



Making a difference...together

**ROYAL AND MCPHERSON THEATRES SOCIETY ADVISORY COMMITTEE**  
**Notice of Meeting on FRIDAY, OCTOBER 15, 2021, at 1:30 p.m.**  
Room 488, 625 Fisgard Street, Victoria, BC, and Electronically

M. Alto

S. Brice

S. Dubow

K. Murdoch

C. Plant

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**AGENDA**

1. Territorial Acknowledgement
2. Approval of Agenda
3. Adoption of Minutes of September 9, 2020

Recommendation: That the September 9, 2020, minutes of the Royal and McPherson Theatres Society Advisory Committee meeting be adopted.

4. Chair's Remarks

5. Presentations/Delegations

5.1. Royal & McPherson Theatres Financial Status, F. Lehrbass, Executive Director,  
N. Downer, Manager of Finance, Royal & McPherson Theatres Society

6. Committee Business

6.1. 2022 Budget Process for the Royal Theatre Service and the McPherson Playhouse Service

Recommendation: That the 2022 Budget Process for the Royal Theatre Service and the McPherson Playhouse Service be received for information.

7. New Business

8. Adjournment

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*To ensure quorum, please advise Nancy More at 250-360-3009 or [nmore@crd.bc.ca](mailto:nmore@crd.bc.ca) if you cannot attend.*



Making a difference...together

**Minutes of a Meeting of the Royal and McPherson Theatres Society Advisory Committee  
Held Wednesday, September 09, 2020, Commons Room, 625 Fisgard St., Victoria, BC**

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**Present: Directors:** K. Murdoch (Chair), S. Brice, J. Loveday, C. Plant (10:25), G. Young  
**Staff:** N. Chan, CFO; J. Lam, Manager, Arts Development; N. More, Committee Clerk (recorder)  
**Also Present:** L. DeLarge, President, C. Devlin, Vice-President, I. Hooey, Director, Royal & McPherson Theatres Society Board; F. Lehrbass, Executive Director, N. Downer, Manager of Finance, Royal & McPherson Theatres staff

The meeting was called to order at 10:00 a.m.

**1. Approval of Agenda**

**MOVED** by Director Brice, **SECONDED** by Director Loveday,  
That the agenda be approved with item 5.2 placed ahead of item 2.

**CARRIED**

**5.2 Electronic and In-Person Meetings of CRD Committees and Commissions**

**MOVED** by Director Brice, **SECONDED** by Director Loveday,

1. That this resolution applies to the Royal and McPherson Theatres Society Advisory Committee for the meeting being held on September 9, 2020, and
2. That the attendance of the public at the place of the meeting cannot be accommodated in accordance with the applicable requirements or recommendations under the *Public Health Act*, despite the best efforts of the committee, because:
  - a. The available meeting facilities cannot accommodate more than 14 people in person, including members of the committee, presenters and staff, and
  - b. There are no other facilities presently available that will allow physical attendance of the committee and the public in sufficient numbers; and
3. That the committee is ensuring opening, transparency, accessibility and accountability in respect of the open meeting by the following means:
  - a. By providing notice of the meeting in newspaper or local notice Board, including the methods for providing written or electronic submissions,
  - b. By making the meeting agenda, as well as the other relevant documents, available on the CRD website, and directing interested persons to the website by means of the notices provided in respect of the meeting,
  - c. By strongly encouraging the provision of, and subsequently receiving and distributing to members, written correspondence from the public in advance of the meeting, and
  - d. By making the minutes of the meeting available on the CRD website following the meeting.

**CARRIED**

**2. Adoption of Minutes**

**MOVED** by Director Brice, **SECONDED** by Director Young,  
That the minutes of the July 29, 2020, meeting be adopted as previously circulated.

**CARRIED**

3. **Chair's Remarks:** The Chair remarked on the business before the Committee.

4. **Presentations/Delegations**

4.1 **Presentation: L. DeLarge, President, Royal & McPherson Theatres Society (RMTS), Royal & McPherson Theatres Financial Status:**

L. DeLarge addressed the Committee and spoke to the presentation document provided in the agenda package and filed at CRD Financial Services.

At the conclusion of the presentation, the Committee sought clarification on contributions by the RMTS to the capital costs of the Royal Theatre and the McPherson Playhouse, and on projects in the five-year capital plan.

- Contributions are made out of operating profits, i.e., a fee added to ticket prices
- Some civic-owned theatres receive a higher contribution for capital costs from the jurisdiction, such as in Edmonton
- Current projects already slated in the five-year plan plus COVID-19 safety measures

**Director Plant entered the meeting at 10:25 am.**

The Committee sought clarification on contributions by the RMTS to the capital reserve.

- Contributions are made from the ticket user fee. The user fee is regularly reviewed by the RMTS Board.

The Committee discussed its role in providing oversight of the CRD capital funding to the theatres services.

The Committee sought clarification from the RMTS on insurance costs, reserve fund inputs, and plans for recovery from the COVID-19 pandemic shut-down.

The Committee sought clarification from CRD staff on the contribution service, the budget process, the state of the current budget cycle, and maintaining the 2020 requisition as originally anticipated in the five year financial plan.

On the motion to receive the presentation, the Committee questioned the RMTS on theatre assets.

**MOVED** by Director Plant, **SECONDED** by Director Brice,  
That the Royal & McPherson Theatres Financial Status presentation be received for information.

**CARRIED**

**5. Committee Business**

**5.1. 2021 Budget Process for the Royal Theatre Service and the McPherson Playhouse Service**

N. Chan provided highlights of the report, which outlines the current process and the service bylaws. He expressed that the RMTS presentation articulated the financial challenges of maintaining and operating the theatre. The current budget cycle places a provisional budget before the CRD Board in late October, with a final budget to be considered in spring, 2021.

**MOVED** by Director Plant, **SECONDED** by Director Brice,  
That the 2021 Budget Process for the Royal Theatre Service and the McPherson Playhouse Services report be received for information.

**CARRIED**

The Committee discussed the need for budget timelines of the RMTS and the CRD to be better synchronized, so that the Committee could receive a detailed budget when considering funding for the 2022 budget year.

**MOVED** by Director Plant, **SECONDED** by Director Loveday,  
That staff be directed with the Royal & McPherson Theatres Society to develop an appropriate budget timeline going forward.

**CARRIED**

**6. New Business:** There was no new business.

**7. Adjournment**

**MOVED** by Director Plant, **SECONDED** by Director Loveday,  
That the meeting be adjourned at 11:19 a.m.

**CARRIED**

\_\_\_\_\_  
CHAIR

\_\_\_\_\_  
RECORDER

## CRD RMTS ADVISORY COMMITTEE

OCTOBER 15, 2021



### MISSION STATEMENT

Enriching the quality of life in the region, through a sustainable and relevant performing arts centre.

### VISION STATEMENT

To be the integral hub for performing arts of the region, recognized for diverse and valued performances, professional standards, and historic spaces.

## 2021 OPERATING REVIEW

### **RETENTION OF ORGANIZATIONAL INFRASTRUCTURE (EMPLOYEES, KNOWLEDGE & EXPERIENCE):**

- Layoffs in 2020 to all 215 auxiliary staff and 6 full-time staff
- 14 employees retained in 2020:
  - Continue to support the arts and entertainment community
  - Maintain the physical assets
- Currently rehiring full-time and auxiliary staff as we phase into re-opening to full capacity

### **ONGOING SUPPORT TO THE ARTS AND ENTERTAINMENT COMMUNITY:**

- Box Office services, ticketing and donation software, theatre bookings, CRM functionality
- Audience engagement through website, e-news and social media
- Memorandum of Understanding signed with Dance Victoria, The Victoria Symphony and Pacific Opera Victoria
- Secured a BC Arts Council grant to acquire streaming equipment for the McPherson Playhouse

### **RE-OPENING PLANNING:**

- Transitioning to re-open the Royal Theatre and McPherson Playhouse based on provincial health allowable capacities:
  - Non-audience events: film, recitals, meetings, recordings, etc.
  - Phased approach to audiences, from current 50% capacity scaling up to 100% capacity
- Ensuring health standards for employees, performers and patrons

## 2021 OPERATING REVIEW

### FINANCIAL PLANNING:

- Costs restructured for essential operations during pandemic
- Use of earned RMTS operating reserves to maintain operations
- Actual 2021 YTD (August 2021) deficit 14% favourable to budget

### UTILIZATION OF GOVERNMENT PROGRAMS, SUBSIDIES AND GRANTS DURING COVID-19 PANDEMIC (MARCH 2020 – AUGUST 2021):

#### SUBSIDIES & GRANTS:

CANADA EMERGENCY WAGES SUBSIDY	\$823,690
CANADA EMERGENCY RENT PROGRAMS	\$75,619
BC ARTS COUNCIL GRANT	\$34,000
VICTORIA FOUNDATION	<u>\$52,000</u>

**TOTAL: \$985,309**

**FEDERAL WORKSHARING PROGRAM\*:** \$188,500

**\*ESTIMATED SALARY EXPENSE SAVINGS FROM STAFF PARTICIPATION IN THIS PROGRAM**

### REVENUE DIVERSIFICATION:

- Growth in organizational capacity for fundraising:
  - Victoria Foundation
  - Individual Fundraising Campaign: \$8,961.00

## 2021 CAPITAL PROJECTS COMPLETED

### ROYAL THEATRE:

- Replaced and upgraded doors between lobby and audience chamber
- Renovated audience chamber task lighting, upgrading to LED (Phase 1)
- Replaced water fountains with modern water bottle filling stations and added additional water bottle filling stations throughout the theatre
- Completed Building Envelope Study (condition of building exterior)
- Renovated green rooms and dressing rooms
- Installed new hardware to increase building and washrooms accessibility, and reduce touch points

### MCPHERSON PLAYHOUSE:

- Renovated mezzanine washrooms
- Renovated audience chamber task lighting, upgrading to LED (Phase 1)
- Replaced water fountains with modern water bottle filling stations and added additional water bottle filling stations throughout the theatre
- Completed Building Envelope Study (condition of building exterior)
- Installed new hardware to increase building and washrooms accessibility, and reduce touch points



# 2022 PROVISIONAL OPERATING BUDGET

COMBINED THEATRES FINANCIAL BUDGET FOR THE YEAR ENDING DECEMBER 31, 2022

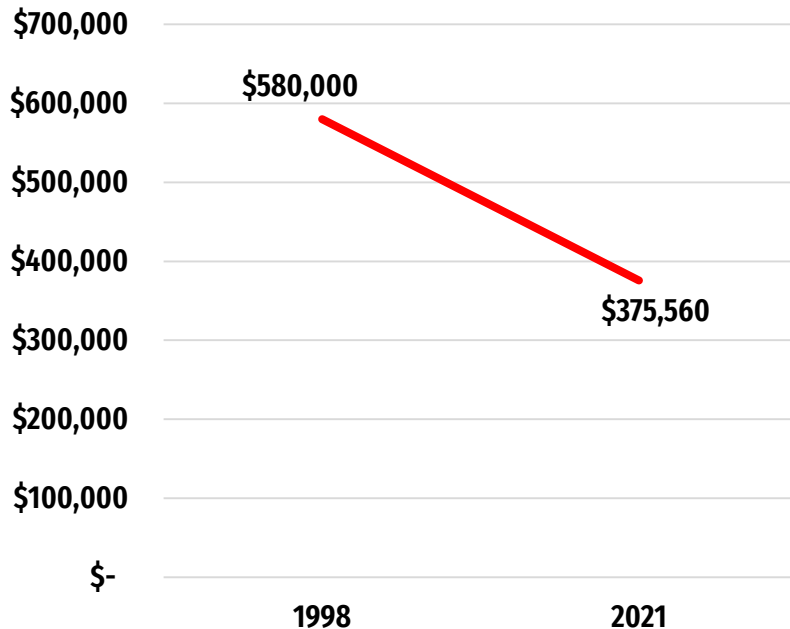
<b>REVENUE</b>	<b>\$ 2,998,300</b>
<b>DIRECT COSTS</b>	<b>1,792,900</b>
<b>GROSS PROFIT (LOSS)</b>	<b>1,205,400</b>
<b>COSTS &amp; EXPENSES</b>	<b>2,087,900</b>
<b>EARNINGS (LOSS) FROM OPERATIONS</b>	<b>(882,500)</b>
<b>OTHER INCOME</b>	
Grant from owner – McPherson Playhouse	350,000
Grant from owner – Royal Theatre	100,000
Other revenue	102,000
Interest	2,400
	<b>554,400</b>
<b>NET EARNINGS (LOSS) BEFORE PROJECTS</b>	<b>\$ (328,100)</b>
Special projects revenue	160,000
Special projects expense	(160,000)
<b>NET EARNINGS (LOSS)</b>	<b>\$ (328,100)</b>

## PURCHASING POWER OF ANNUAL CRD REQUISITIONS

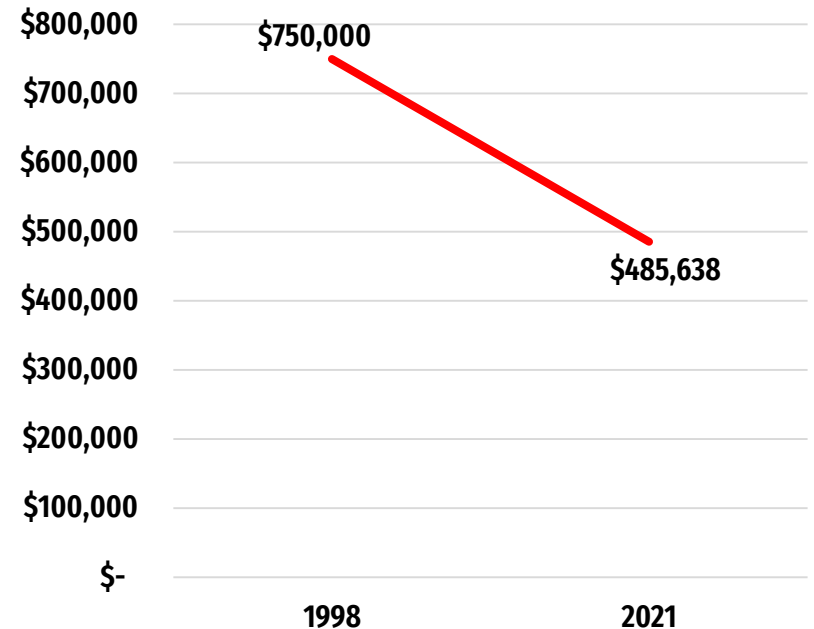
FOR OPERATING AND CAPITAL COMBINED

BY 2021, A 35% DECLINE IN THE VALUE OF PURCHASING POWER OF CRD REQUISITION OCCURRED. VALUE ADJUSTED FOR INFLATION OVER TIME.

### ROYAL THEATRE



### MCPHERSON PLAYHOUSE

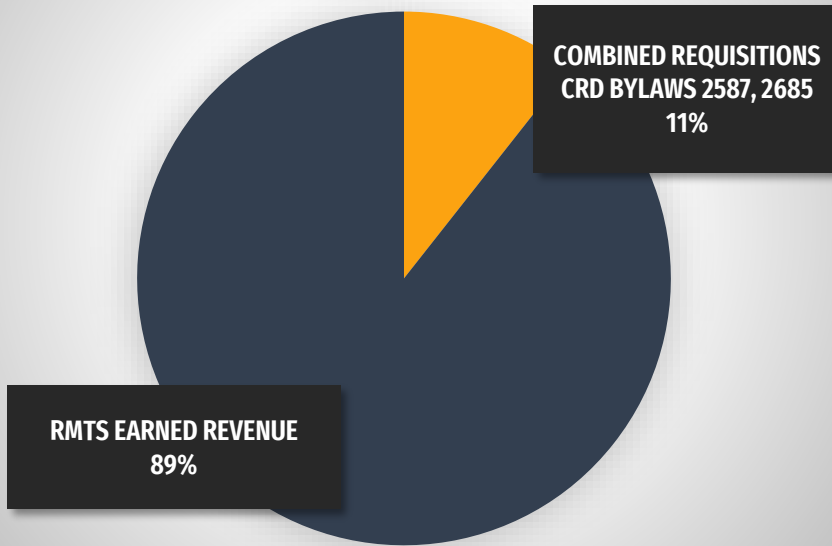


## OPERATIONAL FUNDING

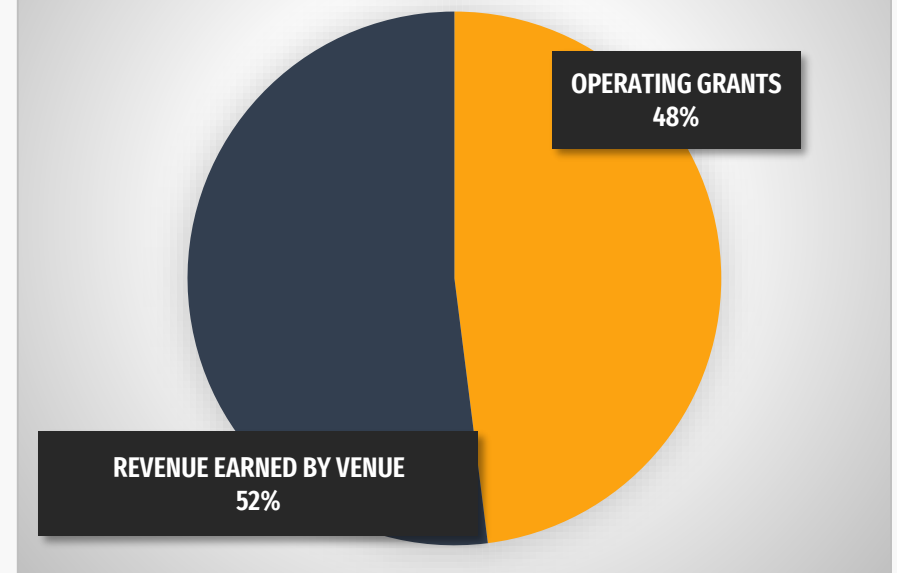
### CRD OPERATING REQUISITIONS VS INDUSTRY AVERAGE

#### OPERATING – INDUSTRY AVERAGE IAVM 2016 SURVEY

COMBINED ROYAL THEATRE & MCPHERSON  
PLAYHOUSE OPERATING EXPENSES 2019



AVERAGE NORTH AMERICA OPERATING EXPENSE  
2016-MEDIUM SIZED PERFORMING ARTS CENTRE



## 2022 CAPITAL PROJECTS

### **ROYAL THEATRE:**

- Replace HVAC chiller unit for audience chamber and examine expansion into lobbies and dressing room areas
- Replace house light system with upgraded LED technology (Phase 2)
- Replace scissor lift
- Repointing envelope brickwork
- Replace and upgrade house doors at balcony level

### **MCPHERSON PLAYHOUSE:**

- Study, fabricate and install balcony railings for patron and staff safety
- Replace house light system with upgraded LED technology (Phase 2)
- Replace scissor lift
- Restore terrazzo lobby floor
- Investigate and repair east elevation wall to address water ingress
- Recoating of fibreglass façade details on west side of theatre
- Repair rigging for stand-alone exterior canopies

## MAINTENANCE CAPITAL

Six engineering studies to determine the nature, scope and costs of long-term maintenance of the two facilities have been commissioned.

At this time, we estimate costs over the next 10 years to be:

**ROYAL THEATRE: \$14,222,207**

**\$2,161,807**  
**\$4,060,400**  
**\$8,000,000**

**PROPERTY CONDITION<sup>5</sup>**  
**BUILDING ENVELOPE<sup>6</sup>**  
**SEISMIC<sup>7</sup>**

**MCPHERSON PLAYHOUSE: \$12,410,166**

**\$1,848,266**  
**\$4,561,900**  
**\$6,000,000**

**PROPERTY CONDITION<sup>8</sup>**  
**BUILDING ENVELOPE<sup>9</sup>**  
**SEISMIC<sup>7</sup>**

The RMTS maintains an internally restricted capital fund for each theatre through the collection of ticketing fees. These funds support capital projects. Most recently, the RMTS contributed to the replacement of the house doors at the Royal Theatre and the HVAC installation at the McPherson Playhouse. Currently, the combined total in these funds held by the RMTS is \$2.38 million.

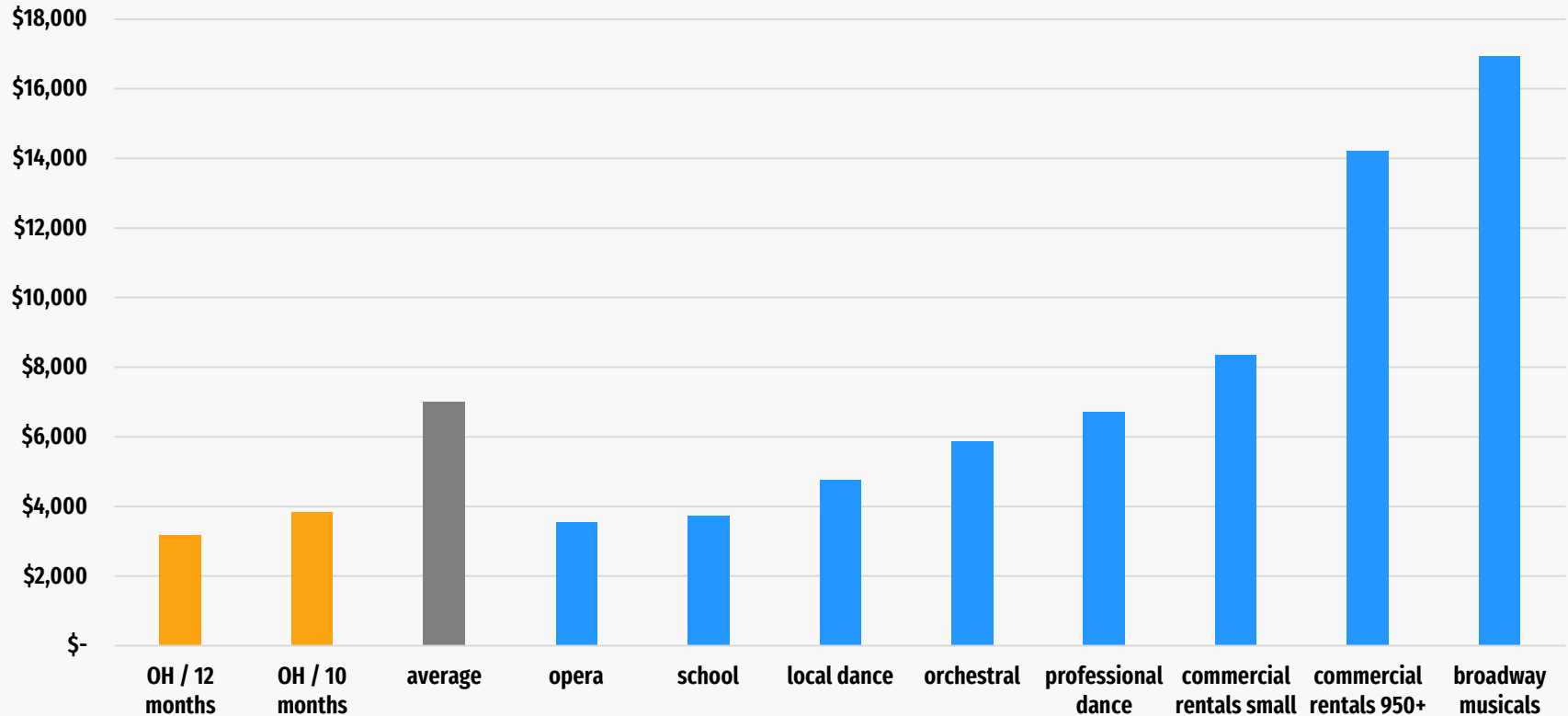
The 2021 projected year end balance of the CRD held Capital Reserve Funds is \$826,317 for the Royal Theatre and \$1,967,423 for the McPherson Playhouse.

Total funds available for future capital projects is \$5,173,740.

## REVENUE POTENTIAL BY EVENT TYPE

ROYAL THEATRE

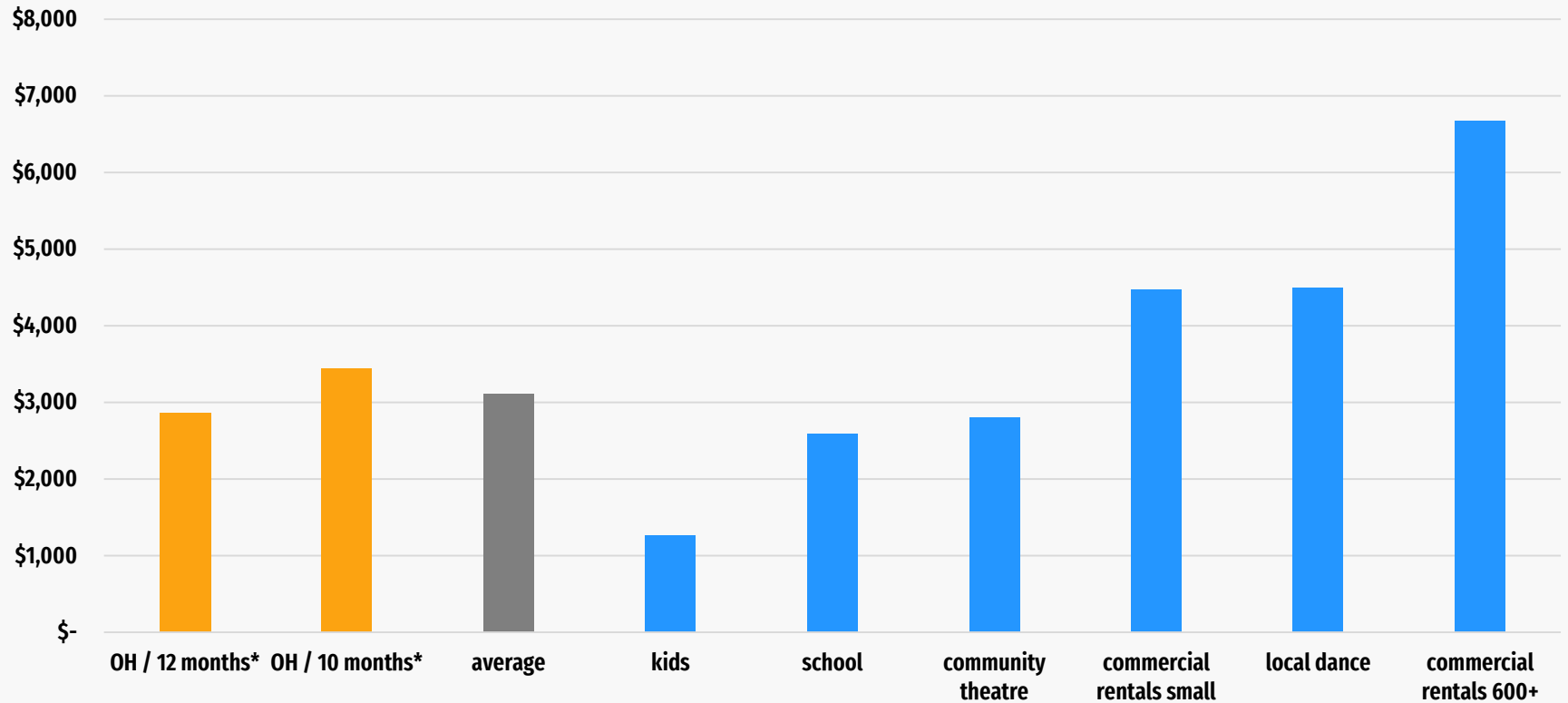
### GROSS PROFIT PER DAY - 2019



## REVENUE POTENTIAL BY EVENT TYPE

MCPHERSON PLAYHOUSE

### GROSS PROFIT PER DAY - 2019



## FUNDING & ACCESS

A continuum exists.

On the one end of the spectrum, the facility's operations are subsidized so it can in turn subsidize access (rates) to local organizations who otherwise struggle financially to access the facility.

On the other end is a facility whose operations are not subsidized to the extent that it is able to subsidize local access.

**LOCAL ACCESS (SUBSIDIZING SPECIFIC CLIENTS)**

**FINANCIAL SELF-SUFFICIENCY**





## SUPPORTING SPECIFIC CLIENTS

A highly-subsidized facility can subsidize specific clients.

Many larger performing arts centres host professional *resident companies*

- symphony
- opera
- dance
- theatre

...whose access (rates) are highly subsidized through the facility.

Such productions are typically expensive to produce, but are cherished for their artistic achievements and value to the broader community.

**OPERA HOUSE / CONCERT HALL**  
(SUPPORTING SPECIFIC CLIENTS)



## FINANCIAL SELF-SUFFICIENCY

At the opposite end of this continuum is the roadhouse model.

A roadhouse typically:

- Must pay for itself
- Schedules events which are
  - popular
  - profitable
- Receives little (if any) operational subsidy
- Does not have the financial capacity to subsidize clients

**ROADHOUSE**  
(FINANCIAL SELF SUFFICIENCY)



## PERFORMING ARTS CENTRE

This model is the middle ground between an opera house and a road house. It aims to accommodate and support:

- Professional touring shows
- Local and regional producers
- A wide variety of content
  - some profitable
  - some subsidized

**OPERA HOUSE / CONCERT HALL**  
(SUPPORTING SPECIFIC CLIENTS)

**RMTS PERFORMING  
ARTS CENTRE**

**ROADHOUSE**  
(FINANCIAL SELF-SUFFICIENCY)



## BALANCE

### ENDEAVOR TO STAY BALANCED

- Each arts facility finds the most appropriate balance of where to be on the continuum
- The RMTS aims to occupy the middle – as a performing arts centre
- As the value of flat funding declines, the RMTS is increasingly required to shift away from supporting specific clients and toward financial self-sufficiency

**OPERA HOUSE / CONCERT HALL**  
(SUPPORTING SPECIFIC CLIENTS)

**PERFORMING  
ARTS CENTRE**

RMTS →

**ROADHOUSE**  
(FINANCIAL SELF-SUFFICIENCY)



## MOVING FORWARD

**CONTINUED SUPPORT FROM THE OWNERS IS VITAL FOR THE ROYAL AND MCPHERSON THEATRES SOCIETY TO MAINTAIN FINANCIAL, OPERATING AND MAINTENANCE CAPACITY AS THE THEATRES TRANSITION TO WELCOMING THE COMMUNITY BACK AT FULL CAPACITY.**

### **WITH YOUR CONTINUED SUPPORT, THE RMTS WILL:**

- Retain trained and professional employees necessary to create a smooth transition back to production
- Re-open in allowable capacity to audiences in November 2021
- Maintain the physical infrastructure of the Royal Theatre and McPherson Playhouse
- Ensure strong financial planning and management to support vital work
- Support the arts and entertainment community through professional services
- Engage in ongoing conversations with the owners



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## REPORT TO THE ROYAL & MCPHERSON THEATRES SERVICES ADVISORY COMMITTEE MEETING OF FRIDAY, OCTOBER 15, 2021

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**SUBJECT**     **2022 Budget Process for the Royal Theatre Service and the McPherson Playhouse Service**

### **ISSUE SUMMARY**

The Royal and McPherson Theatres Services Advisory Committee (RMTSAC) oversees the operating and capital grant provided to the Royal Theatre through service Bylaw No. 2587 and to the McPherson Playhouse through service Bylaw No. 2685.

### **BACKGROUND**

The bylaws governing the theatre services specify a maximum grant of \$580,000 for the Royal Theatre (\$100,000 operating; \$480,000 capital) and \$750,000 for the McPherson Playhouse (\$350,000 operating; \$400,000 capital). Historically the grant to both theatres has been approved at the maximum amount. Capital Regional District (CRD) Financial Services staff are currently structuring the 2022 budget to maintain funding at these levels.

The CRD provides these grants, along with management agreements, to the Royal and McPherson Theatres Society, a non-profit organization of theatre management professionals established for the purpose of operating the Royal Theatre and McPherson Playhouse.

On September 9, 2020, the Royal and McPherson Theatres Services Advisory Committee (RMTSAC) discussed “the need for budget timelines of the Royal & McPherson Theatres Society (RMTS) and the CRD to be better synchronized, so that the Committee could receive a detailed budget when considering funding for the 2022 budget year” and directed staff that “Royal & McPherson Theatres Society to develop an appropriate budget timeline going forward”. Consequently, staff have requested operating and capital budgets from the Royal & McPherson Theatres Society for 2022 to align with the CRD budget planning process (see Appendix A for RMTS 2022 operating budget and Appendix B for 5-year capital planning budgets for the Royal Theatre and McPherson Playhouse).

In order to understand the impacts of the current situation on the theatres in the 2022 budget process as it relates to funding of the theatres, the RMTSAC Chair has requested that representatives of the Royal & McPherson Theatres Society meet with the Committee to provide an update on the current and projected operational and financial status of the theatres.

### **IMPLICATIONS**

#### *Financial Implications*

Based on available information, the Committee’s determination of the needs of the Royal Theatre and McPherson Playhouse through funding service Bylaw Nos. 2587 and 2685 will be reflected in the CRD budget for 2022.

As the reopening timeline is still uncertain, RMTS faces increased operational expenses in the ramp up to full capacity, including costs related to new health and safety protocols, plus recall and retraining of production staff.

In 2022, RMTS will face higher costs and delays in realized revenues. In response to this situation, RMTS is forecasting a deficit that will be offset by the operating reserve that was created so that RMTS could remain financially resilient in challenging years. In terms of cash flow, RMTS has outperformed its conservative burn rate projections during the pandemic so far, and remains highly solvent.

In addition to operational expenses, RMTS has also planned approximately \$3 million in building improvement capital expenses for necessary repairs and upgrades, pending outcomes of infrastructure grant applications. These improvements include an HVAC upgrade to the Royal Theatre, building envelope repairs to the McPherson Playhouse, and phase two of new LED lighting installations at the Royal Theatre (see Appendix B for full list of capital projects).

#### *Service Delivery Implications*

The Royal and McPherson Theatres Society is navigating an uncertain reopening timeline. Currently, in step 3 of the BC Restart Plan, indoor venues can host audiences up to a maximum of 50% of their normal capacity. The Province of B.C. initially indicated that step 4 of the BC Restart Plan could begin as soon as September 7, which is when venues would retrain to normal operations, including 100% capacity for audiences. That did not happen and the Province of B.C. has not provided a timeline on when step 4 will be reached.

#### **CONCLUSION**

Annual funding of the Royal Theatre through Bylaw No. 2587 and for the McPherson Playhouse through Bylaw No. 2685 are part of the budget approval process. The Royal and McPherson Theatres Society has provided a provisional operating budget for 2022 as well as 5-Year capital plans for the Royal Theatre and McPherson Playhouse to provide more context and rationale for the CRD contribution levels.

#### **RECOMMENDATION**

That the 2022 Budget Process for the Royal Theatre Service and the McPherson Playhouse Service report be received for information.

Submitted by:	Chris Gilpin, MPA, Manager, Arts and Culture Department
Concurrence:	Nelson Chan, MBA, FCPA, FCMA, Chief Financial Officer

#### **ATTACHMENT(S)**

Appendix A: 2022 Draft Budget of the Royal & McPherson Theatres Society  
Appendix B: 5 Year Capital Plans for Royal Theatre and McPherson Playhouse

## Appendix A

### RMTS PROVISIONAL OPERATING BUDGET

The Royal and McPherson Theatres Society  
Royal Theatre and McPherson Playhouse  
Combined Theatres Financial Budget  
For the Year Ending December 31, 2022

	2022 Budget
<b>Revenue</b>	
Rent	\$ 537,500
Labour recovery	1,340,700
Other recoveries	26,900
Bar & concession	366,200
Box office	727,000
Marketing recoveries	-
	<u>2,998,300</u>
<b>Direct Costs</b>	
Labour	935,200
Other direct costs	17,200
Bar & concession	219,000
Box office	621,500
Marketing	-
	<u>1,792,900</u>
<b>Gross Profit (Loss)</b>	<u>1,205,400</u>
<b>Costs &amp; Expenses</b>	
Non-recoverable production	171,500
Non-recoverable front of house	165,000
Building operations	269,600
Building maintenance	267,800
Institutional marketing	29,600
Administration	1,175,400
Community service	9,000
	<u>2,087,900</u>
<b>Earnings (Loss) from Operations</b>	(882,500)
<b>Other Income</b>	
Grants from owners	450,000
Other revenue	102,000
Interest	2,400
	<u>554,400</u>
<b>Net Earnings (Loss) before Projects</b>	\$ <u>(328,100)</u>
Special projects revenue	160,000
Special projects expense	(160,000)
<b>Net earnings (Loss)</b>	\$ <b>(328,100)</b>



# Appendix B

CAPITAL REGIONAL DISTRICT  
5 YEAR CAPITAL PLAN  
2022 - 2026

<b>Project Number</b> Project number format is "yy-##" "yy" is the last two digits of the year the project is planned to start. "##" is a numerical value. For example, 22-01 is a project planned to start in 2022.  For projects in previous capital plans, use the same project numbers previously assigned.	<b>Capital Project Description</b> Briefly describe project scope and service benefits. For example: <i>"Full Roof Replacement of a 40 year old roof above the swimming pool area; The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years."</i>	<b>Carryforward from 2021</b> Input the carryforward amount from 2021 capital plan that is remaining to be spent. Forecast this spending in 2022 to 2026.	<b>Project Drivers</b> <b>Maintain Level of Service</b> = Project maintains existing or improved level of service. <b>Advance Board or Corporate Priority</b> = Project is a Board or Corporate priority. <b>Emergency</b> = Project is required for health or safety reasons. <b>Cost Benefit</b> = Economic benefit to the organization.
<b>Capital Expenditure Type</b> <b>Study</b> - Expenditure for feasibility and business case report. <b>New</b> - Expenditure for new asset only <b>Renewal</b> - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service <b>Replacement</b> - Expenditure replaces an existing asset	<b>Total Project Budget</b> Provide the total project budget, even if it extends beyond the 5 years of this capital plan.	<b>Funding Source Codes</b> Debt = Debenture Debt (new debt only) ERF = Equipment Replacement Fund Grant = Grants (Federal, Provincial) Cap = Capital Funds on Hand Other = Donations / Third Party Funding Res = Reserve Fund STLoan = Short Term Loans WU = Water Utility If there is more than one funding source, use additional rows for the project.	<b>Long-term Planning</b> <b>Master Plan / Servicing Plan</b> = Plan that identifies new assets required to meet future needs. <b>Asset Management Plan / Sustainable Service Delivery Plan</b> = Integrated plan that identifies asset replacements based on level of service, criticality, condition, risk, replacement costs as well as external impacts. <b>Replacement Plan</b> = Plan that identifies asset replacements based primarily on asset age or asset material/type. <b>Condition Assessment</b> = Assessment that identifies asset replacements based on asset condition.
<b>Capital Project Title</b> Input title of project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".	<b>Asset Class</b> <b>L</b> - Land <b>S</b> - Engineering Structure <b>B</b> - Buildings <b>V</b> - Vehicles	<b>Cost Estimate Class</b> Class A (+10-15%) = Estimate based on final drawings and specifications; used to evaluate tenders. Class B (+15-25%) = Estimate based on investigations, studies or preliminary design, used for budget planning. Class C (+25-40%) = Estimate based on limited site information; used for program planning. Class D (+50%) = Estimate based on little/no site information; used for long-term planning.	

**Service #:** 1.295  
**Service Name:** McPherson Theatre

Project List and Budget													
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2021	2022	2023	2024	2025	2026	5 - Year Total
18-01	Replacement	Replace Lobby Windows	Replacing the current single pane leaking windows	\$350,000	B	Cap		\$0	\$0	\$0	\$0		\$0
20-05	Study	Railing Study	Study to assess the upgrades to interior railings necessary for health and safety	\$20,000	B	Cap	\$10,000	\$0	\$0	\$0	\$0		\$0
21-04	Replacement	Replace Extendable Scissor Lift	Replace current scissor lift that has reached the end of its useful life.	\$26,000	E	Res	\$26,000	\$0	\$0	\$0	\$0		\$0
21-09	Replacement	Replace and Add FOH Directional Signage	Replace and add directional signage to improve safety, access, audience flow and crowd management.	\$20,000	B	Res	\$20,000	\$0	\$0	\$0	\$0		\$0
21-10	Replacement	Balcony Rail Fabrication and Installation	Install interior railings for patron and staff safety	\$25,000	B	Res	\$25,000	\$0	\$0	\$0	\$0		\$0
21-13	Renewal	Repair Building Envelope and Restore Façade	Repair building envelope and restore façade	\$1,163,000	B	Res		\$0	\$325,000	\$300,000	\$300,000	\$238,000	\$1,163,000
22-02	New	Add New Storage Closet in Mezzanine	Construct storage closet in mezzanine level	\$10,000	B	Res		\$10,000					\$10,000
22-04	Renewal	Restore Lobby Floor	Restore terrazzo lobby floor	\$25,000	B	Res		\$25,000					\$25,000
22-05	Renewal	Repair East Elevation Wall	Repair east elevation wall	\$2,109,000	B	Res		\$2,109,000					\$2,109,000
22-06	Renewal	Recoating of Fibreglass Façade	Recoating of fibreglass façade	\$13,000	B	Res		\$13,000					\$13,000
22-07	Renewal	Repair Stand-alone canopies	Repair stand-alone canopies	\$5,000	B	Res		\$5,000					\$5,000
22-08	Defer	Emergency Repairs	For Unforeseen Emergency Repairs	\$50,000	B	Res		\$50,000					\$50,000
													\$0
<b>GRAND TOTAL</b>				<b>\$3,816,000</b>			<b>\$81,000</b>	<b>\$2,212,000</b>	<b>\$325,000</b>	<b>\$300,000</b>	<b>\$300,000</b>	<b>\$238,000</b>	<b>\$3,375,000</b>

**Service:** 1.295 McPherson Theatre

**Project Number** 18-01 **Capital Project Title** Replace Lobby Windows **Capital Project Description** Replacing the current single pane leaking windows  
**Project Rationale** Replace the current single pane leaking windows with better more energy efficient windows

**Project Number** 20-05 **Capital Project Title** Railing Study **Capital Project Description** Study to assess the upgrades to interior railings necessary for health and safety  
**Project Rationale** Study to assess the upgrades to interior railings necessary for health and safety

**Project Number** 21-04 **Capital Project Title** Replace Extendable Scissor Lift **Capital Project Description** Replace current scissor lift that has reached the end of its useful life.  
**Project Rationale** Replace existing 25+ year old scissor lift which has reached the end of its useful life.

**Project Number** 21-09 **Capital Project Title** Replace and Add FOH Directional Signage **Capital Project Description** Replace and add directional signage to improve safety, access, audience flow and crowd management.  
**Project Rationale** Replacing and adding directional signage will improve safety, access, audience flow and crowd management.

**Project Number** 21-10 **Capital Project Title** Balcony Rail Fabrication and Installation **Capital Project Description** Install interior railings for patron and staff safety  
**Project Rationale** Install upgrades to interior railings for safety of patrons and staff.

**Project Number** 21-13 **Capital Project Title** Repair Building Envelope and Restore Façade **Capital Project Description** Repair building envelope and restore façade  
**Project Rationale** Flagged as IMMEDIATE priority in McPherson Playhouse – Building Envelope Assessment Report prepared for the CRD Dec. 8, 2020 by Stantec Architecture Ltd. Repairing building envelope will ensure the 1913 structure will remain stable and will reduce energy consumption. Restoring the 1913 façade will include point work on the bricks, gutter replacement and refinishing the fiberglass stonework around the historic wooden doors.

**Service:** 1.295 McPherson Theatre

**Project Number** 22-02 **Capital Project Title** Add New Storage Closet in Mezzanine **Capital Project Description** Construct storage closet in mezzanine level

**Project Rationale** Adding a storage closet between the balcony entrances on the mezzanine level will keep assets secure and maintain clear patron pathways.

**Project Number** 22-04 **Capital Project Title** Restore Lobby Floor **Capital Project Description** Restore terrazzo lobby floor

**Project Rationale** Restoring the lobby terrazzo floor by removing the old product will reduce cleaning and maintenance costs and will improve efficiencies.

**Project Number** 22-05 **Capital Project Title** Repair East Elevation Wall **Capital Project Description** Repair east elevation wall

**Project Rationale** Flagged as IMMEDIATE priority in McPherson Playhouse – Building Envelope Assessment Report prepared for the CRD Dec. 8, 2020 by Stantec Architecture Ltd. Repairing the east elevation wall to prevent future water damage to the basement and preserve the structural integrity of the wall.

**Project Number** 22-06 **Capital Project Title** Recoating of Fibreglass Façade **Capital Project Description** Recoating of fibreglass façade

**Project Rationale** Flagged as IMMEDIATE priority in McPherson Playhouse – Building Envelope Assessment Report prepared for the CRD Dec. 8, 2020 by Stantec Architecture Ltd. Recoating the fibreglass façade will reduce shredding and breaking down.

**Project Number** 22-07 **Capital Project Title** Repair Stand-alone canopies **Capital Project Description** Repair stand-alone canopies

**Project Rationale** Flagged as IMMEDIATE priority in McPherson Playhouse – Building Envelope Assessment Report prepared for the CRD Dec. 8, 2020 by Stantec Architecture Ltd. Repairing the stand-alone canopies with the installation of stainless steel wire ropes will improve safety.

**Project Number** 22-08 **Capital Project Title** Emergency Repairs **Capital Project Description** For Unforeseen Emergency Repairs

**Project Rationale** Capital funds to accommodate any emergency repairs to the building.

CAPITAL REGIONAL DISTRICT  
5 YEAR CAPITAL PLAN  
2022 - 2026

<p><b>Project Number</b> Project number format is "yy-##" "yy" is the last two digits of the year the project is planned to start. "##" is a numerical value. For example, 22-01 is a project planned to start in 2022.</p> <p>For projects in previous capital plans, use the same project numbers previously assigned.</p>	<p><b>Capital Project Description</b> Briefly describe project scope and service benefits. For example: "Full Roof Replacement of a 40 year old roof above the swimming pool area; The new roofing system is built current energy standards, designed to minimize maintenance and have an expected service life of 35 years".</p>	<p><b>Carryforward from 2021</b> Input the carryforward amount from the 2021 capital plan that is remaining to be spent. Forecast this spending in 2022 to 2026.</p>	<p><b>Project Drivers</b> <b>Maintain Level of Service</b> = Project maintains existing or improved level of service. <b>Advance Board or Corporate Priority</b> = Project is a Board or Corporate priority. <b>Emergency</b> = Project is required for health or safety reasons. <b>Cost Benefit</b> = Economic benefit to the organization.</p>
<p><b>Capital Expenditure Type</b> <b>Study</b> - Expenditure for feasibility and business case report. <b>New</b> - Expenditure for new asset only <b>Renewal</b> - Expenditure upgrades an existing asset and extends the service ability or enhances technology in delivering that service <b>Replacement</b> - Expenditure replaces an existing asset</p>	<p><b>Total Project Budget</b> Provide the total project budget, even if it extends beyond the 5 years of this capital plan.</p> <p><b>Funding Source Codes</b> Debt = Debenture Debt (new debt only) ERF = Equipment Replacement Fund Grant = Grants (Federal, Provincial) Cap = Capital Funds on Hand Other = Donations / Third Party Funding Res = Reserve Fund STLoan = Short Term Loans WU = Water Utility If there is more than one funding source, use additional rows for the project.</p>	<p><b>Long-term Planning</b> <b>Master Plan / Servicing Plan</b> = Plan that identifies new assets required to meet future needs. <b>Asset Management Plan / Sustainable Service Delivery Plan</b> = Integrated plan that identifies asset replacements based on level of service, criticality, condition, risk, replacement costs as well as external impacts. <b>Replacement Plan</b> = Plan that identifies asset replacements based primarily on asset age or asset material/type. <b>Condition Assessment</b> = Assessment that identifies asset replacements based on asset condition.</p>	
<p><b>Capital Project Title</b> Input title of project. For example "Asset Name - Roof Replacement", "Main Water Pipe Replacement".</p>	<p><b>Asset Class</b> L - Land S - Engineering Structure B - Buildings V - Vehicles</p>	<p><b>Cost Estimate Class</b> Class A (+10-15%) = Estimate based on final drawings and specifications; used to evaluate tenders. Class B (+15-25%) = Estimate based on investigations, studies or preliminary design; used for budget planning. Class C (+25-40%) = Estimate based on limited site information; used for program planning. Class D (+50%) = Estimate based on little/no site information; used for long-term planning.</p>	

Service #: 1.290  
Service Name: Royal Theatre

Project List and Budget													
Project Number	Capital Expenditure Type	Capital Project Title	Capital Project Description	Total Project Budget	Asset Class	Funding Source	Carryforward from 2021	2022	2023	2024	2025	2026	5 - Year Total
20-03	New	Add Balcony & Pit Railings	Add railings to ensure patron safety and comfort	\$75,000	B	Cap	\$75,000	\$0	\$0	\$0	\$0		\$0
21-01	Replacement	HVAC Upgrade	Replace 1994 HVAC main unit in audience chamber.	\$500,000	B	Other	\$485,000	\$0	\$0	\$0	\$0		\$0
21-02	Replacement	Replace House Light System - Phase 2	Replace House Light System with upgraded LED technology	\$90,000	B	Res	\$50,000	\$0	\$0	\$0	\$0		\$0
21-05	Replacement	Replace Extendable Scissor Lift	Replace existing scissor lift that is past end of life for safety & reliability	\$26,000	E	Res	\$26,000	\$0	\$0	\$0	\$0		\$0
21-12	Renewal	Repair Building Envelope	Repairing building envelope of the 1914 structure.	\$2,293,000	B	Res		\$375,000	\$350,000	\$375,000	\$93,000		\$1,193,000
21-12	Renewal	Repair Building Envelope	Repairing building envelope of the 1914 structure.			Other		\$375,000	\$350,000	\$375,000			\$1,100,000
21-13	Renewal	Plan, Rebuild and Expand Orchestra Pit	Plan, Rebuild and expand orchestra Pit to allow increased physical distancing of musicians and performers	\$115,000	B	Res	\$115,000	\$0	\$0	\$0	\$0		\$0
22-01	Replacement	Replace Theatre Doors Phase 2	Replace house doors in balcony and mezzanine with automated soundproof doors	\$230,000	B	Res		\$230,000					\$230,000
22-03	Defer	Emergency Repairs	For Unforeseen Emergency Repairs	\$50,000	B	Res		\$50,000					\$50,000
23-01	Study	Study and Plan repouring and refinishing of concrete main floor and replacement of seats and aisle lights	Study and Plan repouring and refinishing of concrete main floor and replacement of seats and aisle lights	\$30,000	B	Res		\$0	\$30,000	\$0	\$0		\$30,000
24-01	Replacement	Repour and refinish concrete main floor and replacement of seats and aisle lights	Repour and refinish concrete main floor and replacement of seats and aisle lights	\$700,000	B	Other		\$0	\$0		\$700,000		\$700,000
24-02	Replacement	Replace Orchestra Shell	Replace 40 year old orchestra shell	\$750,000	B	Other					\$750,000		\$750,000
25-01	Replacement	Replace Seats and Aisle Lights in balcony	Replace 20 year old seats in balcony	\$250,000	B	Other		\$0	\$0	\$0	\$250,000		\$250,000
													\$0
<b>GRAND TOTAL</b>				<b>\$5,109,000</b>			<b>\$751,000</b>	<b>\$1,030,000</b>	<b>\$730,000</b>	<b>\$750,000</b>	<b>\$1,793,000</b>	<b>\$0</b>	<b>\$4,303,000</b>

**Service:** 1.290 Royal Theatre

**Project Number** 20-03 **Capital Project Title** Add Balcony & Pit Railings **Capital Project Description** Add railings to ensure patron safety and comfort  
**Project Rationale** The addition of railings will ensure patron safety and comfort while moving to and from seats in the balcony area of the theatre.

**Project Number** 21-01 **Capital Project Title** HVAC Upgrade **Capital Project Description** Replace 1994 HVAC main unit in audience chamber.  
**Project Rationale** Replace main HVAC unit in the audience chamber for audience comfort. Current HVAC unit at end of useful life.

**Project Number** 21-02 **Capital Project Title** Replace House Light System - Phase 2 **Capital Project Description** Replace House Light System with upgraded LED technology  
**Project Rationale** Phase 2 will improve illumination in the audience chamber with the installation of new lighting fixtures, in new positions in the ceiling created by architectural intervention. The improved illumination will assist in maintaining appropriate cleaning standards.

**Project Number** 21-05 **Capital Project Title** Replace Extendable Scissor Lift **Capital Project Description** Replace existing scissor lift that is past end of life for safety & reliability  
**Project Rationale** The current scissor lift has reached the end of its useful life as it is 25+ years.

**Project Number** 21-12 **Capital Project Title** Repair Building Envelope **Capital Project Description** Repairing building envelope of the 1914 structure.  
**Project Rationale** Flagged as IMMEDIATE priority in Royal Theatre – Building Envelope Assessment Report prepared for the CRD Dec. 8, 2020 by Stantec Architecture Ltd. Repairing building envelope will ensure the 1914 structure will remain stable and will reduce energy consumption

**Project Number** 21-13 **Capital Project Title** Plan, Rebuild and Expand Orchestra Pit **Capital Project Description** Plan, Rebuild and expand orchestra Pit to allow increased physical distancing of musicians and performers  
**Project Rationale** Plan, rebuild and expand orchestra pit to align with professional standards of performing arts organizations.

**Project Number** 22-01 **Capital Project Title** Replace Theatre Doors Phase 2 **Capital Project Description** Replace house doors in balcony and mezzanine with automated soundproof doors  
**Project Rationale** Replace house and mezzanine doors with touchless automated soundproof doors.

**Service:** 1.290 Royal Theatre

**Project Number** 22-03 **Capital Project Title** Emergency Repairs **Capital Project Description** For Unforeseen Emergency Repairs  
**Project Rationale** Capital funds to accommodate any emergency repairs to the building.

**Project Number** 23-01 **Capital Project Title** Study and Plan repouring and refinishing of concrete main floor and replacement of seats and aisle lights **Capital Project Description** Study and Plan repouring and refinishing of concrete main floor and replacement of seats and aisle lights  
**Project Rationale** Study to plan the repouring of the concrete main floor and replacement of seats and aisle lights.

**Project Number** 24-01 **Capital Project Title** Repour and refinish concrete main floor and replacement of seats and aisle lights **Capital Project Description** Repour and refinish concrete main floor and replacement of seats and aisle lights  
**Project Rationale** Repouring and refinishing concrete main floor for improved safety, hygiene and cleaning protocols. Replacing the seats and lights for patrons comfort and safety. New seating will improve cleaning protocols. Current seats reaching end of useful life.

**Project Number** 24-02 **Capital Project Title** Replace Orchestra Shell **Capital Project Description** Replace 40 year old orchestra shell  
**Project Rationale** Replace 40 year old inappropriate orchestra shell with custom designed shell for professional symphony orchestra to provide the best quality product for patrons and clients.

**Project Number** 25-01 **Capital Project Title** Replace Seats and Aisle Lights in balcony **Capital Project Description** Replace 20 year old seats in balcony  
**Project Rationale** Replacing the seats and lights for patrons comfort and safety. New seating will improve cleaning protocols. Current seats are reaching end of useful life.