



2017-18 Capital Budget and 5-Year Capital Plan

TO:	Board of Directors
Meeting:	January 25, 2017
FROM:	Judith Purves, Executive Vice-President and CFO
PURPOSE:	2017-18 Capital Budget and 5-year Capital Plan
DATE:	January 18, 2017



2017-18 CAPITAL BUDGET PRESENTATION

BOARD OF DIRECTORS



CAPITAL BUDGET 2017-2018 OVERVIEW

s.18(a)
s.18(b)
s.21(1)(b)

- The 2017-2018 Capital Budget was prepared and is endorsed by the Capital Round Table members and the Capital Executive Team.
- Capital spend over the next 5 years, excluding capital leases, will average
- The majority of projects in the capital plan over the next 5 years are tied to the MRC Redevelopment Project
- The MRC Redevelopment Project:



CAPITAL BUDGET 2017-2018 OVERVIEW (CONTINUED)

s.18(a)
s.18(b)
s.21(1)(b)



CAPITAL BUDGET 2017-2018 OVERVIEW (CONTINUED)

s.18(a)
s.18(b)
s.21(1)(b)

Consistent with the 5-Year financial plan approved by the Board in March 2015,



RECOMMENDED CAPITAL BUDGET

s.18(a)
s.18(b)

\$ in '000

	Budget	Forecast			
		2018-19	2019-20	2020-21	2021-22
AVAILABLE CAPITAL FUNDING	2017-18				
Base Capital Appropriation					
Capital Leases (funded from operating budget)					
Carry Over (from 2016-17)					
Proceeds of Sale					
Self Generated Revenues					
TOTAL AVAILABLE CAPITAL FUNDING					

	Budget	Forecast			
		2018-19	2019-20	2020-21	2021-22
CAPITAL INVESTMENT PLAN	2017-18				
Production Infrastructure					
Television Services					
Radio Services					
Enterprise Systems & Technology Infrastructure					
Presentation, Collection, Distribution & Delivery					
Real Estate Projects and Property Management					
Fleet and Minor Capital Purchases					
TOTAL CAPITAL INVESTMENT PLAN					



CAPITAL BUDGET INVESTMENT HIGHLIGHTS FOR 2017-2018

s.18(a)
s.18(b)
s.21(1)(b)

2017-2018 Expenditure

Production Infrastructure

Continued replacement of obsolete mission-critical production equipment with new digital standards.

Control room and regional News infrastructure refresh to support centralized remote production workflow and conversion to High Definition

La Maison Radio-Canada (mostly pre-planning with some initial technical expenses for feeds)

Investments in production facility improvements.

Enterprise Systems and Technology Infrastructure

Updates to major systems,

Critical infrastructure and network upgrades

Various technical upgrades



CAPITAL BUDGET INVESTMENT HIGHLIGHTS FOR 2017-2018

s.18(a)
s.18(b)

	2017-2018 Expenditure
Presentation, Collection, Distribution and Delivery	
Current portion of the long-term Telesat lease for transponders	
Projects related to radio centralized presentation, distribution, and improving English and French radio coverage.	
Various projects related to transmitter and tower investments needed to maintain the coverage of our TV and radio services, maintain infrastructure, and comply with codes and regulations.	
La Maison Radio-Canada (mostly pre-planning)	
Real Estate Projects and Property Management	
Current portion of Toronto and Halifax Broadcast Centre long-term lease payments.	
La Maison Radio-Canada (leasehold improvements)	
Consolidation/Relocation projects (Moncton, Halifax, Iqaluit and Calgary).	
Various building-maintenance projects required to comply with building codes, regulations, health and safety, and replacement of obsolete and failing assets.	



CAPITAL BUDGET INVESTMENT HIGHLIGHTS FOR 2017-2018

s.18(a)
s.18(b)
s.21(1)(b)

	2017-2018 Expenditure
Fleet & Minor Capital	
Annual refresh of the Corporation's vehicle fleet.	
Minor capital purchases to address unforeseen and urgent operational equipment.	



CAPITAL BUDGET BACKGROUND INFORMATION

Additional background on the Capital Plan is provided in Appendices:

Appendix A: MRC Project Summary

Appendix B: Available Capital Details

Appendix "A"
MRC Capital Needs

MRC Capital Needs	2016/17	2017/18	2018/19	2019/20	2020/21	2021/22	Total
MRC Relocation							
Enterprise Wide - MRC Technical							
Enterprise Wide - MRC Fit-up							
MRC Total Investment							
<u>Sources of Funds</u>							
Subtotal							
Total Sources of Funds							

Appendix "B"
AVAILABLE CAPITAL FUNDING

	2017/18	2018/19	2019/20	2020/21	2021/22
Base Capital Appropriation	92 331	92 331	92 331	92 331	92 331