



2015-2016 BUSINESS PLANS, OPERATING AND CAPITAL BUDGETS

TO:	Board of Directors
MEETING:	March 25-26, 2015
FROM:	Michael Mooney, Acting VP & CFO Louis Lalande, EVP French Services Heather Conway, EVP, English Services
DECISION SOUGHT:	Approval of 2015-2016 Business Plans, Operating and Capital Budgets
NEXT STEPS:	Ongoing monitoring of financial developments by Management and presentation of budgetary reports to Board on a quarterly basis.
DATE:	March 13, 2015

The budget material is organized in two documents:

- The main document (**red deck**) contains the information that will be presented at the Board meeting for approval
- The other document (**blue deck**) is a book of appendices that provides additional detail



TABLE OF CONTENTS

1. 2015-2016 BUDGET OVERVIEW	3
Mission, Vision and Objectives	4
Key Elements of 2015-2016 Budget and Financial Assumptions	5
Investments and Reductions	10
Three-Year Financial Overview	14
Contingency Planning	15
2. ENGLISH SERVICES	16
Alignment to Strategy	17
Key Performance Indicators	23
Strategy Implementation, Investments and Reductions	24
Three-Year Financial Overview	31
Revenues	32
3. FRENCH SERVICES	36
Alignment to Strategy	37
Key Performance Indicators	43
Strategy Implementation, Investments and Reductions	44
Three-Year Financial Overview	50
Revenues	51
4. NON-MEDIA SERVICES	54
5. CAPITAL BUDGET	60
6. BOARD RESOLUTION	69



1. 2015-2016 BUDGET OVERVIEW



ACTION PLANS, INVESTMENTS AND REDUCTIONS FOLLOW OUR NEW STRATEGIC PLAN *A SPACE FOR US ALL*

Mission

CBC/Radio-Canada expresses Canadian culture and enriches the life of all Canadians through a wide range of content that informs, enlightens and entertains

Vision

In 2020, CBC/Radio-Canada will be the public space at the heart of our conversations and experiences as Canadians

Objectives

CONTENT	INFRASTRUCTURE	PEOPLE & CULTURE	FINANCIAL
Through distinctive content, increase and deepen engagement with individual Canadians; inspire them to participate in the public space	Change the infrastructure to allow increased simplicity, flexibility, scalability, and collaboration	Build a culture of collaboration, accountability, boldness, action, and agility, with a workforce that reflects the country	Achieve sustainable financial health, including the ability to invest in the future



KEY ELEMENTS OF 2015-2016 BUDGET

- Action plans, investments and reductions are completely in line with the 5-year financial plan approved by the Board in November 2014.
- Investments in strategic priorities will be [redacted] for 2015-2016 (English Services [redacted] French Services [redacted] Non-Media Services [redacted]) than the investments presented in the November 2014 five-year financial plan as the [redacted] (Appendix A).
- CBC/Radio-Canada's business model (Appendix B) is threatened by a shifting advertising market, weakness in economic growth and limited potential government funding increases.
 - Conventional TV advertising revenue growth for the next three years is now forecast to be [redacted] forecast in November 2014. This results in a [redacted] in 2015-2016 and of [redacted] over the next three years compared to the five-year plan in November.
 - Advertising [redacted] against French Services' target in 2014-2015 is expected to be permanent, consistent with the November 2014 forecast.
 - The financial assumptions presented in the November five-year financial plan are provided in Appendix C.
- Contingency plans for [redacted] have been established to [redacted]



REVENUE ASSUMPTIONS - IN 2015-2016

s.18(a)
s.18(b)
s.21(1)(b)
s.20(1)(b)

- Government Funding Operating Appropriation in 2015-2016):
 -
 - Government funding fully reflects the \$115M Deficit Reduction Action Plan (DRAP) funding reductions
- Advertising (TV, Radio, Digital, Specialty Services), Subscriber and Miscellaneous Revenue in 2015-2016):
 - Growth assumptions are provided on page 8
 - Miscellaneous revenues are based on historical and contractual information
- Other Sources of Funds:
 - Dividends of are included in each year of the three-year plan reflecting a in July 2014



EXPENSE ASSUMPTIONS IN 2015-2016)

- Expenditures in 2015-2016):
 - Expenditures reflect all budget reductions and reinvestments arising from *A space for us all* for the next three years
- FIFA, PanAm and Olympics:
 - Expected revenues and expenditures for the PanAm Games (2015-2016), for the Rio 2016 Summer Games (2016-2017) and for the PyeongChang 2018 Winter Olympics (2017-2018) are included in the three-year overview
- A cash forecast for 2015-2016 is provided in Appendix D



REVENUE GROWTH ASSUMPTIONS – 2015-2016 to 2017-2018

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

Platform	Industry Outlook*	CBC Growth	Radio-Canada Growth	Comments
Conventional TV advertising				
Specialty TV advertising				
Digital platforms advertising				
Radio advertising				
Subscription Revenue				
Distribution (program sales)				

Priorities and action plans of the Revenue Group are included in Appendix F

*Zenith Optimedia Advertising Expenditure Forecasts, December 2014 for Conventional, Specialty and Radio, PWC Canadian Entertainment and Media Industry*Outlook, June 2014, for Digital



**TOTAL CDN TV AD SPEND IS DOWN YEAR-OVER-YEAR
(YOY), BUT IS EXPECTED TO IN 2015 DESPITE
YOY DECLINE IN SIX-MONTH PACING**

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

Source: BMO Capital Markets, TD Securities



INVESTMENTS AND REDUCTIONS

- The proposed budget is aligned with the five-year plan presented to the Board in November 2014
- Compared to the five-year plan, the net budget position in 2014-2015 is (see Appendix A). Consequently,
English Services French Services
and Non-Media Services
- The net position is for 2016-2017 and by in 2017-2018 when compared to the five-year plan presented in November. This is mainly due to changes in revenue assumptions. As indicated on page 15,
- More detailed information is provided in subsequent pages and in the media sections of this document



PLANNED INVESTMENTS

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

Summary Investments - Per 2015-2016 Business Plans

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investment in programming content					
Additional promotion and marketing for improved investments					
Regional investments					
Corporate priority investment					
Total					

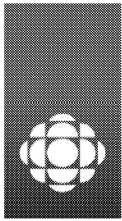
Summary Investments - Per Five-Year Plan

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investment in programming content					
Regional investments					
Corporate priority investment					
Total					

Variance Compared to Five-Year Plan

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investments					

(see Appendix A).



2014-2015 OPERATING BUDGET – UPDATE ON REDUCTIONS

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

- 2014-2015 Budget Expense Reductions (\$130M / 650 FTEs) :
 - Reductions of \$130M and 650 FTEs (original target approved in March 2014 was \$130M and 657 FTEs) are currently forecast to be fully implemented by the end of 2015-2016
 - Downsizing costs are forecast to amount to . compared to the original estimate of a improvement

- 2015-2020 Strategic Five-Year Plan Expense Reductions :
 - Reductions of were identified in the five-year plan presented to the Board. Downsizing estimates amounted to :
 - Current FTE reductions estimates have changed from since November. Target savings are still on track
 - Downsizing costs have been re-estimated to from original estimates.
 - ◆
 - ◆ Average salaries used to estimate downsizing costs have also been revised to reflect historical information.
 - Reduction details are provided on the following page



PLANNED REDUCTIONS (EXCLUDING \$130M REDUCTION INTRODUCED IN 2014-2015)

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

Summary Budget Reductions - 2015-2016 Business Plans													
	2015-2016 Business Plans											Downsizing Costs	
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's		FTE
<u>Strategy:</u>													
Regions													
Music													
Production (one-studio)													
<u>Efficiencies and others:</u>													
Media Services													
Non-Media Services													
Total													
Expected Downsizing Costs													

Summary Budget Reductions - Per Five-Year Plan													
	Per Five-Year Plan (November 2014)											Downsizing Costs	
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's		FTE
<u>Strategy:</u>													
Regions													
Music													
Production (one-studio)													
<u>Efficiencies and others:</u>													
Media Services													
Non-Media Services													
Total													
Expected Downsizing Costs													

Variance Compared to Five-Year Plan													
	Variance to Five-Year Plan											Downsizing Costs	
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020		
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's		FTE
Reductions													
Expected Downsizing Costs													



THREE YEAR FINANCIAL OUTLOOK

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Proposed Budget (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
--	------------------------------------	---	------------------------------------	------------------------------------

SOURCES OF FUNDS

Parliamentary Operating Appropriation
 Local Programming Improvement Fund
 Advertising Revenue excl. hockey (TV, Radio, Internet, Contrats and Specialty)
 Advertising Revenue - Hockey
 FIFA (2014-15), PanAm (2015-16), Olympics (2016-17 and 2017-18)
 Subscriber Revenue
 Miscellaneous Revenue

TOTAL SOURCES OF FUNDS

APPLICATION OF FUNDS

English Services
 French Services
 FIFA (2014-15), PanAm (2015-16), Olympics (2016-17 and 2017-18)
 Infrastructure and Technology Services
 General and Administrative Services
 Corporate Expenses
 Committed Reserves

TOTAL APPLICATION OF FUNDS

NET POSITION for the Fiscal Year

Estimated Severance Costs and Strategy) *
 Prior Year Carryover

NET POSITION **

* Excluding severance costs from \$130M reductions announced in April 2014 that are allocated in each component's budget
 ** Excluding net proceeds of \$33.5M from the sale of Sirius shares in July 2014

Net Position - Per November 2014 five-year plan
Variance from November 2014 five-year plan

Appendix A



CONTINGENCY PLANNING

- Knowing that we face a volatile economy in a highly competitive media environment, the proposed budget was developed to provide flexibility to respond to revenue risks while still utilizing our resources to enhance our programming and deliver on our new strategy.

- The 2015-2016 budget includes a total contingency of _____ as follows:
 - 1.
 - 2.
 - 3.
 - 4.

-



2. ENGLISH SERVICES

Note: Action Plans, Budgets by Genre and Signature Events are included in Appendix G



ENGLISH SERVICES – STRATEGY 2015-2016 IN LINE WITH A SPACE FOR US ALL

Distinctive Content

CONTENT & SERVICES

- Produce and offer programming to our audiences that is distinctly Canadian: creatively ambitious and different from private broadcasters
 - Invest in television prime time drama, comedy and factual
 - Create a CBC Arts brand to showcase arts content
 - Continue to celebrate key Signature events
 - Modernize documentaries across all brands and platforms
 - Focus on investigative & original journalism in news
 - Make CBC Sports the recognized home of Olympics
 - Continue CBC Radio's focus on information talk and serving a variety of musical tastes
 - Utilize digital platforms and social media to attract and retain audiences



ENGLISH SERVICES – STRATEGY 2015-2016 IN LINE WITH A SPACE FOR US ALL

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

s.68.1

LOCAL SERVICES

- Serve and connect local communities
 - Increase frequency of daily engagement with Canadians through enhanced local services
 - ◆ Maintain existing geographic footprint with new supper hour formats (60 or 30 minutes) in each market
 - ◆
 - ◆
 - ◆

Distinctive Content



ENGLISH SERVICES – STRATEGY 2015-2016 IN LINE WITH A SPACE FOR US ALL

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

DIGITAL STRATEGY

- Implement a scalable network of CBC consumer experiences to enable Strategy 2020 growth objectives

-
-
-
-
-

Distinctive Content



ENGLISH SERVICES – STRATEGY 2015-2016 IN LINE WITH A SPACE FOR US ALL

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

Infrastructure

INFRASTRUCTURE

- Reduce or eliminate infrastructure that is not related to our core business or where savings can be found
 -
 -
 -
 -
 -
- Pursue sale & lease-back of the Toronto Broadcast Centre
-



ENGLISH SERVICES – STRATEGY 2015-2016 IN LINE WITH A SPACE FOR US ALL

PEOPLE & CULTURE

- Enable the development of the culture, skills and structure required by the workforce to successfully implement business goals
 - Enable the transformation of the business to ensure the delivery of "A space for us all" Strategy through: Organizational Development; Change Management; Workforce Adjustments; Workforce Planning and Sourcing Strategy
 - Implement the learning and development strategy and programs that build skills and capabilities required for evolving business needs
 - Create an integrated and effective approach to how we recruit, manage, develop and engage our people
 - Promote an environment that supports leaders and managers in building a winning and healthy culture
 - Further develop our relationship with the unions to enable workforce flexibility



ENGLISH SERVICES – STRATEGY 2015-2016 IN LINE WITH A SPACE FOR US ALL

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Financial Sustainability

FINANCIAL

- Achieve financial sustainability with an ability to invest in the future
 - Capitalize on our recent programming success by continuing the momentum from:
 - ◆
 - ◆
 - ◆
 - Deliver savings according to our approved financial plans
 - Maximize the investment in programming per Strategy 2020
 - Diversify revenues by capitalizing on opportunities in newly emerging revenue streams
 - Share risks and benefits through partnerships
 -



ENGLISH SERVICES REVIEW OF KEY PERFORMANCE INDICATORS

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

Legend:	
	Tracking to exceed target
	Tracking to meet target
	Might meet target
	Tracking not to meet target

Notes :

(1) Numeris (BBM Canada), Personal People Meter (PPM), Prime-time audience share Fall/Winter season. Results to date 2014-2015: As at Jan. 25, 2015 (Weeks 5-21).

(2) Numeris (BBM Canada), Personal People Meter (PPM), All-day audience share April-Jan. Results to date 2014-2015: As at Jan. 25, 2015 (Weeks 32-53, 1-21).

(3) As at Jan. 31, 2015.

(4) Numeris (BBM Canada), spring and fall survey (diary), 12+, Full-day audience share.

(5) Numeris (BBM Canada), Personal People Meter (PPM), 2+, Hours Tuned, Average Weekly Hours Tuned, Morning shows audience, Mon-Fri 6-9 a.m. Regular Season. Results to date 2014-2015: As at January 25, 2015 (Week 1-21).

(6) Numeris (BBM Canada), Personal People Meter (PPM), 2+, Weekly average hours, Mon-Fri 5-6:30 p.m. and Mon-Fri 11-11:30pm (11-11:10pm in certain markets), Fall/Winter season. Results to date 2014-2015: As at Jan. 25, 2015 (Week 1-21).

(7) Source: comScore, 2+, Monthly average unique visitors April-Jan. Results to date 2014-2015: April-January average. Desktop pages only (excludes Mobile).

(8) Regional Online measurement is for all regional content.

(9) Consistent with Business Plan forecast for FY 2014-15. Includes Hockey Playoffs 2014.

(10) Beyond 2015-2016: estimated trend is dependent on changes in consumer patterns and regulatory environment.

KPI				Annual Target 2014-15	Results to Date 2014-15	Year End Forecast 2014-15	Estimated Trend into 2015-16
Network Programming	Conventional TV	CBC TV Prime / Reg. Season Share (<i>Excludes Saturday Hockey</i>)	2+ ^{note 1}	6.4%			
			25-54 ^{note 1}	n/a			
	Specialty TV	CBC-NN All Day / Fiscal Year Share	2+ ^{note 2}	1.6%			
			25-54 ^{note 2}	n/a			
		CBC News Network Subscribers ^{note 3}		11.2 M			
		<i>documentary</i> Subscribers ^{note 3}		2.7 M			
CBC Radio One & Radio 2	Radio Share All Day / Fall Survey 12+ ^{note 4}		15.6% <i>rounded</i>				
Regional	Radio One – Morning Shows	2014-15: Average Weekly Hours Tuned 2+ ^{note 5} 2015-16: <i>Share in Fall Survey 12+</i>		5,235 K			
	CBC TV – Supper & Late Night	2014-15: Average Weekly Hours Tuned 2+ ^{note 6} 2015-16: <i>Average Minute Audience 2+</i>		3,675 K			
	Regional Content	2014-15: Monthly Avg. Unique Visitors 2+ ^{note 7, 8} 2015-16: <i>will include both Desktop & Mobile</i>		3,675 K			
Online	CBC.ca	2014-15: Monthly Avg. Unique Visitors 2+ ^{note 7} 2015-16: <i>will include both Desktop & Mobile</i>		7,000 K			
Fin	Revenue	Revenue per KPI definition ^{note 9} <i>Note: 2015-16 affected by loss of Hockey Playoffs</i>		\$298 M			



ENGLISH SERVICES: UPDATE ON STRATEGY IMPLEMENTATION AND BUDGET CUTS

The implementation plan presented to the Board of Directors in November, 2014, remains on track

- Investment in Programming
 - Resources secured and committed for the incremental investment in programming
 - Early adoption of some of the Content Strategy (Holidays) began in December
- Local
 - New local service offer announcement made (December 11, 2014)
 -
- Production
 -
 - The sale of the mobile production assets is progressing very well
- Music Infrastructure Consolidation
 - English and French services are functioning as one consolidated team
 -



ENGLISH SERVICES – STRATEGIC AND FINANCIAL CONTEXT

English Services is presenting a balanced and sustainable financial plan

- Per plan, English Services needed to cut _____ to sustain the business and support Strategy 2020
-
-

<i>Implementation of total English Services cuts</i>			
Bus. Plan 2014-2015	Strategy 2020	Total	



ENGLISH SERVICES REDUCTIONS AT A GLANCE

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

All initiatives from the November 2014 Board presentation are mostly on track

English Services Budget Reductions - 2015-2016 Business Plans											
2015-2016 Business Plans											
2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020	
\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
<u>Strategy:</u>											
Regions											
Music											
Production (one-studio)											
<u>Efficiencies and others:</u>											
Communications											
Research											
Savings - VIK											
General and Admin											
CBCNN capital reduction											
Revenue Group (revenue)											
Revenue Reserve											
Miscellaneous											
Total - English Services											
Expected Downsizing Costs											

English Services Budget Reductions - Per Five-Year Plan											
Per Five-Year Plan (November 2014)											
2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020	
\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
<u>Strategy:</u>											
Regions											
Music											
Production (one-studio)											
<u>Efficiencies and others:</u>											
Communications											
Research											
Savings - VIK											
General and Admin											
CBCNN capital reduction											
Revenue Group (revenue)											
Revenue Reserve											
Miscellaneous											
Total - English Services											
Expected Downsizing Costs											



ENGLISH SERVICES – STRATEGIC PLAN

INVESTMENTS COMPARED TO FIVE-YEAR PLAN

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

Summary Investments - Per 2015-2016 Business Plans

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investment in programming content					
Additional promotion and marketing for improved investments					
Regional investments					
Total					

Summary Investments - Per Five-Year Plan

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investment in programming content					
Regional investments					
Total					

Variance Compared to Five-Year Plan

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investments		-	-	-	-



ENGLISH SERVICES – STRATEGIC PLAN INVESTMENTS IN 2015-2016

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



<i>Strategic Plan Investments - 2015-2016</i>			
	Surplus Carry Forward	Per Five-Year Plan	TOTAL
Television schedule			
Digital Content			
Digital (to enhance user experience)			
Radio Summer Content			
Regions (Regional Programming Development Fund & 2020 start-up costs)			
Media Promotion			
Sub-total			
<i>Other (non-content priorities)</i>			
<i>Total for Surplus Carry Forward</i>			



ENGLISH SERVICES – STRATEGIC PLAN INVESTMENTS IN 2015-2016

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

- Promotion is a key priority for English Services
 - English Services has taken a different approach to marketing and promotion which has demonstrated significant success
 - Regular Season 2014-2015 promotion has many successes
 - ◆ Book of Negroes premiere captured a 2+ AMA of 1,941,000 *
 - ◆ Schitt's Creek premiere captured a 2+ AMA of 1,581,000 **
 - ◆ Murdoch Mysteries premiere captured a 2+ AMA of 1,387,000 ***
 -
 -

Confirmed Regular Season audience data: Season to Date 2+ AMA through Week 26 (ended March 1, 2015)

- * Book of Negroes: 1,625,000
- ** Schitt's Creek: 1,126,000
- *** Murdoch Mysteries: 1,273,000



ENGLISH SERVICES CONTENT INVESTMENT (TELEVISION & DIGITAL)

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
--	-----------	-----------	-----------	-----------	-----------

Programming Investments - Replacing Repeats:

Total - Replacing Repeats

Programming Investments - Replacing Foreign:

Total - Replacing Repeats

Programming Investments - Replacing Existing Canadian:

Total - Replacing Existing Canadian

Programming Investments - Replacing Hockey:

Regular Season

Playoffs

Total - Replacing Hockey

Investment in digital content

Investment in digital infrastructure

TOTAL PROGRAMMING INVESTMENTS

As presented to the Board in November 2014

Revenue:

TOTAL REVENUE

As presented to the Board in November 2014



2015-2016 OPERATING BUDGET – ENGLISH SERVICES (REGIONAL BUDGETS IN APPENDIX I)

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

	2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Proposed Budget (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
SOURCES OF FUNDS					
Share of Parliamentary Appropriation					
Expected salary funding					
<i>Total Share of Parliamentary Appropriation</i>					
Local Programming Improvement Fund					
Advertising Revenue - TV Main Channel excl. hockey					
Advertising Revenue - Hockey					
Advertising Revenue - Radio					
FIFA (2014-15), PanAm (2015-16), Olympics (2016-17 and 2017-18)					
Digital Platforms (excl. hockey)					
Digital Platforms - Hockey					
Value-added / Contra Revenue					
Rogers VIK					
Advertising Revenue - CBC News Network					
Subscriber Revenue - CBC News Network					
Subscriber Revenue - Cuno					
Miscellaneous Revenue					
TOTAL SOURCES OF FUNDS					
APPLICATION OF FUNDS					
Sports (excluding hockey)					
Hockey (Rights and Production) / Rogers VIK					
FIFA (2014-15), PanAm (2015-16), Olympics (2016-17 and 2017-18)					
Arts and Entertainment					
News and Current Affairs					
CBC News Network					
Talk Radio					
Music					
Media Library and Archives					
Technical Services					
Mobiles					
Communications and Research					
Revenue Group					
General Administration					
Revenue Risk Reserve					
Programming and Other Commitments					
Org Design savings (to be determined)					
TOTAL APPLICATION OF FUNDS					
NET POSITION for the Fiscal Year					
Prior Year Carryover					
NET POSITION - Cumulative					



ENGLISH SERVICES - REVENUE

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

(\$000's)	2014-2015 Forecast	2015-2016 Proposed Budget	2016-2017 Forecast	2017-2018 Forecast
Revenues				
Advertising Revenue - TV				
Advertising Revenue - Hockey/FIFA / PanAm / - displaced				
Advertising Revenue - Radio 2				
Advertising Revenue - Hockey/FIFA / PanAm /				
Advertising Revenue - CBC News Network				
Advertising Revenue - Digital Services				
Advertising Revenue - Digital Services - Hockey/FIFA / PanAm				
Advertising Revenue - Digital Services - Hockey/FIFA / PanAm - displaced				
Subtotal - Advertising Revenue				
Advertising Revenue - Value-added/Contra Revenues				
Total - Advertising Revenue including Value-added/Contra				
Subscriber Revenue - CBC News Network				
Subscriber Revenue - Curio				
Total - Subscriber Revenue				
Miscellaneous Revenue - Mobiles				
Miscellaneous Revenue - Distribution & Program Sales				
Miscellaneous Revenue - Facility Rentals				
Miscellaneous Revenue - Program Subsidies				
Miscellaneous Revenue - CMF				
Miscellaneous Revenue - FIFA / PanAm				
Miscellaneous Revenue - VIK				
Miscellaneous Revenue - Others				
Total - Miscellaneous Revenue				
Total Revenues before Olympics and LPIF				
Olympics				
LPIF				
Total Revenues including Olympics and LPIF				

Please see page 8 for revenue growth assumptions.



ENGLISH SERVICES - REVENUE (CONTINUED)

s.20(1)(b)

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

□ Advertising Revenues

Television

Reduction in 2015-2016 -

■

■

■

■

Radio 2

Reduction in 2015-2016 -

■

■

Hockey/FIFA/Pan Am

Reduction in 2015-2016 -

■

■

■

CBC News Network

■



ENGLISH SERVICES - REVENUE (*CONTINUED*)

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

s.20(1)(b)

Digital Revenues

Digital Services

Reduction in 2015-2016 -

-
-
-

FIFA/Pan Am

Reduction in 2015-2016 -

-
-
-

Contra Revenues

-
-

Subscriber Revenues

- CBC News Network Subscriber revenue in 2014-2015 is relatively stable



ENGLISH SERVICES - REVENUE (*CONTINUED*)

s.18(a)
s.18(b)
s.21(1)(b)
s.20(1)(b)
s.68.1

☐ Miscellaneous Revenues

Mobiles



Distribution



Facility Rentals



Program Subsidies (Sports)



CMF



Host Broadcasting

- CBC is the Host Broadcaster for the 2015 Pan Am Games
- 2015-2016 revenues are only represented by the Pan Am Games

VIK



Others





3. FRENCH SERVICES

Note: Action Plans, Budgets by Genre and Signature Events are included in Appendix H



FRENCH SERVICES: STRATEGY 2015–2016 IN LINE WITH A SPACE FOR US ALL

Content and Services

CONTENT AND SERVICES

Through the content we will air, produce, and distribute, we will help define the future in a rapidly shifting environment

- Reimagine schedules and services to expand reach and impact. Build on the multiplatform/multiscreen environment that's now become the norm to stay in sync with our audiences as their consumption habits change



FRENCH SERVICES: STRATEGY 2015–2016 IN LINE WITH A SPACE FOR US ALL

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

Content and Services

CONTENT AND SERVICES (CONT'D)

- Put down even deeper roots in the community
 - Maintain the thrust of local radio programming
 - Continue applying the Raconter un pays (“telling the country’s stories”) strategy
 - Focus on programming initiatives or face-to-face opportunities with audiences that foster engagement (Foreign Correspondent Week, Annual Public Meetings)
 - Broaden RCI’s footprint
- Stake our claim on the digital territory, and sell ourselves as the go-to source
 - Continue and increase production of digital news, with priority on mobile content for smartphones
 - Roll out new mobile content offerings in the regions
 -
 - Offer a strong, compelling lineup on ICI Tou.tv’s free and subscription services
 - Implement initiatives that support the multiplatform literature strategy
- Better understand our audiences to stay in sync with them
 -
 -



FRENCH SERVICES: STRATEGY 2015–2016 IN LINE WITH A SPACE FOR US ALL

Infrastructure

INFRASTRUCTURE

The fundamental transformation begun two years ago is now firmly focused on how we need to organize to build the future

- Bring ICI ARTV into the Radio-Canada Group
- Improve organization and processes
 - Deploy Multiplatform/Multiscreen Strategy Committee operations
 - Initiate activities of the new Rights and Business Affairs division
- Improve our production methods on an ongoing basis
 -
 -
 -
 - Complete Moncton and Sudbury relocations
- Move forward with the MRC project
- Seek out partnerships that embody the media environment of the future
 -
 -



FRENCH SERVICES: STRATEGY 2015–2016 IN LINE WITH A SPACE FOR US ALL

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

People & Culture

PEOPLE & CULTURE

Radio-Canada will build the future thanks to the people who work with it. We will create conditions where trust and cooperation are valued, to let talent take flight and to foster creativity and engagement

- Review the union structure
- Manage change (coaching, training, engagement)
- Inspire and pursue transformation

Finance

FINANCE

Achieve sustainable financial health, including the ability to invest for the future

- Deliver savings in line with established plans
-
- Ensure sound management, to allow for accelerated reinvestment in programming
- Push ahead with revenue diversification strategies
- Envision models for the future



FRENCH SERVICES - STRATEGIC AND FINANCIAL CONTEXT: MOUNTING CHALLENGES

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

- Radio-Canada now faces competitors that have disproportionately **excessive spending power in the current French-language market** or can put to work their own fully vertically integrated structures
- The **content supply market is inflated**, as much for turnkey acquisitions as independently produced television content. Production costs are also on the rise (talent, quality)
-
-
-
-



FRENCH SERVICES: STRATEGY ROLLOUT STATUS REPORT

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

The implementation plan presented to the Board in November 2014 is on track and in line with targets and benchmarks presented.

Regions

- Announcement of the new regional multiplatform offering (December 2014)
- Working groups to reimagine offering (January 2015)

In-house production

- Costume shop closing: announcement and final rentals
-

Music / consolidation of digital infrastructure

- Web teams already at work, and now in the planning stage

Programming investments

-



FRENCH SERVICES REVIEW OF KEY PERFORMANCE INDICATORS

KPI				Annual Target 2014-15	Results to Date 2014-15	Year End Forecast 2014-15	Estimated Trend into 2015-16
Network Programming	Conventional TV	ICI R-C Télé Prime / Reg. Season Share	2+ ⁽¹⁾	20.0%			
			25-54 ⁽¹⁾	n/a			
	Specialty TV	ICI RDI + ICI ARTV + ICI EXPLORA All Day / Fiscal Year Share	2+ ⁽²⁾	5.0%			
			25-54 ⁽²⁾	n/a			
		ICI RDI Subscribers ⁽³⁾	11.1 M				
		ICI ARTV Subscribers ⁽³⁾	2.0 M				
	ICI EXPLORA Subscribers ⁽³⁾	0.5 M					
	Radio	ICI R-C Première + ICI Musique Share All Day / Spring-Fall Surveys 12+ ⁽⁴⁾		20.6%			
Regional	ICI R-C Première – Morning Shows	Share in Spring-Fall Surveys 12+ ⁽⁵⁾		19.5%			
	ICI R-C Télé – 6pm newscasts	Average Minute Audience 2+ ⁽⁶⁾		0.350 M			
	ICI R-C.ca – Regional pages	2014-15: Monthly Avg. Unique Visitors 2+ ⁽⁷⁾ 2015-16: will include both Desktop & Mobile		0.592 M			
Online	Radio-Canada websites	2014-15: Monthly Avg. Unique Visitors 2+ ⁽⁷⁾ 2015-16: will include both Desktop & Mobile		1.8 M			
Fin	Revenue	Conventional, specialty, online ⁽⁸⁾		\$246.1 M			

Legend:

	Tracking to exceed target or Exceeded target
	Tracking to meet target or Met target
	Might meet target
	Tracking not to meet target

Notes:

(1) Numeris (BBM Canada), Personal People Meter (PPM), Prime-time audience share, Fall/Winter season, Francophones in Quebec aged 2 years and older. Results to date: as of February 1st.

(2) Numeris (BBM Canada), Personal People Meter (PPM), All-day audience share, April-March, Francophones in Quebec that subscribe to a television distribution service, aged 2 years and older. Results to date 2014-15: as of February 1st.

(3) Results to date 2014-15: as of December 31st.

(4) Numeris (BBM Canada), spring and fall survey (diary), Full-day audience share, Francophones aged 12 years and older. Results for Francophone radio stations, in markets served by a Radio-Canada base station. Results to date 14-15: final.

(5) Source: Numeris (BBM Canada), spring and fall survey (diary), Morning shows audience share, Mon-Fri 6-9 a.m., Francophones, persons aged 12 years and older. Results for all Francophones in markets served by a Radio-Canada base station. Results to date 14-15: final.

(6) Numeris (BBM Canada), Personal People Meter (PPM), Average viewer per minute, Weekly average, Mon-Fri 6-6:30 p.m., Fall/Winter season, Francophones in Quebec aged 2 years and older. Results to date 2014-15: as of February 1st.

(7) Source: comScore, 2+, Monthly average unique visitors, April-March. Results to date 2014-15: April-January average.

(8) Year end forecast 2014-15: as of January 31st.



FRENCH SERVICES - STRATEGIC AND FINANCIAL CONTEXT

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

French Services has tabled a balanced business plan.

- Next round of cuts announced in March 2014



FRENCH SERVICES REDUCTIONS AT A GLANCE

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

French Services Budget Reductions - 2015-2016 Business Plans

	2015-2016 Business Plans											
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020	
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
<u>Strategy:</u>												
Regions												
Music												
Production (one-studio)												
<u>Efficiencies and Others:</u>												
News												
Archives												
Technical Production												
TVG												
Digital												
Sports												
General and Admin												
Revenue Group (cost reductions)												
Total - French Services												
Expected Downsizing Costs												

French Services Budget Reductions - Per Five-Year Plan

	Per Five-Year Plan (November 2014)											
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020	
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
<u>Strategy:</u>												
Regions												
Music												
Production (one-studio)												
<u>Efficiencies and Others:</u>												
News												
Archives												
Technical Production												
TVG												
Digital												
Sports												
General and Admin												
Revenue Group (cost reductions)												
Total - French Services												
Expected Downsizing Costs												



FRENCH SERVICES – STRATEGIC PLAN INVESTMENTS COMPARED TO FIVE-YEAR PLAN

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

Summary Investments - Per 2015-2016 Business Plans

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investment in programming content					
Additional promotion and marketing for improved investments					
Regional investments					
Total					

Summary Investments - Per Five-Year Plan

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investment in programming content					
Regional investments					
Total					

Variance Compared to Five-Year Plan

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>	<u>\$000's</u>
Investments					



FRENCH SERVICES – STRATEGIC PLAN INVESTMENTS IN 2015–2016

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



<i>Strategic Plan Investments - 2015-2016</i>			
	Surplus Carry Forward	Per Five-Year Plan	TOTAL
Television schedule			
Digital content development			
Media Promotion			
Sub-total			
<i>Eliminate previously expected shortfall</i>			
Total			



FRENCH SERVICES – STRATEGIC PLAN INVESTMENTS IN 2015–2016

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



FRENCH SERVICES –CONTENT INVESTMENTS (TELEVISION AND DIGITAL)

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

s.68.1

	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020
--	-----------	-----------	-----------	-----------	-----------

Arts and Entertainment (Fall/Winter)
New initiatives

Sub-total:
Replacements

Sub-total:

Arts and Entertainment (Spring)
New initiatives

Sub-total:

Special programming

News – international coverage

Investments – Public affairs and high-impact documentaries

Investment – Explora

Investment – Tou.TV

Other factors :

Investment in digital content

TOTAL INVESTMENTS ACHIEVABLE WITH CURRENT FUNDING LEVELS



2015-2016 OPERATING BUDGET – FRENCH SERVICES (REGIONAL BUDGETS IN APPENDIX I)

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

	2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Proposed Budget (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
SOURCES OF FUNDS					
Share of Parliamentary Appropriation					
<i>Total Share of Parliamentary Appropriation</i>					
Local Programming Improvement Fund					
Advertising Revenue - TV Main Channel					
Advertising Revenue - Espace musique					
FIFA					
Digital Platform Revenues					
Value-added / Contra Revenues					
Advertising Revenue - Réseau de l'information					
Advertising Revenue - Explora					
Advertising Revenue - ARTV					
Subscriber Revenue - Réseau de l'information					
Subscriber Revenue - Explora					
Subscriber Revenue - ARTV					
Subscriber Revenue - TOU.tv (Privilege)					
Subscriber Revenue - Curio					
Miscellaneous Revenues - ARTV					
Miscellaneous Revenues					
TOTAL SOURCES OF FUNDS					
APPLICATION OF FUNDS					
Sports					
FIFA					
Arts and Entertainment					
ARTV					
News and Current Affairs					
Réseau de l'information					
Talk Radio					
Music					
Explora					
Media Library and Archives					
Technical Services					
Communication and Research					
Revenue Group					
Other expenses related to revenue-generating activities					
General Administration					
Revenue Risk Reserve					
Programming and Other Commitments					
Org Design savings (to be determined)					
TOTAL APPLICATION OF FUNDS					
NET POSITION for the Fiscal Year					
Prior Year Carryover					
NET POSITION - Cumulative					



FRENCH SERVICES – REVENUE

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

	2014-2015 Forecast (\$'000's)	2015-2016 Proposed Budget (\$'000's)	2016-2017 Forecast (\$'000's)	2017-2018 Forecast (\$'000's)
Advertising revenue - Television				
Advertising revenue - FIFA				
Advertising revenue - FIFA / Olympics displaced				
Additional advertising revenue - Branded content				
Additional advertising revenue - Program investments				
Advertising revenue - ICI musique				
TOTAL ADVERTISING REVENUE - TELEVISION AND RADIO				
Advertising revenue - Internet and other digital platforms				
Advertising revenue - FIFA digital				
Additional advertising revenue - Tou.tv growth				
Advertising revenue - Value added / Contrás				
TOTAL ADVERTISING REVENUE EXCLUDING SPECIALTY SERVICES				
Advertising revenue - Réseau de l'information (RDI)				
Subscriber revenue - Réseau de l'information (RDI)				
Advertising revenue - Explora				
Subscriber revenue - Explora				
Advertising revenue - ARTV				
Subscriber revenue - ARTV				
TOTAL REVENUEs - SPECIALTY SERVICES				
Subscriber revenue - Curio				
Subscriber revenue - Tou.tv extra				
TOTAL OTHER SUBSCRIBER REVENUE				
Miscellaneous revenue - Services to independent producers				
Miscellaneous revenue - Canada Media Fund				
Miscellaneous revenue - ARTV				
Miscellaneous revenue - Distribution revenue				
Miscellaneous revenue - FIFA				
Miscellaneous revenue - Commercial production				
Miscellaneous revenue - Others				
Miscellaneous revenue - Value added / contrás				
TOTAL MISCELLANEOUS REVENUE				
LPIF				
TOTAL REVENUE				

Please see page 8 for revenue assumptions.



FRENCH SERVICES – REVENUE (CONTINUED)

s.18(a)
s.18(b)
s.21(1)(b)
s.68.1

- Advertising revenues
 - Conventional television
 - ◆
 - ◆
 - ◆
 - ICI Musique
 - ◆
 - RDI
 - ◆
 - Internet and other digital platforms
 - ◆
 - ◆
 - Explora
 - ◆



FRENCH SERVICES – REVENUE (CONTINUED)

Subscriber revenues

- RDI
 - ◆

- Explora
 - ◆

Miscellaneous revenues

- Services to independent producers
 - ◆

- Content distribution
 - ◆

- CMF
 - ◆



4. NON-MEDIA SERVICES



NON-MEDIA SERVICES

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

- Non-Media Services 2015-2016 budget is comprised of the following:
 - Infrastructure and Technology Services
 - General and Administrative Services
 - Corporate Expenses
 - Total Non-Media Services
- Of the total budget, (56%) represents costs that are contractual in nature (real estate, transmission, bond interest, etc.). More information is provided in Appendix J.
-
- The following page provides a breakdown of the reductions being implement in Non-Media Services to help offset the hortfall identified last year
- Appendix J provides information on Non-Media Services activities and priorities for 2015-2016



NON-MEDIA SERVICES REDUCTIONS AT A GLANCE (SHORTFALL AND STRATEGY)

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

Non-Media Services Budget Reductions - 2015-2016 Business Plans												
	2015-2016 Business Plans											
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020	
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
<u>Efficiencies and others:</u>												
Office of the President and CEO												
Brand, Communications and Corporate Affairs												
Shared Services												
Finance and Administration												
Corporate Research												
Media and Enterprise Technology Services												
Legal and Real Estate Services												
People and Culture												
Training and Development												
Total - Non-Media Services												
Expected Downsizing Costs												

Non-Media Services Budget Reductions - Per Five-Year Plan												
	Per Five-Year Plan (November 2014)											
	2014-2015		2015-2016		2016-2017		2017-2018		2018-2019		2019-2020	
	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE	\$000's	FTE
<u>Efficiencies and others:</u>												
Office of the President and CEO												
Brand, Communications and Corporate Affairs												
Shared Services												
Finance and Administration												
Corporate Research												
Media and Enterprise Technology Services												
Legal and Real Estate Services												
People and Culture												
Training and Development												
Total - Non-Media Services												
Expected Downsizing Costs												

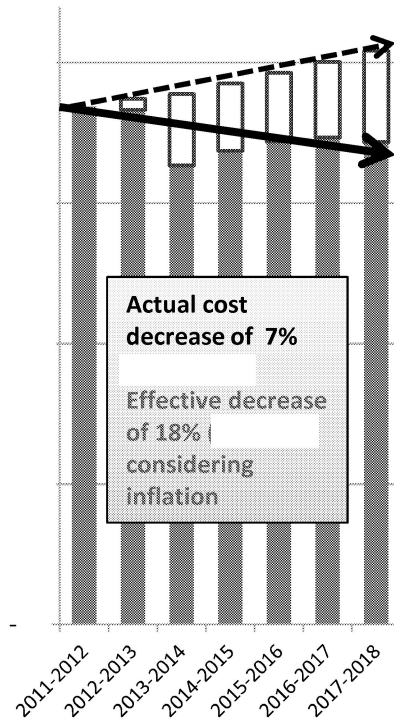


NON-MEDIA SERVICES – TRENDING OF COSTS OVER SEVEN-YEAR PERIOD

By 2017-2018, Non-Media Services costs will have decreased by 9% from 2011-2012 levels. When inflation is factored in (2011-2012 costs adjusted for inflation), the effective decrease will be 20%. The charts below break down this information by grouping of components. The next page provides the costs, actuals and forecasted, by components

\$000's

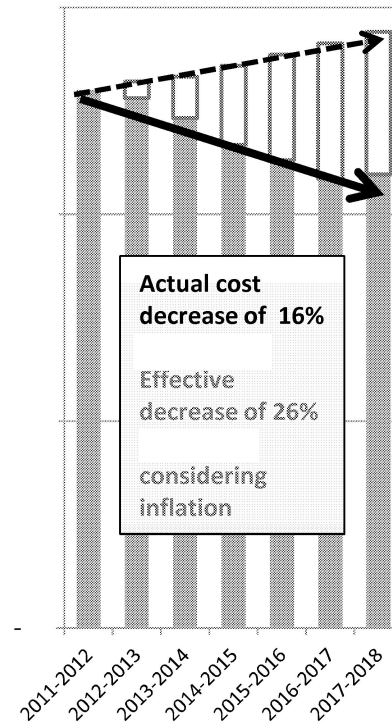
Infrastructure



- Actual costs
- 2011-2012 costs adjusted for inflation

\$000's

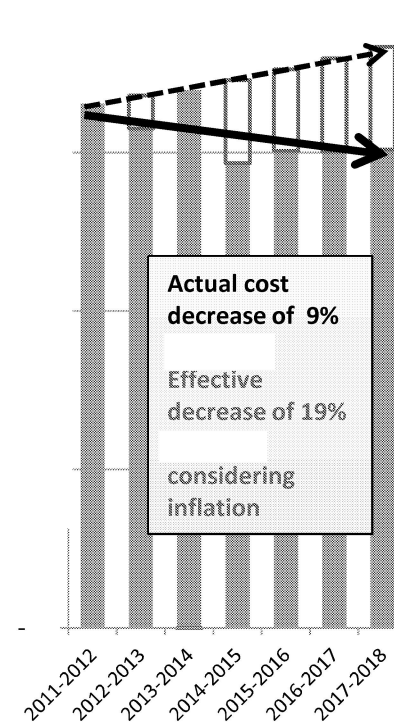
General and Administration



- Actual costs
- 2011-2012 costs adjusted for inflation

\$000's

Corporate Expenses



- Actual costs
- 2011-2012 costs adjusted for inflation



2015-2016 OPERATING BUDGET - NON-MEDIA SERVICES

s.18(a)
s.18(b)
s.20(1)(b)
s.21(1)(b)

	2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Proposed Budget (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
SOURCES OF FUNDS					
Share of Parliamentary Appropriation					
Expected Salary Funding					
<i>Total Share of Parliamentary Appropriation</i>					
Miscellaneous Revenues:					
Real Estate Services					
Transmission and Distribution					
Interest Revenue					
Capital Recoveries					
Canadian Retransmission Rights Association (CRRRA)					
Canadian Claimants Group Rights (CCG)					
Corporate Research					
Sirius - Program Sales					
Sirius - Dividends					
TOTAL SOURCES OF FUNDS					
APPLICATION OF FUNDS					
Infrastructure and Technology Services (see details on next page)					
General and Administrative Services (see details on next page)					
Corporate Expenses (see details on next page)					
Committed Reserves					
TOTAL APPLICATION OF FUNDS					
NET POSITION for the Fiscal Year					
Prior Year Carryover - to components and committed reserves					
Prior Year Carryover - to fund priorities, financial pressures and downsizing					
NET POSITION - Cumulative					



2015-2016 OPERATING BUDGET - NON-MEDIA (APPLICATION OF FUNDS)

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

	2014-2015 Current Budget (\$000's)	2014-2015 Forecast (\$000's)	2015-2016 Proposed Budget (\$000's)	2016-2017 Forecast (\$000's)	2017-2018 Forecast (\$000's)
APPLICATION OF FUNDS					
Infrastructure and Technology Services:					
Real Estate Services					
Media and Enterprise Technology Services					
Total - Infrastructure and Technology Services					
General and Administrative Services:					
Office of the President and CEO					
Office of the Chairperson and Board of Directors					
Ombudsmen - English and French Services					
Branding, Communications and Corporate Affairs					
Corporate Research					
Regulatory Affairs					
General Counsel, Corporate Secretariat and Compliance					
People and Culture					
Shared Services					
Corporate Finance and Administration					
Internal Audit					
Total - General and Administrative Services					
Corporate Expenses:					
Severance Pay and Other Personnel Costs					
Dental Plan and EAP					
Training and Development					
Insurance, Travel Agency, etc.					
Total - Corporate Expenses					
TOTAL APPLICATION OF FUNDS					



5. CAPITAL BUDGET



CAPITAL BUDGET 2015-2016 OVERVIEW

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

- Capital spend over next 3 years, excluding capital leases (funded from Operating budget), will average [redacted] with low point of [redacted]. Including Capital Leases the Capital spend over the next 3 years is [redacted].
- The Capital budget for 2015-2016 aligns capital spending with the new strategic plan (i.e. infrastructure reduction and relocation projects)
- Capital spending is [redacted]
- [redacted]
- Capital budget refreshes core business assets, addresses codes & regulations and health & safety issues
- Planning will need to be revisited as operational and infrastructure strategies are firmed up
- Over the next 5 years [redacted] in projects have been earmarked
- We will continue to monitor our capital needs and our capital risk levels and will address any urgent requirements should they arise
- The following pages provide summary information on the 3-year capital plan and the investment program for 2015-2016



CAPITAL BUDGET 2015-2016 OVERVIEW (CONTINUED)

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

- The 3-year plan accommodates some new investments for:
 - - ◆
 - ◆
- -
 -
 -



CAPITAL BUDGET 2015-2016 OVERVIEW (CONTINUED)

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

- -

- -
 -
 -



- Microwave Investments for Toronto, Montreal and Ottawa are required due to the urban setting and the daily Breaking News requirements of these larger centres.





RELOCATION PROJECTS – 5 YEAR PLAN

- ❑ The Capital budget includes investments to achieve the strategy of reducing infrastructure and Real Estate footprint across the country.
- ❑ The following chart outlines approved and unapproved investments relocation projects
 -
- ❑ All project costs include Real Estate and technical fit up costs

Approved Projects	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Moncton Consolidation							
Halifax Consolidation							
Relocation - Sudbury							
Relocation - Iqaluit							
Approved Project Total							
Unapproved Projects	2014/15	2015/16	2016/17	2017/18	2018/19	2019/20	Total
Relocation -							
Relocation -							
Relocation -							
Relocation -							
Relocation-							
Relocation -							
Unapproved Project Total							
Relocation Project Total							

* 2014-2015 unapproved pre-project planning costs of to finalizing solution.

are expenditures being incurred that directly relate



RECOMMENDED CAPITAL BUDGET

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

	Prior Year Approved Budget	Forecast	Budget	Forecast			
AVAILABLE CAPITAL FUNDING	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Base Capital Appropriation							
Carryover in 2014-15							
Funding from self-generated revenue							
Funding from sales of fixed assets							
Sub-Total							
Transfers from Operating budget for Capital Leases							
Total Available Capital Funding							
CAPITAL INVESTMENT PLAN	2014-15	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Production Infrastructure							
Television Services							
Radio Services							
Enterprise Systems & Technology Infrastructure							
Presentation, Collection, Distribution & Delivery							
Property Management							
Fleet and Minor Capital Purchases							
TOTAL CAPITAL INVESTMENT PLAN							

- Capital investment matches available capital funding in each year.
- Details of the 2015-2016 budgets are provided in Appendix K



3-YEAR CAPITAL INVESTMENT PLAN

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

2015-2016 to 2017-2018 -



CAPITAL BUDGET 2015-2016

RECOMMENDED CAPITAL BUDGET / PROJECTS > \$5M

PROJECTS APPROVED (in 000's)

PROJECTS PLANNED (in 000's)

Subtotal Projects Planned	
Total - All Projects Over \$5 Million	



6. BOARD RESOLUTION



BOARD RESOLUTION

IT IS RESOLVED THAT:

That the 2015-2016 Operating and Capital Budgets be approved and that the Senior Executive Team be authorized to give effect to the measures contained therein.

MOTION CARRIED