department's efficiency.
- A number of defects have been resolved in the Infor product since the last deployment. These fixes are available in the latest version of the Infor software, and Management will look to verify the known issues have been fixed while looking to remove customizations made to the software to accommodate workarounds.

TOPIC: Customer Service Division

ISSUE: Introduction to the Customer Service Division and its key divisional strategic priorities

KEY POINTS:

- The Customer Service division is responsible for the efficient and effective delivery of all Manitoba Public Insurance products and services, as well as ensuring that service standards and customer satisfaction targets are maintained.
- The division represents areas that impact the end-to-end customer experience and encompasses the directorates of Service Centre Operations, Injury Claims Management, Physical Damage Management, Insurance & Licensing Operations and Service Operations Control & Compliance.
 - The Injury Claims Management department supports the PIPP program for Manitobans.
- The division's demand management responsibilities include cross-channel demand and service offering planning.
- Key divisional priorities for 2016-2017 include:
 - Developing and implementing a new Customer Service Standard model.
 - Upgrading the bodily-injury claims system used by Injury Claims Management.
 - Conducting Licensing Services and service centre audits.
 - Continuous improvement for operational processes (including front counter, adjusting, estimating, driver testing, etc).

TOPIC: Service Centre Operations

ISSUE: Introduction of the Service Centre Operations directorate at Manitoba Public Insurance

KEY POINTS:

- Service Centre Operations oversees all customer service operations through Service and Claim Centres across the province, including licensing and insurance services, driver testing and claims handling.
- Manitoba Public Insurance has eight service centre locations in Winnipeg and nine service centre locations outside of Winnipeg. These Service Centres offer a full range of claims, insurance sales, driver testing and licensing services under one roof.
- The directorate handles claims administration and resolution, physical damage estimating, and forecasting and scheduling for driver testing and estimating services.
- The Corporation also has three Claims Centre locations (providing a full range of claims services) and three specialized claims handling locations in Winnipeg.
- The core functions of Service Centre Operations include estimating, adjusting, driver examinations, front counter services and salvage & holding compound operations.

TOPIC: Licensing Services

ISSUE: Introduction to the Licensing Services directorate at Manitoba Public Insurance

KEY POINTS:

- The Insurance & Licensing Operations directorate manages the delivery aspects of vehicle registration, driver licensing and driver records through the department of Licensing Services.
- The department processes driver licences, maintains driver record files and administers vehicle registration.
- The department responds to driver information requests from external agencies such as law enforcement and the court system.
 - The information request service is provided on proven, secure system-to-system interfaces for a series of negotiated cross jurisdictional agreements with municipal, provincial, federal and international authorized agencies.
 - Special handling is available and well established for those rare circumstances where the system interfaces are not in place or the content is unique.
- The department manages the Manitoba Licence Plate and Personalized Licence Plate programs and administers commercial vehicle registration including the International Registration Plan.

TOPIC: Personal Injury Protection Plan (PIPP)

ISSUE: Principles & summary of coverage enhancements

KEY POINTS:

- PIPP is a pure no-fault automobile accident injury compensation scheme that provides claimants with comprehensive protection against the cost of automobile accident injuries.
- The provincial government adopted PIPP as a response to increasing bodily injury claims costs, to address the two public concerns of premium stability and equitable compensation, and to provide enhanced benefits for the most severely injured Manitobans.
- Under PIPP, Manitobans can no longer sue the negligent party for bodily injury; in return, benefits are issued in a timely manner, regardless of fault.
- PIPP was implemented on March 1, 1994.
- PIPP is based on the following four principles:
 - Coverage extends to all Manitoba residents injured in automobile accidents anywhere in Canada or the United States
 - Compensation focuses on specific economic losses from an auto injury or death
 - Compensation is guaranteed for all injured Manitobans, regardless of who was at fault for the accident
 - Benefits are indexed to reflect changing economic conditions

TOPIC: Special Accounts & Subrogation

ISSUE: Introduction to the Special Accounts & Subrogation department at Manitoba Public Insurance

KEY POINTS:

- The Special Accounts and Subrogation department is involved in the Corporation's loss prevention claims handling.
- The department acts to secure, preserve and enforce the Corporation's rights of recovery through services such as subrogation (the right to recover the amount of a claim from a third-party that is at fault), litigation and collections.
- The Special Accounts and Subrogation department is responsible for managing all subrogation and claim recoveries with a team of legal and collections professionals.
- The department also provides training and ongoing advice to the Corporation's staff on subrogation and recovery issues works in conjunction with the Corporation's Special Investigations Unit, Service Centre Adjusters and Legal department.
- Recoveries in fiscal 2015/16 include:
 - \$11 million in cash collections
 - \$4.7 million in promissory notes
 - \$5 million in judgments

TOPIC: Finance Division

ISSUE: Overview of the Finance division and its key strategic priorities

KEY POINTS:

- The Finance Division Consists of six departments:
 - Corporate Controller's Office
 - Pricing, Forecasting & Investments
 - Regulatory Affairs
 - Corporate Services
 - Corporate Strategy Planning & Analytics
 - Enterprise Risk Management

- The Corporate Controller's Office is responsible for the organization, development and administration of the finance functions including financial reporting and budgeting, accounting services, and purchasing.

- Pricing, Forecasting and Investments is responsible for actuarial services, setting reserves. The department is also responsible for product pricing, rating and classification as well as claim and revenue forecasting.

- Regulatory Affairs focuses on strategy and research for the Public Utilities Board Annual General Rate Application.

- Corporate Services includes the Premises and Administrative Services departments, which serve all departments within the Corporation as well as brokers, driver education instructors and other business partners.
 - The directorate is also responsible for environmental and sustainable development initiatives

- Corporate Strategic Planning and Analytics is responsible for the value management function for the Corporation, including corporate

benchmarking and key performance indicators, and post-implementation value delivery.

- Enterprise Risk Management implements and maintains the Corporation's risk management framework.
- Top divisional priorities for 2016/17 include:
 - The Public Utilities Board General Rate Application and hearing process
 - The Infor Financial/Human Resources system upgrade
 - The Finance system re-engineering project
 - Predictive analytics
 - The Strategic Space Plan

TOPIC: True North Square

ISSUE: A brief summary of Manitoba Public Insurance's involvement in True North Square

KEY POINTS:

- The \$400 million True North Square development is being built on a parking lot formerly owned by Manitoba Public Insurance as an investment property.
- In 2009, the Corporation purchased cityplace and four adjacent parking lots (including the site of the True North Square development).
- In December 2011, Manitoba Public Insurance issued a Request for Expression of Interest to develop its surface parking lots.
 - A consortium of companies including Longboat Development, Artis REIT and True North Entertainment were the successful proponents and were given an exclusive option to prepare an acceptable development proposal
- The consortium evolved and ultimately, the Corporation entered into a limited partnership with TN Square Inc., Osmington Inc., The McGill-Stephenson Company Ltd. and James Richardson & Sons, Ltd. to develop the property.
- Manitoba Public Insurance contributed the property in exchange for \$3,313,000 in cash (book value of the land) and \$4,648,000 in shares in the development which may be redeemed at anytime after May 1, 2016. MPI has reflected a \$4.4 million gain on a \$3.5 million asset.
- The Corporation has no direct involvement in the operations or construction of True North Square.

TOPIC: General Counsel and Corporate Secretary Division

ISSUE: Introduction into the General Counsel and Corporate Secretary Division

KEY POINTS:

- The General Counsel and Corporate Secretary Division has two distinct and separate responsibilities.
- The Corporate Secretary function of the division is carried out personally by the General Counsel who is responsible for providing expertise, advice, and recommendations related to corporate governance and Board issues.
- The Legal Services department is responsible for the provision of legal services and advice to the Corporation, the administration of the PIPP appeal process, privacy and information as well as ensuring corporate compliance with legislation.
- Legal Services will provide commercial law services to enter into approximately 500 contracts per annum, including an extensive RFP process.
 - The division also coordinates legislative drafting, from Cabinet submissions to instructing Legislative Counsel on drafting of bills
- Legal Services will represent the Corporation before the Public Utilities Board during its General Rate Application hearing, as well as provide legal defence or litigation on behalf of the Corporation as required.
 - Legislative interpretations and legal opinions are also conducted by Legal Services as required.
- Top divisional priorities for 2016-2017 include:
 - Ensuring successful new Board Member transition to the MPI Board of Directors.
 - Developing the legislative framework for the PIPP Mediation process.

TOPIC: Access to Information and Protection of Privacy

ISSUE: Manitoba Public Insurance is subject to provincial access and privacy legislation

KEY POINTS:

- *The Freedom of Information and Protection of Privacy Act (FIPPA)* and *The Personal Health Information Act (PHIA)* each create:
 - A general right of public access to records held by public bodies
 - Individual rights to protection of personal privacy
- Manitoba Public Insurance has express statutory obligations to appropriately safeguard the information it collects, and to only use, disclose, and dispose of the information as permitted by legislation.
- The Corporation has robust technological, administrative, and physical safeguards in place to protect the large amount of sensitive information it holds, including personal health information.
 - Compliance measures include both proactive monitoring and complaint-based investigations and follow-up
- To best serve its customers, Manitoba Public Insurance has a full-time Privacy & Information Officer whose functions include responding to formal and informal requests for access to information, and dealing with actual and alleged privacy breaches.
- An individual may request information by filling out an Application for Access form.
 - Manitoba Public Insurance has a 30-day response deadline
 - Generally speaking, a requestor is entitled to everything they are asking for unless one or more statutory exemptions apply
 - The right of access is broadly construed; exemptions are narrowly applied

TOPIC: Personal Injury Protection Plan (PIPP) Appeal Process

ISSUE: How claimants appeal PIPP decisions

KEY POINTS:

- *The Manitoba Public Insurance Corporation Act* creates no fault entitlement to compensation for personal injuries sustained in motor vehicle accidents.
 - The Corporation's Injury Claims Management department determines claimant entitlement to compensation benefits.
- When a claimant disagrees with the decision of the Injury Claims Management Department they may seek a review of that decision by an Internal Review Officer.
- There are six Internal Review Officers in the Legal Services Department who conduct the Internal Review Hearings.
- If mediation is a preferred option, claimants may divert the matter to mediation that is conducted through the Automobile Injury Mediation Office.
- Claimants who are dissatisfied with the decision of the Internal Review Officer and do not choose mediation may appeal their claim to the Automobile Injury Compensation Appeal Commission (AICAC) which is an independent tribunal external to Manitoba Public Insurance.
 - Claimants have the option of seeking assistance from the Claimant Advisers Office in the handling of their appeal prior to engaging the AICAC process
- AICAC hearings are held before a three member panel. Decisions of AICAC are final and binding subject to limited rights of appeal to the Court of Appeal.

TOPIC: Information Technology & Business Transformation
Division

ISSUE: Overview of the Information Technology & Business
Transformation Division and its key strategic priorities

KEY POINTS:

- The Information Technology & Business Transformation division provides the Corporation with the ability to execute, support, and implement business transformation initiatives which enhance the products and services provided to all corporate stakeholders.
- The division is also responsible for the oversight and management of information systems and technologies which support day to day operations of Manitoba Public Insurance-related business.
- The Information Technology (IT) department provides operational support and guidance in information technology matters for the Corporation, and helps ensure that IT requirements align with corporate business needs and direction.
- The mandate of the Business Transformation Office (BTO) is to guide the transformation of business operations throughout Manitoba Public Insurance, including the planning and successful execution of strategic corporate initiatives and projects.
- Enterprise System Support (ESS) is responsible for ensuring that key business systems of the Corporation are accessible to users and operating efficiently and effectively.
- The Business Architecture office is the champion of all corporate projects and is the principal interface between the initiatives and the business community.

- In 2013/14 fiscal year, MPI maintained:
 - 138 business applications
 - 1,900 staff
 - 1,700 brokers
 - 26 MPI office locations
 - 295 broker locations
 - 271 MPI accredited collision repair locations
 - 1,088,503 Autopac policies in force (average)
 - Paid \$532.5 million (before expenses) on Autopac property damage claims
 - Paid \$149.2 million (before expenses) on bodily injury claims
 - 257,051 property damage claims reported
 - 16,193 bodily injury claims reported
 - 24.5 million business systems transactions annually

- The top divisional priorities for 2016/17 include:
 - The Information Security Strategy and Road Map (ISSRM) program
 - The Technology Modernization Program
 - The completion of key contract negotiations with strategic partners such as IBM

TOPIC: Business Continuity Management Program (BCMP)

ISSUE: Overview of the Corporation's plan to maintain its business functions when there is an interruption

KEY POINTS:

- In order to develop a framework for developing, implementing, and governing activities to ensure the Corporation is resilient to business disruption, an enterprise-wide management program has been developed titled BCMP.
- The BCMP Steering Committee provides guidance and direction to effectively address continuity management at MPI.
 - Membership consists of management representatives from all divisions of the Corporation
- The BCMP framework is based on the lifecycles identified by the Business Continuity Institute, which includes:
 - Understanding (identifies the critical processes MPI delivers)
 - Strategies (establishes priorities & goals during an interruption)
 - Responses (outlines how the priorities & goals are achieved)
 - Maintenance (validates the priorities & goals can be achieved)
- The four main BCMP strategies & responses are:
 - Loss of Premises (an MPI location is no longer available)
 - Loss of Technology (a data centre is no longer functioning)
 - Loss of People (pandemic plan)
 - Loss of Business Partner (Canada Post)

TOPIC: Human Resources Division

ISSUE: Overview of the Human Resources Division and its key strategic priorities

KEY POINTS:

- The Human Resources division is comprised of five areas focused on ensuring the Corporation has the required people, skills and knowledge to achieve the corporate strategic objectives.
- Human Resource provides strategic and tactical consultation to leaders on a wide range of human resource matters including talent acquisition, employee and labour relations, compensation, and diversity and inclusion initiatives.
 - The directorate is also responsible for the proper application of corporate policies, guidelines and practices
- Organizational Development is responsible for leadership development, team development, performance management, succession management, culture and engagement.
- Knowledge Management develops and delivers training, technical communications, and policies and procedures to all customer-facing staff, as well as brokers and repair shops. It develops and maintains multimedia applications, visual communications and corporate websites.
- The Change Management implements the corporate change management methodology on all large corporate initiatives using a coordinated approach across multiple departments.
- Internal Communications facilitates strategic connections and conversations across the organization, while ensuring that employees have access to information on corporate goals and business strategy.

- The five-year Corporate People Plan provides a roadmap of the division's priorities. Priorities for 2016/17 include but are not limited to:
 - Corporate initiatives: Human Resource Management System/Infor upgrade, implementation of a new Learning Management System, intranet re-design and SharePoint upgrade
 - Culture program
 - Be Heard employee engagement survey (fall 2016)
 - HR metrics and reporting
 - Talent Acquisition Strategy
 - Workforce Planning
 - MPI Lead – leadership program
 - Apprenticeship program
 - Succession management
 - Implementation of the 2016-2020 Collective Bargaining Agreement
 - Corporate learning and knowledge management strategy

TOPIC: Labour Relations

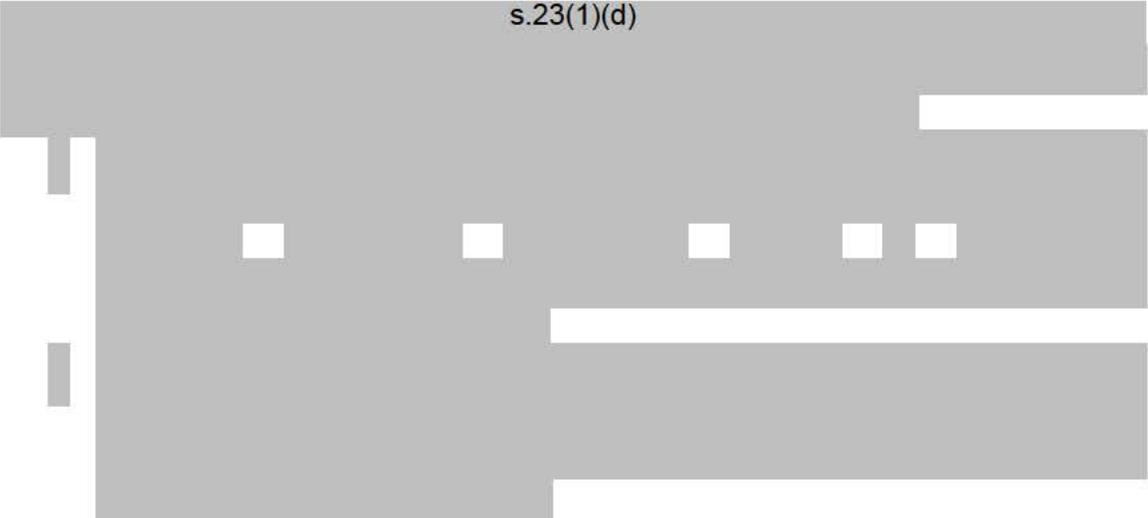
ISSUE: Manitoba Public Insurance recognizes Manitoba Government and General Employees' Union (MGEU) as the sole and exclusive bargaining agent

KEY POINTS:

- Manitoba Public Insurance and MGEU have a recently-concluded collective agreement in place which will expire on September 26, 2020.
- The majority of Manitoba Public Insurance's employees are represented by the MGEU.
 - (1,736 out of a total of 2,057 employees as at March 31, 2015)
- The MGEU Collective Agreement outlines the hours of work, benefits, wages, recruitment and promotion amongst other items for in-scope employees.
- The Corporation has a history of a collaborative and cooperative working relationship with MGEU and continues to build that relationship to ensure successful business outcomes.
 - Manitoba Public Insurance is proactive and communicates openly with MGEU to the changes required in our business to meet the needs of Manitobans
 - This gives MGEU the opportunity to provide support and express potential concerns of their members which minimizes labour relations activity
- The Corporation and MGEU have a practice for resolving grievances informally in an open and honest manner however there are times when this cannot be accomplished and MGEU will use the formal grievance procedure.
 - In 2015-2016 MGEU filed eight (8) formal written grievances
 - Three (3) grievances are outstanding
 - Four (4) grievances were settled
 - One (1) grievance is scheduled for arbitration

- Manitoba Public Insurance values, appreciates and recognizes the importance of employee engagement and as a result, when possible, proactively works with MGEU to identify and address labour relations issues.

CURRENT POSITION:

-  s.23(1)(d)

- Bargaining concluded on February 26, 2016, with MGEU recommending the agreement to its members.
 - MGEU held ratification meetings throughout the province between March 14, 2016, and March 24, 2016
 - Shortly thereafter the Corporation was advised that the vote had passed and the agreement was ratified
- This newly ratified agreement expires September 26, 2020.

TOPIC: *The Accessibility for Manitobans Act*

ISSUE: The Government of Manitoba has introduced the Accessibility for Manitobans which became law in Manitoba

KEY POINTS:

- On December 5, 2013 *The Accessibility for Manitobans Act (AMA)* was proclaimed into law.
- The purpose of the law is to identify, prevent and remove barriers from full participation for all Manitobans.
- The Manitoba government's public sector organizations are required to lead the way by creating an accessibility plan by November 2016.
- In preparing an accessibility plan, Manitoba Public Insurance is required to consult with persons disabled and organizations of persons disabled by barriers.
- The Government of Manitoba has introduced the first of its five standards that are considered as the building blocks of AMA. All organizations are required to comply with these standards.

TOPIC: Knowledge Management

ISSUE: Overview of the Knowledge Management (KM) department at Manitoba Public Insurance

KEY POINTS:

- The goal of Knowledge Management is to help build and sustain an engaged, knowledgeable workforce and business partner network that confidently counsels customers on Manitoba Public Insurance products, services and programs.
- There are three main service delivery areas within the department, including Operations, Projects, and Website Governance & Architecture.
- The department is tasked with developing and delivering training, technical communications and policies and procedures for frontline Manitoba Public Insurance frontline staff and business partners.
- Knowledge Management also develops and maintains the Corporation's multimedia applications, visual communications and internal and external corporate websites.

TOPIC: Organizational Culture

ISSUE: Leveraging organizational culture and employee engagement

KEY POINTS:

- In order to enable the completion of its strategic objectives, Manitoba Public Insurance has undertaken a shift in its organizational culture to reflect along three key themes: collaboration, accountability and innovation.

These areas of focus encourage staff behaviour which encourages two-way communication and transparency.

- Through intensive work in 2015, conducted in partnership with Deloitte, the Corporation has a good understanding of its current culture and a robust culture roadmap for the upcoming years.
- Intentional actions are being taken to ensure that the Corporation's culture evolves in a manner that supports the long term success of the organization, including adding this culture shift as the fourth strategic objective.
- By providing the appropriate tools, skills and knowledge to employees, the Corporation is empowering staff to perform their jobs well.

TOPIC: Business Development & Communications Division

ISSUE: Overview of the Business Development & Communications division and its key strategic priorities

KEY POINTS:

- The Business Development & Communications division encompasses three key areas that oversee communication with the general public, loss prevention initiatives and the Corporation's four lines of business.
- External Communications & Community Relations provides timely information about corporate products, services and initiatives through strategic communications and media relations, advertising plans and materials, customer research, road safety program delivery and relationships with key stakeholders and community partners.
- Driver Safety works to reduce risk on the road by developing programs to ensure Manitoba drivers are aware of safe driving practices and the consequences of unsafe behaviour.
 - This includes oversight of road safety program development, the High School Driver Education Program, partnerships to develop community-based programs, and auto theft prevention
 - Regulatory programs designed to enhance the safety of all road users (Driver improvement and control programs and medical compliance programs)
 - This directorate also oversees administration of *The Drivers and Vehicles Act*, including the powers and duties of the Registrar of Motor Vehicles and Deputy Registrar functions as articulated in legislation
- The Insurance & Underwriting directorate oversees the Corporation's three lines of insurance business, including compulsory Basic Autopac and the competitive lines of Autopac Extension and Special Risk Extension.

- Top divisional priorities for 2016-17 include:
 - The Personal Identification Card initiative
 - Special Risk Extension Redevelopment initiative
 - High School Driver Education Redevelopment initiative
 - The Loss Prevention Strategy and Framework, which brings all elements of loss prevention together to contribute towards the overall goal of reduced claims and lower claims costs
 - Enhanced Driver Licences and Enhanced Identity Cards
 - Specialty and personalized licence plates
 - Winter Tire Program
 - Auto Theft Suppression Strategies
 - High School Driver Education program
 - Adult driver education programs
 - Citizens on Patrol Program
 - Corporate Sponsorships
 - Fair Practices and Customer Relations
 - Media and Government Relations
 - Public polling, customer and claimant satisfaction surveys and customer service standards
 - Other road safety programming and promotional initiatives

TOPIC: Manitoba Public Insurance Other Services

ISSUE: Overview of Manitoba Public Insurance's other services which serve Manitobans

KEY POINTS:

- The Winter Tire program provides low-interest financing to eligible Manitobans to purchase winter tires.
 - The loan is offered for up to \$2,000 per vehicle, at a rate of prime plus two per cent

- Manitoba Public Insurance administers two non-standard licence plate programs on behalf of the Province of Manitoba.
 - The Specialty Plate program offers organizations the opportunity to display their support for a favorite local sports team, educational institution or community group through a unique and specially-designed licence plate series
 - Specialized license plates include personalized made-to-order licence plates as well as member-based licence plates such as veteran plates and amateur radio operator plates
 - The Corporation also administers bilingual license plates, although this program is not created with the intent to create a profit

- The Corporation also sells park passes through its Service Centres on behalf of Manitoba Conservation.

- The Corporation sells and administers Snopasses for Manitoba snowmobilers, in partnership with Snoman Inc. and enforcement agencies.

TOPIC: Loss Prevention and Road Safety Programming

ISSUE: Successful loss prevention and road safety strategies can minimize the economic and social costs to ratepayers resulting from motor vehicle collisions

KEY POINTS:

- Manitoba Public Insurance's Loss Prevention Strategy and Framework recognizes that all elements of loss prevention contribute toward the overall goal of reducing claims and lowering claims costs, which ultimately benefits all ratepayers in the form of lower insurance premiums.
- Through the External Stakeholder Committee on Loss Prevention, the Corporation is committed to involving stakeholders to share information, ideas and feedback and strive for consensus on loss prevention priorities and programming. These stakeholders include:
 - Manitoba Infrastructure and Transportation
 - Manitoba Association of Chiefs of Police
 - Canadian Automobile Association
 - Consumers Association of Canada
 - Coalition of Manitoba Motorcycle Groups
 - Safety Services Manitoba
 - Bike Winnipeg
 - Automotive Trades Association
 - Manitoba Motor Dealers Association
 - Manitoba Trucking Association
- Components of the Strategy and Framework:
 - Road safety programming
 - Auto theft reduction strategies
 - Fraud prevention
 - Subrogation and recovery
 - Salvage
 - Physical damage research training & accreditation
 - Driver education
 - Partnerships with law enforcement
 - Basic Insurance Fleet Management program
 - Driver Safety Rating program

TOPIC: Road Safety

ISSUE: Overview of the Corporation's strategy to promote road safety and good driving habits

DISCUSSION:

- In order to focus on an integrated solution to road safety in Manitoba, MPI works with the Manitoba Association of Chiefs of Police on coordinated road safety awareness and enforcement efforts.
 - The Corporation is also a member of the Provincial Road Safety Committee, which ensures road safety principles are integrated into all aspects of Manitoba's transportation strategy
- The Corporation will sponsor annual funding for additional law enforcement to enhance awareness campaigns to combat impaired and distracted driving, as well as speeding.
- MPI has developed interactive driving simulator, which reinforces the dangers of distracted driving.
 - The simulator is brought to various public events and schools across Manitoba so that as many individuals as possible can learn more about the perils of distracted driving
- Recently, the Corporation launched a new two-year pilot program designed to enhance motorists' awareness at high-collision intersections located in Winnipeg, encouraging motorists to slow down, not follow too closely, and proceed through these intersections with extra caution.

TOPIC: Auto Theft

ISSUE: Overview of the programs sponsored by Manitoba Public Insurance to combat auto theft

DISCUSSION:

- Auto thefts have decreased by 82 per cent since 2004, and combined total and attempted thefts across the province have decreased by 78 per cent since 2006.
- The Winnipeg Auto Theft Suppression Strategy encompasses a range of enforcement, suppression and intervention efforts.
- The Immobilizer Incentive Program funds the installation of approved, aftermarket immobilizers in vehicles deemed more at risk of being stolen.
- A recent public awareness campaign gave attention to the concern involving auto theft resulting from keys left unattended in vehicles.

TOPIC: Driver Education

ISSUE: Overview of MPI's strategies to increase access to driver education across Manitoba and to increase the value of the program for new drivers

DISCUSSION:

- The Corporation sponsors Manitoba's High School Driver Education Program, which subsidizes the cost for more than 12,000 participants annually.
- The Friends for Life speaker series, which allows current and future drivers to listen to the dramatic first-hand accounts of the devastation caused by impaired driving, is a recurring event in Manitoba high schools.
- MPI supports the Citizens' Bridge and Immigrant and Refugee Community Organization of Manitoba's driver training programs as well as driver training programs in northern communities, which assist individuals seeking driver training and obtaining a driver's licence.
- In order to better educate new drivers, a redevelopment of the High School Driver Education program is underway which will integrate new technologies and learning concepts.

TOPIC: Citizens on Patrol Program

ISSUE: Manitoba Public Insurance's support of the program

KEY POINTS:

- The Citizens on Patrol Program (COPP) is a crime prevention initiative founded in 1991 where volunteers act as extra “eyes and ears” for their community and local law enforcement, reporting suspicious activities to the police.
- In 2001 Manitoba Public Insurance partnered with Manitoba Justice to improve support for COPP.
 - The initial focus of the partnership was to lend support to the provincial multi-faceted response to the auto theft problem in Manitoba
 - Since these beginning stages, COPP participation has grown to incorporate more road safety programming to enhance the groups' community safety message, as well as to provide “grassroots” road safety messaging
- Manitoba Public Insurance provides funding to assist with the cost of coordinating COPP, as well as the support of one full-time staff member.
- COPP is overseen by a Provincial Advisory Committee (PAC), which provides a forum for the groups and members. Through their regional representative members can communicate their needs and desires regarding the program.
- There are currently 50 active COPP groups throughout Manitoba.
 - In 2015, COPP members patrolled their communities for a combined total of 14,432 hours

TOPIC: Advertising Services

ISSUE: Brief overview of the work of the Advertising Services Department at Manitoba Public Insurance

KEY POINTS:

- Advertising Services develops all corporate information materials and road safety advertising campaigns, using both in-house and contracted resources, with a focus on issues in support of the Corporation's mission to "work with Manitobans to reduce risk on the road."
- Collision and polling data is used to determine who is most likely to engage in high-risk driving behaviours. Using this data, Advertising will strategically plan campaigns to reach those audiences.
- Public facing materials include radio/television commercials, print ads, outdoor ads, posters, brochures, manuals, web ads, sponsorship ads, corporate publications and community outreach materials.
- Manitoba Public Insurance coordinates with enforcement agencies across Manitoba to align increased enforcement projects with the Corporation's advertising campaigns, including distracted driving enforcement or roadside alcohol check stops.
- The Corporation also participates in road safety promotional opportunities made available through partnerships with non-traditional media partners, such as sports and cultural organizations.
- In cases where materials are cobranded with the Province, Advertising Services collaborates with Communication Services Manitoba to ensure common messaging is aligned and all branding/logo standards are adhered to.

TOPIC: Manitoba Public Insurance's Sponsorship Support

ISSUE: Funding support guidelines to the community

KEY POINTS:

- Manitoba Public Insurance takes pride in supporting and enhancing the quality of life throughout Manitoba through community contributions.
- Contributions include sponsorships, donations and grants.
- To ensure accountability and fairness, the Corporation has developed criteria, set out within the Community Contributions Policy, to guide decisions about funding support through sponsorships.
- The Corporation has also developed the Corporate Merchandise Policy, and the Ticket Distribution Policy to supplement the Community Contributions Policy.
 - The Ticket Distribution Policy is in accordance with the Crown Corporations Council Policy on Use of Community Event Tickets
- Community contributions are considered a corporate investment and are published on the Corporation's public website.

TOPIC: Media Relations Strategy

ISSUE: Actions undertaken when media contacts the Media Relations Unit requesting information or response

KEY POINTS:

- Media Relations could be asked to provide general information, or a quote that they can utilize.
 - An interview may be requested on-camera/on-air, or for a print publication
- Media deadlines will depend on the outlet, but often the deadline is well in advance of the end of the regular workday.
- The Media Relations Coordinator will compile the requested data from subject matter experts and review message points or data with the vice-president, Business Development & Communications.
- Media Relations can be asked to provide information by media across the province, and may proactively disseminate information on programs and services to print, broadcast and electronic media.
- Media inquiries received by board members should be directed to Ward Keith, Vice-President, Business Development & Communications and Chief Product Officer, at 204-985-8770 ext 8298.

**MANITOBA CENTENNIAL CENTRE CORPORATION
MINISTERIAL BRIEFING**

ORGANIZATION

- 1. Mission and Vision**
- 2. Current/Reoccurring Issues**
- 3. Board of Governors**
- 4. Organizational Chart**

STRATEGIC PLAN 2015-2020

- 1. Strategic Direction**
- 2. Operations Plan**

FINANCIAL OVERVIEW – 2014/2015 Annual Report

- 1. Summary of 2014/2015 Annual Report**
- 2. Revenue & Expenses Charts**
- 3. Concert Hall Revenue and Client Charts**
- 4. Statement of Financial Position**
- 5. Statement of Operations**
- 6. Statement of Changes in Fund Balances**

MANITOBA CENTENNIAL CENTRE CORPORATION

MISSION

Manitoba Centennial Centre Corporation is an effective and responsible steward of physical, human, financial and technological resources to advance arts, culture and heritage for the benefit of all Manitobans.

VISION

The MCCC is a principal resource and partner supporting a vibrant and sustainable arts, cultural, and heritage community in Manitoba. As an active and collaborative organization, we operate and provide state of the art facilities, supports, and services that enhance industry and audience experience.

ANNUAL BUDGET: \$6.8M

PROVINCIAL FUNDING: \$2,932.8 (45%)

SOURCES OF REVENUE: Province of Manitoba and earned revenue

ACCUMULATED SURPLUS/DEFICIT: Surplus \$900.0

LEGISLATIVE AUTHORITY

The Manitoba Centennial Centre Corporation Act

The Crown Corporations Public Review and Accountability Act

BACKGROUND

The Honorable Duff Roblin P.C. and Maitland B. Steinkopf MBE, QC formed the concept of a Manitoba Centennial Centre in 1960 to commemorate Canada's centenary and initiate a broad scheme of urban renewal in Winnipeg's Point Douglas Area.

"The Centre will grow and will serve succeeding generations in Manitoba as a permanent focus for the performing arts, the sciences and the cultures of the wide spectrum of our people."

The Centennial Concert Hall, as part of the Centennial Centre, was built as a Canadian Centennial project. A team of professionals worked together to create this \$ 8 million, 253,014 square foot venue with a seating capacity of 2,305.

The Manitoba Centennial Centre Corporation is a Province of Manitoba Crown Corporation that supports the arts, culture and heritage community in Winnipeg and operates under *The Manitoba Centennial Centre Corporation Act*, which was assented on June 9, 2005.

The Manitoba Centennial Centre Corporation includes:

Centennial Concert Hall	The Artspace building
The Manitoba Museum	Three surface parking lots
The Planetarium	An underground parkade
Royal Manitoba Theatre Centre	11 Lily Street
The Warehouse Theatre	Manitoba Production Centre

MANITOBA CENTENNIAL CENTRE CORPORATION

CURRENT/REOCCURRING ISSUES:

- MCCC's proposal to build a multi-storey parkade on its James Avenue surface parking lot was not approved. TCHSCP and Municipal Government (MG) have finalized parameters which reflect provincial, city and community priorities for the facility and are awaiting authority to proceed with an RFP, which include lease revenue to MCCC with an escalator clause tied to consumer price index.
- MCCC has hired a consulting team lead by PSA Studio and SvN Architects to prepare a Master Plan for the management of MCCC's portfolio of properties and other potential assets in a manner that best supports the objectives of the corporation's strategic plan and the organizations it supports including Class D estimates of capital costs.

MANITOBA CENTENNIAL CENTRE CORPORATION

BOARD OF GOVERNORS

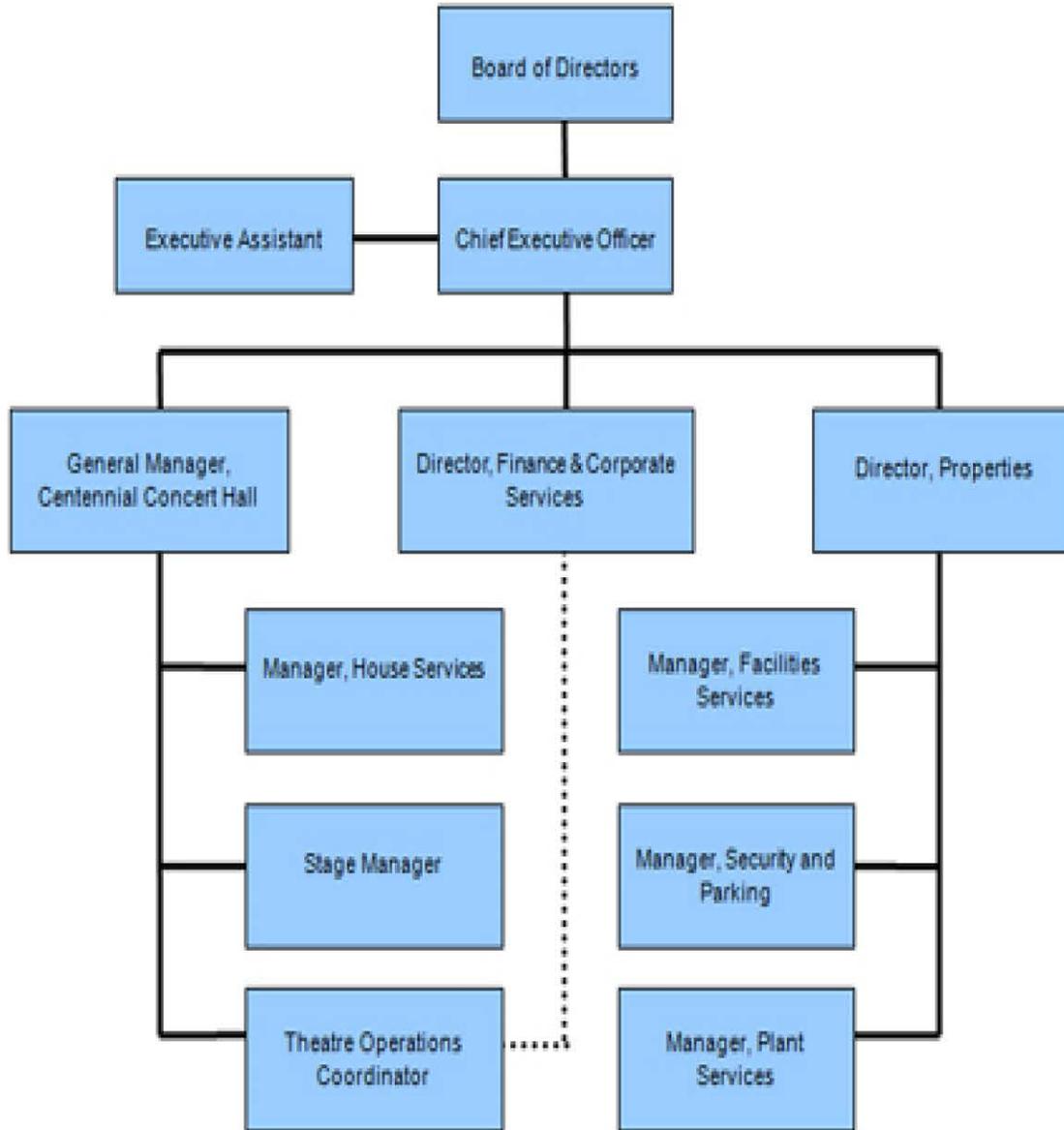
Up to 15-member Board of Governors, all appointed by the Province.

PRESIDENT/CHAIRPERSON: Angela Mathieson

CHIEF OPERATING OFFICER: Robert Olson

Ms. Angela Mathieson	Chair
Mr. Daniel Boucher	Vice-Chair
Mr. Paul Huntington	Member
Ms. Rita Chahal	Member
Ms. Devan Towers	Member
Ms. Sandra Hardy	Member
Ms. Judy Murphy	Member
Mr. Albert Plamondon	Member
Ms. Jeri Kostyra	Member
Mr. Edwin Cavanaugh	Member
Mr. David Martin	Member

MANITOBA CENTENNIAL CENTRE CORPORATION ORGANIZATIONAL CHART



MANITOBA CENTENNIAL CENTRE CORPORATION STRATEGIC PLAN 2015-2020

STRATEGIC DIRECTION

1 Strengthening the Corporate Profile

Develop a strong value proposition that is clearly understood by internal and external stakeholders and promote awareness of MCCC.

Key Areas of Focus:

- Develop a corporate marketing plan
- Strategically promote the Manitoba Centennial Centre Corporation and the capacity of the Centennial Concert Hall
- Develop a Centennial Centre Master Plan
- Recognize and celebrate the 50th anniversary of the Centennial Concert Hall and the Planetarium through a series of events

2 Engaging Employees

Attract, develop and retain a committed, energized, informed and skilled workforce is critical to MCCC's success.

Key Areas of Focus:

Committed, energized, informed and skilled workforce:

- Identify value proposition for employees
- Developing corporate values
- Develop staff rewards and recognition programs
- Create new training and staff development strategy
- Create database to inventory employee skills, training and education
- Activate Staff Wellness Committee
- Create a succession planning strategy for key positions
- Develop strategies to include Front of House employees in all activities where possible
- Review and revise performance management process

Strong recruitment and retention:

- Create best practices for onboarding and orientation of new hires
- Ensure recruiting practices identify best possible candidates
- Evaluate employee benefits and compensation
- Evaluate and streamline human resource policies and practices
- Implement on-line pay slips

Improved internal communication:

- Roll out the strategic plan
- Implement Labour Management Committee
- Create online confidential suggestion box
- Identify strategies for employees to learn more about MCCC's business
- Make communication skills a core competency for managers

An organization chart that supports the strategic plan:

- Organizational review

3 Building Relationships

Increase collaboration with resident tenants, resident companies, government and partners.

Key Areas of Focus:

Collaboration with existing resident tenants, companies, government and partners:

- Semi-annual meetings with resident tenants companies/government and partners
- Develop on-line linkage through respective websites

New partnerships:

- Develop relationship with promoters to co-promote productions
- Collaborate with Tourism Winnipeg and Travel Manitoba
- Partner with resident companies and tenants to build private and public sector investment opportunities for the Centennial Centre

4 Creating Shared Services

Create a shared services model for resident tenants, companies and partners by leveraging MCCC's internal expertise to provide consulting services to support organizations in the arts, culture and heritage sectors across the province.

Key Areas of Focus:

- Direct delivery
- Complete analysis of tenant and resident company purchasing contracts
- Select several contracts and work towards joint contracts
- Expand facilities management support to Royal Manitoba Theatre Centre, Artspace, and identify others needing service
- Work with CEOs to ascertain interest/needs in areas of accounting, human resources, payroll, material and facility management
- Based on results of above, create a business plan for the delivery of support services
- Identify potential areas where consulting services can be provided

5 Growth

Grow MCCC by creating long term acquisition and capital plans; providing parking solutions; optimizing the utilization of the existing buildings in the Centennial Centre and creating alternative Centennial Concert Hall revenue models.

Key Areas of Focus:

Long term acquisition plan:

- Acquire a second stage/theatre
- Replace or expand Manitoba Production Centre

Long term capital plan:

- Maintain existing capital planning process

- Expand the capital plan to 10 years
- Incorporate the MCCC managed sites into the capital plan

Parking Solutions:

- James Avenue Parkade
- Update existing parking sites
- MCCC fleet vehicle for security patrols and patron services

Optimize utilization of existing buildings:

- Create a booking database
- Maximize Centennial Concert Hall utilization

Alternative Centennial Concert Hall revenue models:

- Restaurant development
- Centennial Concert Hall development
- Co-promote events
- Presenting events
- Rental rate model to reflect changes in market

6 Renewing the Centennial Concert Hall and Manitoba Production Centre

Create flexible and relevant venues to improve the audience experience.

Key Areas of Focus:

Flexible venue:

- Restore in-house food service capacity
- Host new events, weddings and receptions, conferences

Improved audience experience:

- Washroom expansion
- Valet parking
- Seat replacement
- Centre aisle
- Lobby Lighting
- Exterior lighting/animating exterior
- Bar and concession service enhancements

Keeping it relevant to users:

- New sound system
- Stage lighting
- Fly system replacement
- Technological improvements

MANITOBA CENTENNIAL CENTRE CORPORATION OPERATIONS PLAN

An operations plan has been developed in conjunction with the Strategic Plan. Details of the first twelve months of the strategic planning period have been developed with MCCC's Executive Team.

Each successive year has also been mapped out with succinct plans developed in advance of the coming year. The operation plan is a fluid document that will be reviewed and updated annually. An internal working document, the operations plan is available for general review.

Context and Process

The Board of Directors of the Manitoba Centennial Centre Corporation, having hired a new Chief Executive Officer in 2012, supported the development of a new five year Strategic Plan to succeed the previous plan developed in 2008. The new plan focuses on renewed engagement of the corporation in matters critical to the on-going success of arts, culture and heritage organizations in Manitoba.

Having stabilized the fiscal circumstances that prominently concerned the Board in 2001, the Directors have endorsed a plan that emphasizes the engagement and growth of the corporation on matters related to the infrastructure and administrative needs of the arts, culture and heritage industry in this province.

The mandate of the MCCC Act as of June 2005, stipulates the corporation will:

- a) manage the operations of the Centennial Concert Hall and its related services;
- b) maintain and develop the buildings and property within the Centennial Centre;
- c) provide property management services for organizations within the Centennial Centre, at the request of those organizations;
- d) with the Minister's approval, develop and maintain buildings and property and provide property management services, outside the Centennial Centre;
- e) support culture and the arts in the province for the benefit of all Manitobans; and
- f) carry out any other functions assigned by the Minister.

This five year plan, effective 2015-2020, will continue to support the on-going operational successes of the Centennial Concert Hall with a renewed focus on increasing earnings, developing and promoting awareness of the Center and upgrading technical capabilities and patron services.

It is also our intent, within the context of this plan and our current mandate, to identify strategic opportunities to which our performing arts management skills can be applied to enhance the physical infrastructure and administrative needs of this industry. MCCC will also explore opportunities to take advantage of its capacity to support performing arts, cultural and heritage needs outside the boundary of the City of Winnipeg, by offering "in-house" expertise in performance management and infrastructure development.

In 2014, MCCC hired Dr. Ed Bruning, professor with the Asper School of Business, to research current and emerging trends in our industry and conduct a series of facilitated sessions with internal and external stakeholders of the Centennial Centre. Dr. Bruning also referenced the “Finnigan Report” a pre-master plan study, which was commissioned by the resident tenants and companies of the centre in 2011. The report prepared by Dr. Bruning provided the senior management committee with the required context to progress to the second phase of the strategic planning process, developing the plan.

To facilitate and formulate the actual plan, the MCCC engaged Pivot Advisory Services (Pivot) to lead the corporation through one final but critical consultation with the Board of Directors of the corporation and then provided the structure around which the content of the plan can be articulated.

A draft plan developed by the senior leadership team was presented to the Board of Directors for approval in September 2014. A final Strategic and Operational Plan will be completed and released by Spring 2015

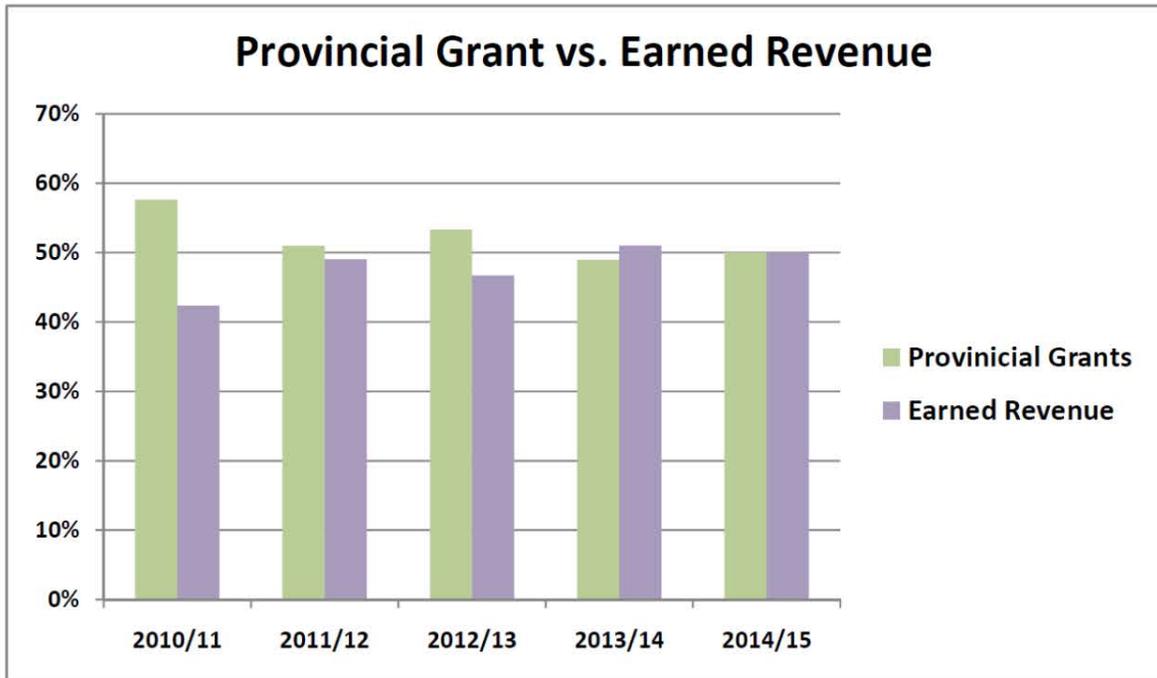
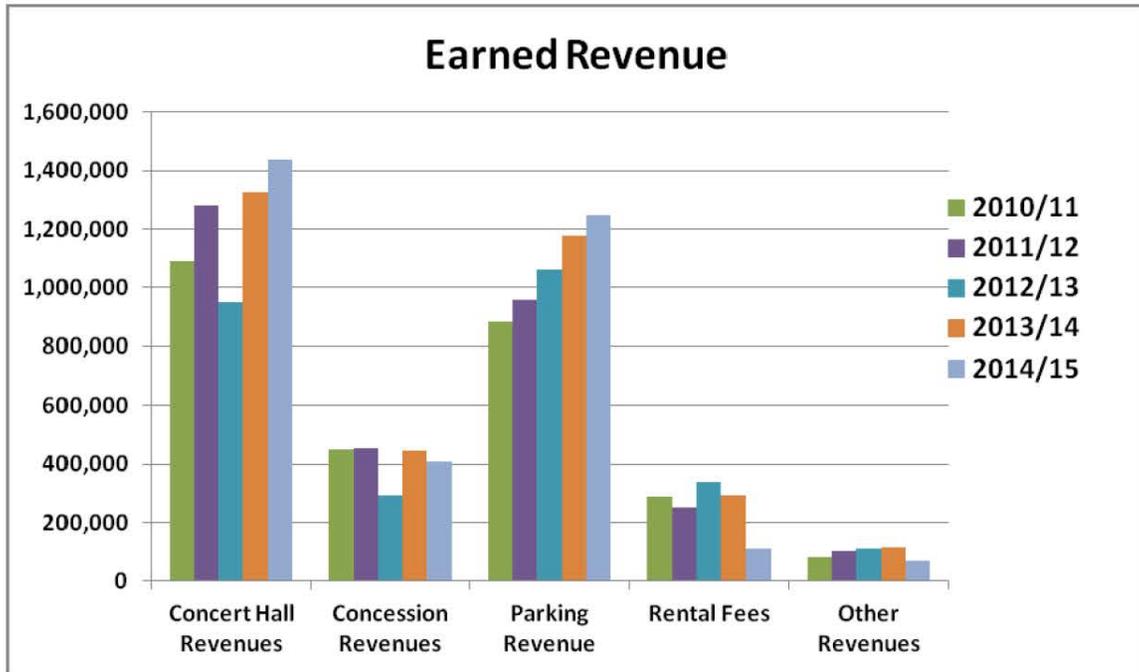
MANITOBA CENTENNIAL CENTRE CORPORATION FINANCIAL OVERVIEW

Summary of 2014/2015 ANNUAL REPORT

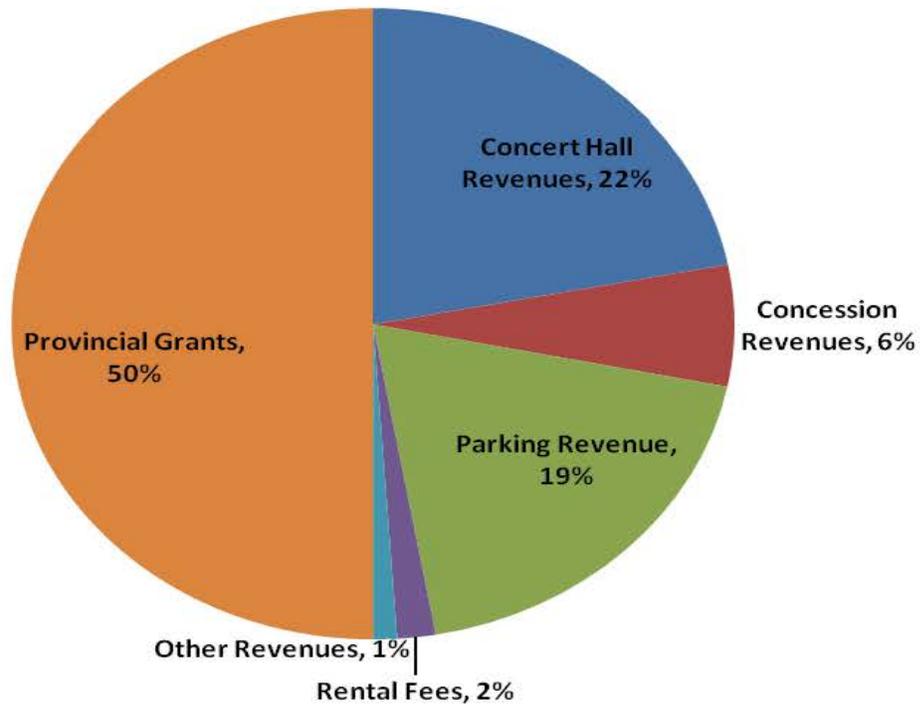
Highlights of the 2014-15 Manitoba Centennial Centre Corporation (MCCC) annual report.

- *The Centennial Centre Corporation Act* requires MCCC to submit an annual report to the Minister.
- MCCC posted a 2014/15 operating surplus of \$125.3 increasing its accumulated operating surplus to \$899.7. Revenues decreased by two per cent over the previous year with a corresponding three per cent increase in expenditures.
- MCCC continued reduced hall rental rates, lease costs for office space and facility services to the three resident companies: the Royal Winnipeg Ballet, the Winnipeg Symphony Orchestra and the Manitoba Opera. This commitment reflects MCCC's recognition of the important role these three organizations play in Manitoba's cultural community.
- MCCC hosted 253 theatre rentals during the 2014/15 seasons as compared to 254 in the 2013/14 season. MCCC's resident tenants, including the Winnipeg Symphony Orchestra, the Royal Winnipeg Ballet and the Manitoba Opera, presented a full season of concerts and performances.
- The Manitoba Production Centre was leased to clients including GRP-One Christmas Eve Productions Inc.; WT Canada Productions Ltd.; Pink Pictures Inc.; Hyena Productions; and Devil's gate Manitoba The Movie Inc.
- MCCC and Manitoba Liquor and Lotteries implemented a strategy to promote each other's events at their respective venues. Additionally, the partnership with the Royal Bank Convention Centre to cross promote events at respective venues also continued.
- Facility improvements included:
 - the former office space occupied by WSO on the concourse level was renovated and MOA negotiated with MCCC to move its operations to the new office space;
 - the TMM Alloway Hall expansion, with support from the Province, Winnipeg Foundation and Heritage Canada, will double the size of the hall to accommodate larger travelling exhibits;
 - with the phasing out of incandescent lighting, MCCC will be replacing the house lighting with energy efficient LED lighting, a first for North American theatres;
 - Manitoba Infrastructure and Transportation (MIT) increased Part B capital authority for MCCC in 2014/15 to accommodate the redevelopment of backstage services of the concert hall; and
 - renovations and installation of an elevator lift improved accessibility at Artspace.

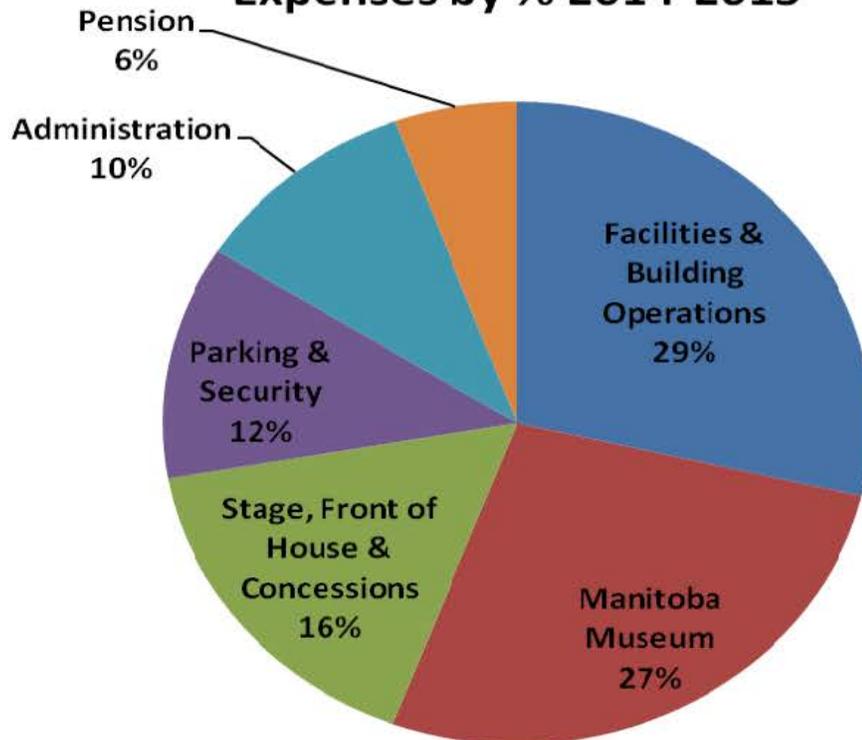
- The corporation is responsible for the operations of the Centennial Concert Hall and four parking lots and serves as landlord for: The Manitoba Museum (TMM); 11 Lily Street, which houses the museum's Extension Services, Artspace, Royal Manitoba Theatre Centre (RMTC), RMTC Warehouse Theatre, and the Manitoba Production Centre. It also provides facility support to the Centre culturel franco-manitobain.
- MCCC manages a restricted fund entitled *The Foundation of the Future Fund*, which has youth-based cultural and art-related goals. A committee comprised of MCCC board members, a member of the "Centennial Babies", and management determine the recipient annually. The fund had a balance of \$106.9 at March 31, 2015.



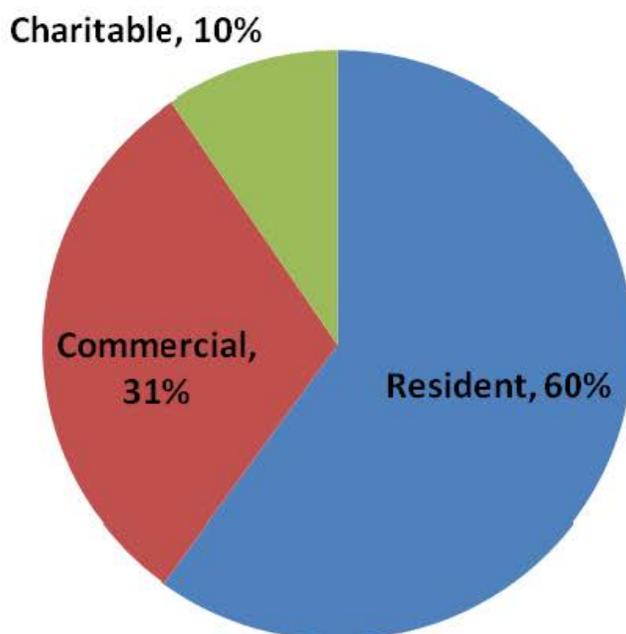
Total Revenue by % 2014-2015



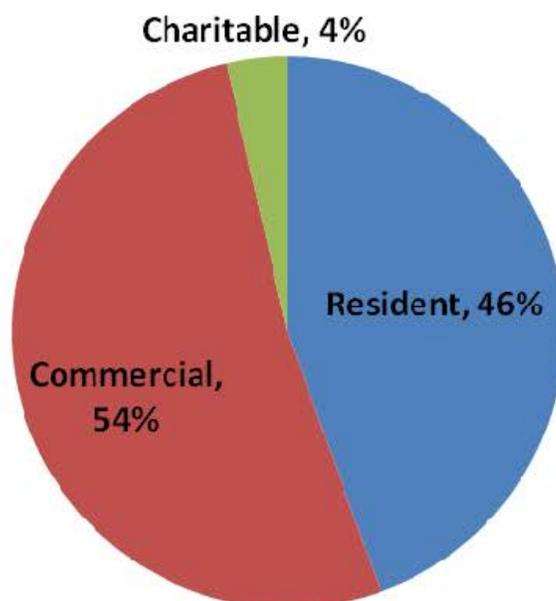
Expenses by % 2014-2015



Concert Hall Use by Client 2014-2015



Concert Hall Revenue by Client Type 2014-2015



MANITOBA CENTENNIAL CENTRE CORPORATION

Statement of Financial Position

March 31, 2015, with comparative information for 2014

	2015	2014
Assets		
Current assets:		
Cash	\$ 672,610	\$ 402,969
Term deposits - Province of Manitoba	611,117	767,455
Accounts receivable	424,014	375,108
Capital grant receivable - Province of Manitoba (note 10)	241,576	915,540
Inventory	49,779	40,737
Prepaid expenses	91,478	59,178
Vacation pay recoverable from the Province of Manitoba (note 4)	199,964	199,964
	<u>2,290,538</u>	<u>2,760,951</u>
Amounts recoverable - Province of Manitoba:		
Severance (note 4[b])	307,561	307,561
Pension (note 5)	6,490,000	6,368,000
Capital assets (note 6)	1,169,413	1,153,584
Other investments (note 9[b])	106,856	105,695
	<u>\$ 10,364,368</u>	<u>\$ 10,695,791</u>

	2015	2014
Liabilities, Deferred Contributions and Fund Balances		
Current liabilities:		
Accounts payable and accrued liabilities	\$ 585,746	\$ 1,161,668
Accrued vacation liability (note 4[a])	272,344	286,185
Capital advances (note 10)	48,434	48,434
Deferred income and rental deposits	79,040	39,215
	<u>985,564</u>	<u>1,535,502</u>
Accrued severance pay (note 4[b])	343,769	388,056
Accrued sick leave (note 4[c])	41,834	43,327
Pension liability (note 5)	6,490,000	6,368,000
Deferred contributions related to capital assets (note 7)	952,615	835,069
Fund balances:		
Invested in capital assets (note 8)	216,798	318,515
Internally restricted funds (note 9)	434,123	425,695
Unrestricted funds:		
General fund	899,665	781,627
	<u>1,550,586</u>	<u>1,525,837</u>
	<u>\$ 10,364,368</u>	<u>\$ 10,695,791</u>

MANITOBA CENTENNIAL CENTRE CORPORATION

Statement of Operations

Year ended March 31, 2015, with comparative information for 2014

	General	Capital	Internally restricted	2015 Total	2014 Total
Revenue:					
Concert Hall	\$ 1,438,714	\$ -	\$ -	\$ 1,438,714	\$ 1,324,817
Rental fees	112,668	-	-	112,668	294,754
Concession sales	407,450	-	-	407,450	447,461
Parking fees	1,248,946	-	-	1,248,946	1,177,130
Miscellaneous	69,423	-	-	69,423	89,021
	3,277,201	-	-	3,277,201	3,333,183
Province of Manitoba grants:					
Operating	3,077,586	-	-	3,077,586	3,004,045
Amortization of deferred contributions (note 7)	-	173,271	-	173,271	183,521
Province of Manitoba - pension, net (note 5)	26,761	-	-	26,761	34,476
	3,104,347	173,271	-	3,277,618	3,222,042
City of Winnipeg grant:					
Strategic Economic Development grant	31,812	-	-	31,812	25,253
Recoveries of expenses	260,248	-	-	260,248	255,369
Investment income (note 9)	-	-	1,161	1,161	943
Total revenues, grants and recoveries	6,673,608	173,271	1,161	6,848,040	6,836,790
Expenses:					
Administration and general	712,751	-	-	712,751	640,831
Amortization of capital assets	-	274,988	-	274,988	260,436
Bannatyne Condominium	-	-	-	-	108,000
Concession operations	275,000	-	-	275,000	245,356
Building services and maintenance	1,434,073	-	-	1,434,073	1,373,720
Host services and special projects	413,813	-	-	413,813	385,236
Manitoba Production Centre	245,444	-	-	245,444	252,568
Parking services	249,256	-	-	249,256	262,015
Pension (note 5)	379,335	-	-	379,335	342,405
Security services	552,775	-	-	552,775	523,085
Stage operations	440,684	-	-	440,684	433,492
	4,703,131	274,988	-	4,978,119	4,827,944
Expenses incurred on behalf of The Manitoba Museum (note 11)	1,845,172	-	-	1,845,172	1,845,606
Total expenses (schedule - operating expenses)	6,548,303	274,988	-	6,823,291	6,673,550
Excess (deficiency) of revenue over expenses	\$ 125,305	\$ (101,717)	\$ 1,161	\$ 24,749	\$ 163,240

MANITOBA CENTENNIAL CENTRE CORPORATION

Statement of Changes in Fund Balances

Year ended March 31, 2015, with comparative information for 2014

	General	Capital	Internally restricted	2015 Total	2014 Total
Fund balances, beginning of year	\$ 781,627	\$ 318,515	\$ 425,695	\$ 1,525,837	\$ 1,362,597
Excess (deficiency) of revenue over expenses	125,305	(101,717)	1,161	24,749	163,240
Transfer from Equipment Purchase Fund (note 9[a])	12,733	–	(12,733)	–	–
Transfer to Special Projects Fund (note 9[a])	(20,000)	–	20,000	–	–
Fund balances, end of year	\$ 899,665	\$ 216,798	\$ 434,123	\$ 1,550,586	\$ 1,525,837



**MANITOBA
CENTENNIAL CENTRE
CORPORATION**

2015 STRATEGIC PLAN 2020

Suite 1000, 555 Main Street
Winnipeg, Manitoba R3B 1C3
Phone: 204.956.1360
Inquiries@mbccc.ca
www.centennialconcerthall.com



**MANITOBA
CENTENNIAL CENTRE
CORPORATION**

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Milestones	15
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**MANITOBA
CENTENNIAL CENTRE
CORPORATION**

Message from the CEO

Since 1967 the Manitoba Centennial Centre Corporation has played a supporting role in the preservation and delivery of world class performances staged in the venues that comprise the Centennial Centre. Our corporation is involved in many art forms ranging from movie and television production, live theatrical and concert performances, displaying historic exhibits and facility support for a variety of arts organizations.

As an active participant in the arts, cultural and heritage industry we have been given a unique opportunity to pursue our mandate as a commercial crown corporation to pursue objectives with a social conscience respective of the needs of our province and an opportunity to generate earned revenues that can be reinvested in the industry.

With a dedicated staff, support from our Board of Directors and the Department of Tourism, Culture, Heritage, Sport and Consumer Protection, I am pleased to present the 2015-2020 strategic plan for the Centennial Centre Corporation.

This plan focuses on six key directives that were identified through a consultative process that included our employees, our Board of Directors and many internal and external constituents. It is an aggressive plan that will re-define the corporation's capacity to support the arts, culture and heritage industry and ensure our 50 years of accumulated experience will be leveraged to its fullest potential.

The six Strategic Directions driving this plan are:

Strengthening the Corporate Profile

Engaging Employees

Building Relationships

Creating Shared Services

Growth

Renewing the Centennial Concert Hall and Manitoba Production Centre

I look forward to implementing this plan and working with our employees, Board of Directors and the Department of Tourism, Culture, Heritage, Sport and Consumer Protection to accomplish our objectives.

Robert Olson
Chief Executive Officer



Introduction

Following a comprehensive strategic planning process which involved the Manitoba Centennial Centre Corporation's (MCCC) Board of Directors, our employees and key organizational stakeholders, MCCC has compiled a report summarizing key outcomes and the final strategic plan. Included in this document are the following:

- MCCC's strategic plan;
- A description of the strategic planning process to provide context to the reader;
- A brief corporate history; and
- A list of past chairs and executives.



**MANITOBA
CENTENNIAL CENTRE
CORPORATION**

Mission

The Mission describes the reason the organization exists.

“Manitoba Centennial Centre Corporation is an effective and responsible steward of physical, human, financial and technological resources to advance arts, culture and heritage for the benefit of all Manitobans.”

Vision

The Vision describes what the organization aspires to become.

“The MCCC is a principal resource and partner supporting a vibrant and sustainable arts, cultural, and heritage community in Manitoba. As an active and collaborative organization, we operate and provide state of the art facilities, supports, and services that enhance industry and audience experience.”

Values

The values define the organization's corporate culture.

- Respect – honouring the cultural diversity of our population
- Collaboration – working together for the benefit of all
- Integrity – being true to our commitments
- Accountability – accepting responsibility
- Transparency – doing business in an honest, visible and open manner
- Inclusiveness – communicating effectively to include all relevant parties
- Sustainability – minimizing environmental impact and being socially responsible
- Innovation – researching and analyzing new and creative ways of supporting our community



Strategic Directions

The Manitoba Centennial Centre Corporation identified six Strategic Directions that describe the momentum the Corporation is pursuing. The Goals describe tangible outcomes of the momentum created. Goals will be achieved over the strategic planning timeframe and as such, new Goals may be added.

Strategic Directions	Goals
Strengthening the Corporate Profile	<ul style="list-style-type: none"> • Strong value proposition that is clearly understood
Engaging Employees	<ul style="list-style-type: none"> • Committed energized, informed, skilled workforce • Strong recruitment and retention • Improved internal communication
Building Relationships	<ul style="list-style-type: none"> • Collaboration with resident tenants, resident companies, government and partners • New partnerships
Creating Shared Services	<ul style="list-style-type: none"> • Shared services for resident tenants, resident companies and partners • Leveraging internal expertise to provide consulting services to support organizations in the arts, culture and heritage sectors across the province
Growth	<ul style="list-style-type: none"> • Long term acquisition plan • Long term capital plan • Parking solutions • Optimize utilization of existing buildings • Alternative concert hall revenue models
Renewing the Centennial Concert Hall and Manitoba Production Centre	<ul style="list-style-type: none"> • Flexible venue • Improved audience experience • Keeping it relevant to users



Strategic Directions

① Strengthening the Corporate Profile

Develop a strong value proposition that is clearly understood by internal and external stakeholders and promote awareness of MCCC.

Key Areas of Focus:

- Develop a corporate marketing plan
- Strategically promote the Manitoba Centennial Centre Corporation and the capacity of the Centennial Concert Hall
- Develop a Centennial Centre Master Plan
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 - Create a succession planning strategy for key positions
 - Develop strategies to include Front of House employees in all activities where possible
 - Review and revise performance management process

Strong recruitment and retention:

- Create best practices for onboarding and orientation of new hires
- Ensure recruiting practices identify best possible candidates
- Evaluate employee benefits and compensation
- Evaluate and streamline human resource policies and practices
- Implement on-line pay slips

Improved internal communication:

- Roll out the strategic plan
- Implement Labour Management Committee
- Create online confidential suggestion box
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- Make communication skills a core competency for managers

An organization chart that supports the strategic plan:

- Organizational review



Strategic Directions

③ Building Relationships

Increase collaboration with resident tenants, resident companies, government and partners.

Key Areas of Focus:

Collaboration with existing resident tenants, companies, government and partners:

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New partnerships:

- Develop relationship with promoters to co-promote productions
- Collaborate with Tourism Winnipeg and Travel Manitoba
- Partner with resident companies and tenants to build private and public sector investment opportunities for the Centennial Centre



Strategic Directions

④ Creating Shared Services

Create a shared services model for resident tenants, companies and partners by leveraging MCCC's internal expertise to provide consulting services to support organizations in the arts, culture and heritage sectors across the province.

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- Direct delivery
- Complete analysis of tenant and resident company purchasing contracts
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- Work with CEOs to ascertain interest/needs in areas of accounting, human resources, payroll, material and facility management
- Based on results of above, create a business plan for the delivery of support services
- Identify potential areas where consulting services can be provided



Strategic Directions

⑤ Growth

Grow MCCC by creating long term acquisition and capital plans; providing parking solutions; optimizing the utilization of the existing buildings in the Centennial Centre and creating alternative Centennial Concert Hall revenue models.

Key Areas of Focus:

Long term acquisition plan:

- Acquire a second stage/theatre
- Replace or expand Manitoba Production Centre

Long term capital plan:

- Maintain existing capital planning process
- Expand the capital plan to 10 years
- Incorporate the MCCC managed sites into the capital plan

Parking Solutions:

- James Avenue Parkade
- Update existing parking sites
- MCCC fleet vehicle for security patrols and patron services

Optimize utilization of existing buildings:

- Create a booking database
- Maximize Centennial Concert Hall utilization

Alternative Centennial Concert Hall revenue models:

- Restaurant development
- Centennial Concert Hall development
- Co-promote events
- Presenting events
- Rental rate model to reflect changes in market



Strategic Directions

⑥ Renewing the Centennial Concert Hall and Manitoba Production Centre

Create flexible and relevant venues to improve the audience experience.

Key Areas of Focus:

Flexible venue:

- Restore in-house food service capacity
- Host new events, weddings and receptions, conferences

Improved audience experience:

- Washroom expansion
- Valet parking
- Seat replacement
- Centre aisle
- Lobby lighting
- Exterior lighting/animating exterior
- Bar and concession service enhancements

Keeping it relevant to users:

- New sound system
- Stage lighting
- Fly system replacement
- Technological improvements



Operations Plan

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Context and Process

The Board of Directors of the Manitoba Centennial Centre Corporation, having hired a new Chief Executive Officer in 2012, supported the development of a new five year Strategic Plan to succeed the previous plan developed in 2008.

The new plan focuses on renewed engagement of the corporation in matters critical to the on-going success of arts, culture and heritage organizations in Manitoba. Having stabilized the fiscal circumstances that prominently concerned the Board in 2001, the Directors have endorsed a plan that emphasizes the engagement and growth of the corporation on matters related to the infrastructure and administrative needs of the arts, culture and heritage industry in this province.

The mandate of the MCCC Act as of June 2005, stipulates the corporation will:

- a) manage the operations of the Centennial Concert Hall and its related services;
- b) maintain and develop the buildings and property within the Centennial Centre;
- c) provide property management services for organizations within the Centennial Centre, at the request of those organizations;
- d) with the Minister's approval, develop and maintain buildings and property and provide property management services, outside the Centennial Centre;
- e) support culture and the arts in the province for the benefit of all Manitobans; and
- f) carry out any other functions assigned by the Minister.

This five year plan, effective 2015-2020, will continue to support the on-going operational successes of the Centennial Concert Hall with a renewed focus on increasing earnings, developing and promoting awareness of the Center and upgrading technical capabilities and patron services.



It is also our intent, within the context of this plan and our current mandate, to identify strategic opportunities to which our performing arts management skills can be applied to enhance the physical infrastructure and administrative needs of this industry.

MCCC will also explore opportunities to take advantage of its capacity to support performing arts, cultural and heritage needs outside the boundary of the City of Winnipeg, by offering “in-house” expertise in performance management and infrastructure development.

In 2014, MCCC hired Dr. Ed Bruning, professor with the Asper School of Business, to research current and emerging trends in our industry and conduct a series of facilitated sessions with internal and external stakeholders of the Centennial Centre. Dr. Bruning also referenced the “Finnigan Report” a pre-master plan study, which was commissioned by the resident tenants and companies of the centre in 2011. The report prepared by Dr. Bruning provided the senior management committee with the required context to progress to the second phase of the strategic planning process, developing the plan.

To facilitate and formulate the actual plan, the MCCC engaged Pivot Advisory Services (Pivot) to lead the corporation through one final but critical consultation with the Board of Directors of the corporation and then provided the structure around which the content of the plan can be articulated.

A draft plan developed by the senior leadership team was presented to the Board of Directors for approval in September 2014. A final Strategic and Operational Plan will be completed and released by Spring 2015.



Milestones

	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan/Feb
Proposal	X										Mar 17/14
Contract sent		X									Apr 10/14
Presentation to the Board		X									Apr 16/14
Contract signed		X									Apr 29/14
Presentation of Initial Findings		X									Apr 29/14
Leadership Team Preliminary Meeting			X								May 7/14
Board Retreat			X								May 24/14
Board Approval of the Strategic Planning Document				X	X						Jun/Jul 14
Leadership Team- Action Planning and KPI						X					Aug 8/14
Leadership Team - Action Planning and KPI						X					Aug 13/14
Leadership Team - Action Planning and KPI						X					Aug 18/14
Leadership Team - Action Planning and KPI								X			Oct 16/14
Leadership Team - KPIs									X		Nov 6/14
Rob Olson - Action Planning and KPI									X		Nov 21/14
Rob Olson - Action Planning and KPI										X	Dec 3/14
Final Draft										X	Jan/15
Presentation to the Board of Directors										X	Mar/15
Final Revisions										X	Mar/15
Implementation										X	Apr/15



Corporate History

The Manitoba Centennial Centre commemorates two significant events: the 100 years of the confederation of Canada in 1967 and the Centennial of Manitoba in 1970.

Planning for the Centennial Centre commenced in 1960 under then Premier of Manitoba Duff Roblin.

The Manitoba Centennial Corporation Act was passed on May 6, 1963. The Centennial Corporation was responsible for design, construction and development of the centre. The plan called for the construction of an arts district on a five acre site across from the new Civic Centre as a way to "commemorate Canada's centenary and initiate a broad scheme of urban renewal in Winnipeg's Point Douglas Area". In time it would include a concert hall, museum, planetarium, theatre centre and parkade.

In 1967 The Manitoba Centennial Centre Corporation Act was passed creating a new corporation with authority to operate and conclude outstanding transactions remaining after The Manitoba Centennial Corporation was dissolved on March 31, 1972.

Overseeing the development of the Centennial Center was the first Chairman of the Manitoba Centennial Corporation, Mr. Maitland Steinkopf. Mr. Steinkopf served in this capacity from 1966 – 1970.

Stage 1 of the project included the acquisition of all lands, construction of the Concert Hall and Planetarium and purchasing of furnishings and equipment. It was completed for a cost of \$13,000,000. Funding for the project was provided by the Government of Canada, the Province of Manitoba, the City of Winnipeg and surrounding Municipalities and the Manitoba Centennial Centre Citizens' Campaign. The Concert Hall and Planetarium were correspondingly opened in March and May of 1968.



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Stage 2 of the project included The Manitoba Museum (TMM), Science and Research Centre, land and equipment. TMM was opened by Her Majesty Queen Elizabeth II on July 15, 1970.

In 1968 MTC announced plans for a new, \$2.35 million theatre for Market Avenue at Rorie Street. The Manitoba Centennial Corporation, which oversaw construction of the Concert Hall, Museum and Planetarium complex, provided primary financial support for the construction of MTC. MTC was officially opened by Premier Ed Schreyer on September 30, 1970.

In 1985 the Gault Building at 100 Arthur Street in Winnipeg was acquired by the Manitoba Centennial Centre Corporation and subsequently leased to ARTSPACE INC.

In May 2005 the Centennial Centre Corporation was assigned responsibility for the leasing and maintenance of Manitoba's only purpose built movie and television production studio, The Manitoba Production Centre.

The current Act describes the Centennial Centre as "the arts centre in Winnipeg established by the Manitoba Centennial Corporation as Manitoba's principal memorial to the centennial anniversaries of the Confederation of Canada and the inclusion of Manitoba as a province of Canada."

It is situated on land owned by the Crown in right of Manitoba within the area in the City of Winnipeg bounded as follows:

1. on the west by Main Street,
2. on the south by the lane south of Market Avenue,
3. on the east by the Red River,
4. on the north by Pacific Avenue;

a) and includes all of the buildings, structures, walks, gardens and open spaces within that area that pertain to the arts centre; and

b) the land, including buildings and structures, commonly known as Artspace and located at 100 Arthur Street, 99 King Street and 240 Bannatyne Avenue in the City of Winnipeg.



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CORPORATION**

Past and Current Board Chair and Corporate Executive of the Centennial and Centennial Centre Corporation:

Chair		Executive	
MB Centennial Corporation			
1966 - 1970	Mr. Maitland Steinkopf		
MB Centennial Centre Corporation			
1967 - 1970	Mr. Maitland Steinkopf	1967 - 1971	Mr. Robert Stewart Mgr Centennial Arts Centre
1971 - 1974	Ms. Mary E. Bayer	1971 - 1974	Mr. John Walton Mgr Centennial Concert Hall
1975 - 1982	Mr. D.R.C. Bedson	1974 - 1989	Mr. Robert (Bob) Goodman Executive Director, MCCC
1982 - 1984	Ms. Thérèse Gobeil-Cameron		
1985 - 1988	Ms. Rubena Sinha		
1989 - 1998	Mr. Julian Benson	1989 - 2001	Mr. John Walton Executive Director, MCCC
1998 - 2000	Chair Vacant Vice-Chair, Ms. Helen Steinkopf		
2000 - 2014	Dr. Keith Hildahl	2001 - 2012	Mr. Robert (Bob) Sochasky Chief Executive Officer
		2012 - present	Mr. Robert Olson Chief Executive Officer
2014 - present	Ms. Angela Mathieson		

**CROWN SERVICES MINISTERIAL BRIEFING BOOK
MAY 2016**

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