



City Budget
2012

Theatres
Operating Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Operating Budget pays the day-to-day operating costs for City services.

2012 Operating Budget

2012 OPERATING BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

TABLE OF CONTENTS

PART I: RECOMMENDATIONS	4
PART II: 2012 SERVICE OVERVIEW AND PLAN	
Program Map and Service Profiles	5
2012 Recommended Service Levels	6
2012 Service Deliverables	9
PART III: 2012 RECOMMENDED BASE BUDGET	
2012 Recommended Base Budget	11
2012 Recommended Service Changes	14
2013 and 2014 Outlook	16
PART IV: RECOMMENDED NEW/ENHANCED SERVICE PRIORITY ACTIONS	
2012 Recommended New/Enhanced Service Priority Actions	N/A
PART V: ISSUES FOR DISCUSSION	
2012 and Future Year Issues	17
Issues Referred to the 2012 Operating Budget Process	N/A
APPENDICES	
Appendix 1: 2011 Performance	18
Appendix 2: 2012 Recommended Operating Budget by Expenditure Category and Key Cost Drivers	27
Appendix 3: Summary of 2012 Recommended Service Changes	33
Appendix 4: Summary of 2012 Recommended New/Enhanced Service Priority Actions	N/A
Appendix 5: Inflows / Outflows to/ from Reserves and Reserve Funds	34

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PART I: RECOMMENDATIONS

2012 Recommended Operating Budget
(In \$000s)

	2011		2012 Recommended Operating Budget			Change - 2012 Recommended Operating Budget v. 2011 Appvd. Budget		FY Incremental Outlook	
	2011 Appvd. Budget	2011 Projected Actual	2012 Rec. Base	2012 Rec. New/Enhanced	2012 Rec. Budget		%	2013	2014
								\$	\$
(In \$000s)	\$	\$	\$	\$	\$	\$	%	\$	\$
GROSS EXP.									
Sony Centre	17,989.1	13,141.0	19,926.6		19,926.6	1,937.5	10.8		
St. Lawrence Centre	3,645.3	3,584.7	3,641.7		3,641.7	(3.6)	(0.1)	3,620.0	3,703.2
Toronto Centre for the Arts	5,313.5	4,134.4	4,331.8		4,331.8	(981.7)	(18.5)		
	26,947.9	20,860.1	27,900.1	0.0	27,900.1	952.2	3.5	3,620.0	3,703.2
REVENUE									
Sony Centre	16,957.9	11,756.0	18,999.4		18,999.4	2,041.5	12.0		
St. Lawrence Centre	2,299.1	2,018.9	2,430.1		2,430.1	131.0	5.7	2,423.9	2,437.7
Toronto Centre for the Arts	4,389.8	2,869.9	3,508.2		3,508.2	(881.6)	(20.1)		
	23,646.8	16,644.8	24,937.7	0.0	24,937.7	1,290.9	5.5	2,423.9	2,437.7
NET EXP.									
Sony Centre	1,031.2	1,385.0	927.2		927.2	(104.0)	(10.1)		
St. Lawrence Centre	1,346.2	1,565.8	1,211.6		1,211.6	(134.6)	(10.0)	1,196.1	1,265.5
Toronto Centre for the Arts	923.7	1,264.5	823.6		823.6	(100.1)	(10.8)		
	3,301.1	4,215.3	2,962.4	0.0	2,962.4	(338.7)	(10.3)	1,196.1	1,265.5
Approved Positions									
Sony Centre	105.4	93.9	74.9		74.9	(30.5)	(28.9)		
St. Lawrence Centre	41.6	35.6	41.2		41.2	(0.4)	(1.0)	41.1	41.5
Toronto Centre for the Arts	64.0	55.2	65.0		65.0	1.0	1.6		
	211.0	184.7	181.1	0.0	181.1	(29.9)	(14.2)	41.1	41.5

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 10% Reduction vs. 2012 Rec.'d Reduction	% of Target Achieved
2012 Reductions				
Sony Centre	103.0	717.8	(614.8)	69.7%
St. Lawrence Centre	134.6	141.8	(7.2)	10.5%
Toronto Centre for the Arts	92.3	310.0	(217.7)	33.6%
Total	329.9	1,169.6	(839.7)	35.5%

Recommendations

The City Manager and Chief Financial Officer recommend that:

1. City Council approve the 2012 Recommended Operating Budget for Theatres of \$27.900 million gross and \$2.962 million net, comprised of the following services:

<u>Service(s)</u>	Gross <u>(\$000s)</u>	Net <u>(\$000s)</u>
Sony Centre for the Performing Arts	19,926.6	927.2
St. Lawrence Centre for the Arts	3,641.7	1,211.6
Toronto Centre for the Arts	<u>4,331.8</u>	<u>823.6</u>
Total Program Budget	<u>27,900.1</u>	<u>2,962.4</u>

PART II: 2012 SERVICE OVERVIEW AND PLAN

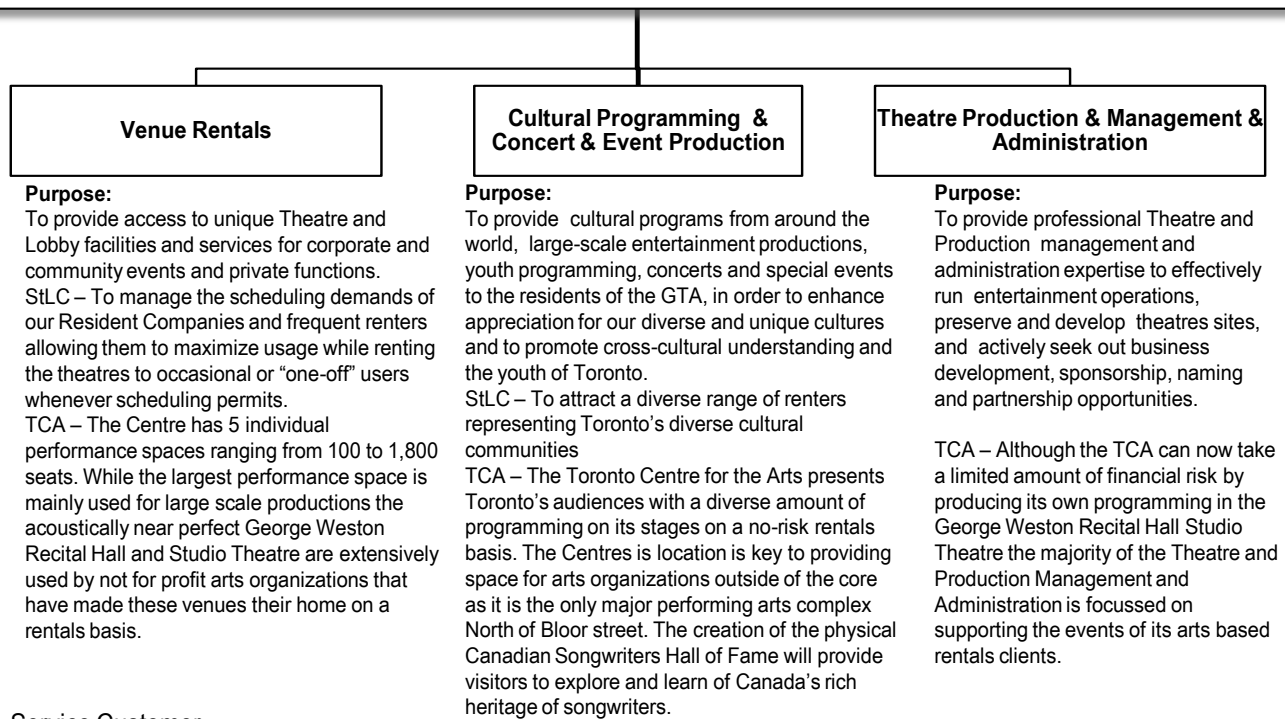
Program Map and Service Profiles

Theatres and Galleries

Sony Centre For The Performing Arts
Present and produce artistic programming of the highest quality from around the world to serve and educate audiences from Toronto's diverse cultures. In connection therewith, negotiate complex business programming deals to maximize the financial return to the Centre. Provide a unique performance and meeting venue, complete with state-of-the-art technology and first-class catering services. Operate, maintain and promote (with minimal overhead) the importance of Canada's largest theatre (3,191 seats), a world-class heritage designated performance venue designed by Toronto's most famous architect, Peter Dickinson. Strengthen Toronto's Youth by partnering and collaborating with educational institutions to promote the artistic achievements of our students. Bolster the economy of the St. Lawrence Neighbourhood and attract tourism.

St. Lawrence Centre for the Arts
Serve as home to some of the best not-for-profit theatre and music companies that reside in and produce work in the City of Toronto. Act as the cultural hub for the City and its residents by maintaining a clean, modern and service-oriented theatrical and entertainment facility. As a focus for Toronto-based performing arts and artists, the Centre will continually attract diverse, high quality, cultural, artistic and public events.

Toronto Centre for the Arts
The Toronto Centre for the Arts will become the most versatile performing arts centre in the GTA and a necessary and important part of the cultural lives of the City's diverse population. The Centre will be anchor to the arts community through its role as incubator and partner in promoting the arts. A full range of performing arts will be represented within the programming the Centre has to offer. The Centre will take a leading role in attracting audiences that reflect the full ethnic and social diversity of Toronto's citizens. The Centre embraces its role as an important cultural economic generator and will place strategic emphasis on maximizing the financial benefits to the greater community. The Centre will build important strategic links with the local business and arts community and will seek educational and programming partners that will strengthen the operations of the Centre and its reach into the community. Through its existing agreement with the Canadian Songwriters Hall of Fame the Centre will create the physical Canadian Songwriters Hall of Fame in its existing lobby space providing a unique destination for Canadians of all ages to explore the incredible achievements of Canadian songwriters.



Service Customer

Venue Rentals

- Venue Client for Events
- Event Participant
- 6 local theatre and music resident companies
- Casual venue renters
- Ticket buying citizens of Toronto
- Educational organization

Cultural Programming & Concert Event Production

- Theatre Patrons generally and specifically Multicultural and Youth audiences
- Concert attendees
- Cultural Programming Producers
- Educational Institutions

Theatre Production & Management & Admin.

- Theatre operations
- Business Partners
- Sponsors
- Property Developers for air rights not TCA
- Heritage Preservation Society not TCA

2012 Recommended Service Levels

Service Types

Theatres	Service	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level		
Theatres: Sony	Cultural /Educational Programming and Concert and Event Production	Community Outreach:	City of Toronto - STOMP	95%	95%		
			Go Green	95%	95%		
			Toy Mountain	95%	95%		
		Cultural & Art Exhibits				95%	95%
		Cultural Food Services				95%	95%
		Events/ Concerts/ Festivals:	Chinese Acrobats and Orchestra			95%	95%
			Digifest			95%	95%
			Luminato			95%	95%
			TD Jazzfest			95%	95%
		Multicultural /Educational / Youth Programming:	Children's Shows			95%	95%
			Programming from around the world			95%	95%
			Symphony Orchestras			95%	95%
		Theatre & Production Management & Administration	Building & Operations Management (includes Capital Facility investment, Security, etc)			100%	100%
	Financial Management (including Budgeting)			100%	100%		
	Governance & Board Management (includes Policy & Strategy Development)			100%	100%		
	Heritage Site Preservation		Renovation of Heritage site		100%	100%	
	Human Resources Management (including Payroll)		Including multiple unionized bargaining units and non-unionized staff		100%	100%	
	Information Management (I&T)			100%	100%		
	Marketing & Promotion of over 140 events			100%	100%		
	Programming Acquisition of over 140 events annually		Negotiation of numerous complex contracts for programming		100%	100%	
	Property Development		Sale of Air Rights		100%	100%	
	Sponsorship and Partnership Development			100%	100%		
	Venue Rentals	In-house ancillary services	Catering		50%	50%	
			Marketing		50%	50%	
			Technical Services		50%	50%	
			Ticketing		50%	50%	
		Theatre and Lobbies	Community Events		50%	50%	
Corporate Events			50%	50%			
Corporate Meetings			50%	50%			
Private Receptions			50%	50%			
Receptions tied to performances			50%	50%			

Service Types

Theatres	Service	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level	
Theatres: St. Lawrence	Theatre & Production Management & Administration	Building & Operations Management (includes Capital Facility investment, Security, etc)		100%	100%	
		Financial Management (including Budgeting)		100%	100%	
		Governance & Board Management (includes Policy & Strategy Development)		100%	100%	
		Human Resources Management (including Payroll)	Including multiple unionized bargaining units and non-unionized staff	100%	100%	
		Information Management (I&T)		100%	100%	
	Venue Rentals	Ancillary services provided to renters	Catering		50%	50%
			Single Ticket and Subscription Sales		100%	100%
			Technical Services		50%	50%
		Bluma Appel Theatre	Casual Community Renters		100%	100%
			Receptions tied to performances		100%	100%
			The Canadian Stage		100%	100%
		Jane Mallett Theatre	Casual Community Renters		80%	80%
			Five Resident Companies		100%	100%
			Receptions tied to performances		100%	100%

Service Types

Theatres	Service	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level	
Theatres: TCA	Venue Rentals	Main Stage Theatre Commercial Non-Arts Rentals	Main Stage Theatre Rental Clients: Commercial For Profit Non-Arts	0%	0%	
		George Weston Recital Hall Commercial Non-Arts Rentals	George Weston Recital hall Rental Clients: Commercial For Profit Non-Arts	75%	75%	
			Receptions related to commercial rental events	95%	95%	
		In-house ancillary services	Catering	95%	95%	
			Ticketing	95%	95%	
			Marketing	N/A	N/A	
			Technical Services	95%	95%	
		Cultural/ Educational Programming/ Rental and Concert and Event Production	Main Stage Theatre Arts Based Events	Primary Resident Company Programming - No Risk Annual Agreement	50%	50%
			George Weston Recital Hall Arts Based Events	Strategic Partnership Agreements	11%	11%
				Rental Clients - Arts Based Organizations	52%	52%
	Studio Theatre Arts Based Events		Strategic Partnership - Fringe Festival 'Best of Fringe Uptown' Presented by the TCA	95%	95%	
			Children's Shows presented by the TCA	33%	33%	
			Core Rental Client - Not for Profit Community Theatre Companies	84%	84%	
			Core Rental Client - Other arts based rentals	64%	64%	
	In-house ancillary services		Catering	95%	95%	
			Ticketing	95%	95%	
			Marketing	N/A	N/A	
			Technical Services	95%	95%	

Service Types

Theatres	Service	Type	Sub-Type	2011 Current Service Level	2012 Proposed Service Level
Theatres: TCA (cont'd)	Theatre & Production Management & Administration	Programming/Rentals Acquisition and Servicing of between 300 to 700 events annually	Negotiation of numerous standard and complex contracts for rentals and programming	95%	95%
		TCA Internal Financial Management		90%	90%
		Managing mandatory City Financial Reporting, City Budget Process and involvement in other processes as required by the City		90%	90%
		Human Resources Management (including Payroll)	Including unionized Stage Crew bargaining unit and non-unionized staff totalling between 200 to 500 T4 annually	95%	95%
		Building & Operations Management (includes Capital Facility investment, Security, etc)	Includes energy management to ensure efficient operation of the physical plant as well as long term capital planning	75%	75%
		Governance & Board Management (includes Policy & Strategy Development)		75%	75%
		Information Management (I&T)		95%	95%
		Marketing & Promotion of facility and events		N/A	N/A
		Sponsorship and Partnership Development		N/A	N/A
		Evaluating 3rd Party Management Proposals of all or part of the Facility		95%	95%

2012 Service Deliverables

- The 2012 Recommended Operating Budget of \$27.900 million gross and \$2.962 million net supports each City theatre in delivering its services:
 - ✓ Sony Centre for the Performing Arts offers multi-functional space, comprehensive event services, a 3,000-seat auditorium, state-of-the-art lighting and sound systems, a world class stage and highly experienced event staff. The 2012 Operating Budget provides funding to build and reinforce the Centre's brand of excellence in programming performances of diversity which appeal to all of Toronto's citizens.

- ✓ St. Lawrence Centre for the Arts provides state-of-the-art facilities to Toronto's "not for profit" performing arts companies and local communities at an affordable cost. The Centre houses 2 theatres: the 876-seat Bluma Appel theatre and the 498-seat Jane Mallett theatre. The 2012 Operating Budget supports the Centre in maintaining programming while seeking new opportunities to secure revenues.
- ✓ Toronto Centre for the Arts offers a first class venue for a full range of performing arts. The Centre holds 3 theatres: the 1,727-seat Main Stage theatre; 1,032-seat George Weston Recital Hall; and the versatile 200-seat Studio Theatre. The 2012 Operating Budget provides funding to allow the Centre to operate the facilities while embarking upon new strategic initiatives to secure operating revenues for its 3 venues for future years. The Centre has consistently reduced its requirement for City funding and this trend continues in 2012.

PART III: RECOMMENDED BASE BUDGET

2012 Recommended Base Budget (In \$000s)

	2011 Appd. Budget	2012 Recommended Base	Change - 2012 Recommended Base v. 2011 Appvd. Budget		FY Incremental Outlook	
					2013	2014
(In \$000s)	\$	\$	\$	%	\$	\$
GROSS EXP.						
Sony Centre	17,989.1	19,926.6	1,937.5	10.8		
St. Lawrence Centre	3,645.3	3,641.7	(3.6)	(0.1)	3,620.0	3,703.2
Toronto Centre for the Arts	5,313.5	4,331.8	(981.7)	(18.5)		
	26,947.9	27,900.1	952.2	3.5	3,620.0	3,703.2
REVENUE						
Sony Centre	16,957.9	18,999.4	2,041.5	12.0		
St. Lawrence Centre	2,299.1	2,430.1	131.0	5.7	2,423.9	2,473.7
Toronto Centre for the Arts	4,389.8	3,508.2	(881.6)	(20.1)		
	23,646.8	24,937.7	1,290.9	5.5	2,423.9	2,473.7
NET EXP.						
Sony Centre	1,031.2	927.2	(104.0)	(10.1)		
St. Lawrence Centre	1,346.2	1,211.6	(134.6)	(10.0)	1,196.1	1,229.5
Toronto Centre for the Arts	923.7	823.6	(100.1)	(10.8)		
	3,301.1	2,962.4	(338.7)	(10.3)	1,196.1	1,229.5
Approved Positions						
Sony Centre	105.4	74.9	(30.5)	(28.9)		
St. Lawrence Centre	41.6	41.2	(0.4)	(1.0)	41.1	41.5
Toronto Centre for the Arts	64.0	65.0	1.0	1.6		
	211.0	181.1	(29.9)	(14.2)	41.1	41.5

Target Comparison	10% Reduction Target	2012 Rec.'d Reduction	2012 10% Reduction v.s. 2012 Rec'd Reduction	% of Target Achieved
2012 Reductions				
Sony Centre	103.0	717.8	(614.8)	69.7%
St. Lawrence Centre	134.6	141.8	(7.2)	10.5%
Toronto Centre for the Arts	92.3	310.0	(217.7)	33.6%
Total	329.9	1,169.6	(839.7)	35.5%

2012 Recommended Base Budget

- The 2012 Recommended Base Budget of \$27.900 million gross and \$2.962 million net represents a \$0.339 million or 10.3 % decrease over the Theatres' 2011 Approved Net Operating Budget of \$2.962 million.

- The 2012 Recommended Budget Reduction of \$1.170 million is \$0.840 million or 254% above the Theatres' 2012 Operating Budget Reduction target of \$0.330 million or the equivalent of 25 % of the 2011 Approved Net Operating Budget.
- The 2012 Recommended Base Budget includes base budget increases of \$0.831 million net offset by service efficiencies of \$0.856.6 million net and revenue adjustments of \$0.313 million for net base budget reduction totaling \$0.339 million or 10.3% below the 2011 Net Budget. Details of the Recommended Service Changes can be found in the 2012 Recommended Service Change Summary charts shown later in this document.
- Approval of the 2012 Operating Budget will decrease the 2011 approved staff complement from 2011 to 181.1 approved positions as highlighted in the table below.

2012 Recommended Staff Complement – Base Budget Summary

Changes	Staff Complement
2011 Approved Positions	
- 2011 In-year Adjustments	211.0
2011 Approved Staff Complement	211.0
2012 Recommended Staff Complement Changes	
- 2012 Temporary Positions - Capital Project Delivery	
- 2012 Operating Impacts of completed Capital Projects	
- 2012 Service Changes	(29.9)
Total Recommended Positions	181.1

Sony Centre for the Performing Arts

- Sony Centre for the Performing Arts' 2012 Recommended Base Budget of \$19.927 million gross and \$0.927 million net is \$0.104 million or 10.1% below its 2011 Approved Operating Budget of \$1.031 million.
- The Centre's 2012 Recommended Base Budget includes \$0.614 million or 59.5% in base budget increases, which have been offset by reductions from service efficiencies of \$0.718 million or 69.6%, resulting in a base budget reduction of \$0.104 million net.
- Approval of the Sony Centre for the Performing Arts' 2012 Recommended Base Budget will result in the Program's total staff complement decreasing from 105.4 to 74.9 approved positions as a result of fewer booked performances.

St. Lawrence Centre for the Arts

- St. Lawrence Centre for the Arts' 2012 Recommended Base Budget of \$3.642 million gross and \$1.212 million net is \$0.135 million or 10.0% below its 2011 Approved Operating Budget of \$1.346.

- The Centre's 2012 Recommended Base Budget includes \$0.127 million gross and \$0.007 million net in base budget increases offset by service efficiency saving of \$0.139 million and revenue adjustments of \$0.003 million.
- Approval of St. Lawrence Centre of the Arts' 2012 Recommended Base Budget will result in the Centre's total staff complement decreasing from 41.6 to 41.2.

Toronto Centre for the Arts

- Toronto Centre for the Arts' 2012 Recommended Base Budget of \$4.332 million gross and \$0.824 million net represents a \$0.100 million or 10.8% reduction of its 2011 Approved Operating Budget of \$0.924 million.
- The Toronto Centre 2012 Recommended Base Budget includes \$0.210 million in 2012 base budget increases which have been offset by revenue adjustments of \$0.310 million for a net reduction of \$0.100 million.
- The Centre's approved positions will increase by 1.0 position as a result of new revenue opportunities.

2012 Recommended Service Change Summary (Sony Centre)
(In \$000s)

Description	2012 Recommended Service Changes				Net Incremental Impact			
	Position Changes	Gross Expense	Net Expense	% of 2012 Budget Reduction Target	2013		2014	
	#	\$	\$	%	\$	# Pos.	\$	# Pos.
Base Changes:								
Base Expenditure Changes								
Base Expenditure Changes		0.0	0.0	0.0				
Base Revenue Changes								
		0.0	0.0	0.0				
Sub-Total Base Budget Changes		0.0	0.0	0.0				
Service Efficiencies								
Sony- Efficiency Change Through Reduced Overhead	(19.8)	(717.8)	(717.8)	(21.8)				
St-Lawrence -Staffing Reductions	(1.0)	(86.9)	(86.9)	(2.6)				
St Lawrence- Office Efficiencies		(7.1)	(7.1)	(0.2)				
St Lawrence- Stagehand Reduction on Number of Weeks	(0.5)	(44.8)	(44.8)	(1.4)				
Sub-Total Service Efficiencies	(21.3)	(856.6)	(856.6)	(26.0)				
Revenue Adjustments:								
St Lawrence- Licensee Harold Green	0.2	8.0	(3.0)	(0.1)				
TCA- Sponsorship Opportunities			(200.0)	(6.1)				
TCA- Not-For-Profit Focused Strategy	1.0		(100.0)	(3.0)				
TCA- New Parking Revenue			(10.0)	(0.3)				
Sub-Total Revenue Adjustments	1.2	8.0	(313.0)	3.4				
Minor Service Impact:								
Sub-Total Minor Service Impacts								
Major Service Impact:								
Sub-Total Major Service Impacts								
Total Service Changes	(20.1)	(848.6)	(1169.6)	(35.5)				
Total Service and Base Changes	(20.1)	(848.6)	(1169.6)	(35.5)				

2012 Recommended Service Changes

The 2012 Recommended Service Charges consist of \$0.857 in service efficiencies and \$0.313 million in revenue adjustments, the details of which are discussed below:

Service Efficiencies

Sony Centre– Efficiency Change Through Reduced overhead

- Service efficiencies were achieved through rationalization of overhead staff. Of the \$0.718 million in operational savings \$0.688 million or 95% were related to staff reductions. Sony Centre is responding to decreased forecasts of volume-of-days used

in 2011 through reduction of overhead staff, ensuring that the servicing of existing business would not be compromised.

St Lawrence Centre– Staffing Reductions

- Changes in staff will see a reduction of an IT related staff with the reallocation of responsibilities among planned new and existing administrative staff with a net reduction of \$0.087 million.

St Lawrence Centre– Office Efficiencies

- New technology and the negotiation of favourable office contracts will see a net reduction of \$0.007 million.

St Lawrence Centre– Stagehand Reduction on Number of Weeks

- Favourable contract negotiations with IATSE (International Alliance of Theatrical Stage Employees) were achieved in 2011 which will see a reduction in the guaranteed number of weeks paid in a year to unionized stagehands. The reduction of totals guaranteed weeks is the equivalent of 0.5 staff with projected savings in 2012 of \$0.045 million.

Revenue Adjustments

St Lawrence Centre– Licensee Harold Green

- An increase in subscription fees and box office services will see additional revenues of \$0.011 million, offset by associated costs of \$0.008 million, for a net increase of \$0.003 million in 2012.

Toronto Centre– Sponsorship Opportunities

- The increase in sponsorship revenues through naming right opportunities will see an increase in revenues of \$0.200 million. The Toronto Centre is planning on maximizing on all possible sponsorship and naming right opportunities.

Toronto Centre– Not–For–Profit Focused Strategy

- Increased revenues through higher volume of Not–For–Profit–Community arts clients by way of reduced rental fees will see an increase of \$0.100 million. The Toronto Centre is planning to start an initiative to attract additional Not–For–Profit Community arts clients on a reduced rental Fee basis. This project is expected to result in a higher volume or rentals in the George Weston Recital Hall for 2012 and will see an increase in staff compliment of one person at a cost of \$0.057 million, with a corresponding reduction in Services and Rents of \$0.057 million.

Toronto Centre– New Parking Revenue

- New revenue by way of agreement to operate parking areas during high volume performances will see an increase of \$0.010 million. The Toronto Centre is planning on entering into an agreement with Facilities and Real Estate for the operation of 300 parking spaces under the North York Civic Centre during periods of high patron attendance during Main Stage shows at the Centre.

2013 and 2014 Outlook:

Approval of the 2012 Base Budget for Theatres will not result in any net incremental impacts in 2013 and 2014 to maintain the 2012 level of service and staff complement. Future year changes are attributed to the following:

- Sony Centre for the Performing Arts and the Toronto Centre for the Arts project no incremental impacts in 2013 and 2014. Any future salary and benefit increases will be covered by programming revenues.
- St. Lawrence Centre for the Arts projects incremental decreases of \$0.016 million in 2013 and an incremental increase of \$0.034 million in 2014 to maintain the 2012 level. The 2013 reduction is the result of a reduction in staff which more than offsets projected wage and salary increases. The majority of cost increases will be absorbed by the St Lawrence Centre with programming revenues.
- The 2012 and 2013 Outlooks do not include increases from collective agreements with theatre bargaining units such as IATSE (International Alliance of Theatrical Stage Employees) and CUPE 2695, since collective agreements expire at the end of 2011 and 2012 is subject to collective bargaining negotiations.

PART V: ISSUES FOR DISCUSSION

2012 and Future Year Issues

2012 Issues

Core Service Review Approvals

- At its meeting of September 26 and 27, 2011 City Council authorized the City Manager to issue a Request for Expression of Interest, on terms satisfactory to the City Manager, to determine options for sale, lease, operation or other arrangement in respect to the Toronto Centre for the Arts, the Hummingbird Centre for the Performing Arts (the Sony Centre), and the St. Lawrence Centre for the Arts.
- The Council direction will not impact the 2012 Service Deliverables for the Theatres.
- City Manager's work will be underway in 2012 with findings anticipated prior to the 2013 Budget process.

Mayor's Task Force – Arts and Theatres

- In the Fall of 2011 the Mayor created a Task Force chaired by Councillor Crawford to identify options and make recommendation to:
 - Help determine the future of city-owned theatres and the city's role in supporting them.
 - Provide advice on an efficient restructuring of the arts grant program and that it meets the city's need for fiscal responsibility, and the arts community's need for concise and consistent funding structures it can leverage to support the city's economic development goals.
- Community consultations have been held over the intervening months and an initial report is expected by the end of November 2011.

Appendix 1

2011 Performance

2011 Key Accomplishments:

In 2011, the Sony Centre for the Performing Arts' accomplishments included the following:

- ✓ Presented first class artistic productions from more than 12 countries from around the world including Russia's Kirov Ballet which had not been in Toronto for over 20 years.
- ✓ Grew Corporate business with the addition of expanded food and beverage arrangement with Sodexo.
- ✓ Entered into long term cross promotional agreement with David Mirvish.

In 2011, the St Lawrence Centre for the Arts accomplished the following:

- ✓ Successfully negotiated a four-year Collective Bargaining Agreement with the stagehands union, IATSE Local 58. This new contract contains negotiated concessions that will ensure that the Centre is more economical for presenters and for the Centre.
- ✓ Secured a five week booking for show rehearsals in the Bluma Appel Theatre for the summer of 2012.
- ✓ Hosted the Toronto theatre awards – “The Dora Mavor Moore Awards”, for the second consecutive year.
- ✓ Successfully managed booking priorities with long term resident licenses in the Jane Mallett Theatre.
- ✓ Secured a two week booking from the Luminato festival.
- ✓ Secure one-off events for fourteen first time clients.
- ✓ Maintained a 94% return rate for P/T CUPE workers (ushers, ticket takers and concessions).

In 2011, the Toronto Centre for the Arts achieved the following results:

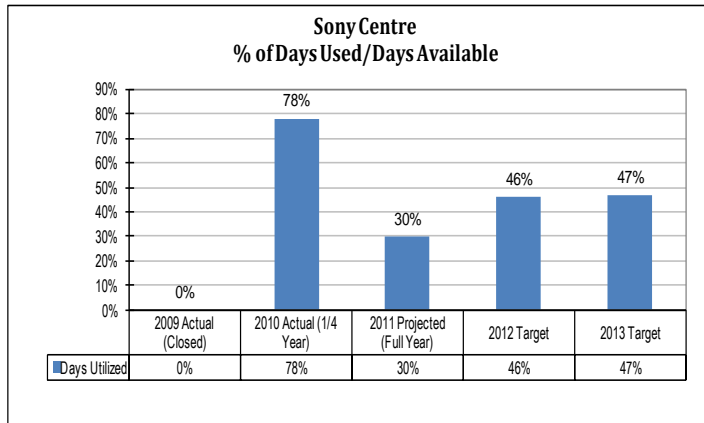
- ✓ Continued to serve Toronto's Not-For-Profit arts organizations in the Studio Theatre and in the George Weston Recital Hall.
- ✓ Worked with City staff through the Core Service Review Process, the Efficiency Review Process and the User Fee Review Process.
- ✓ Successfully staged its first annual open house with many loyal rental clients participating.
- ✓ Executed an extension to the agreement with Dancap Productions for 2012.

2011 Performance

Sony Centre for the Performing Arts

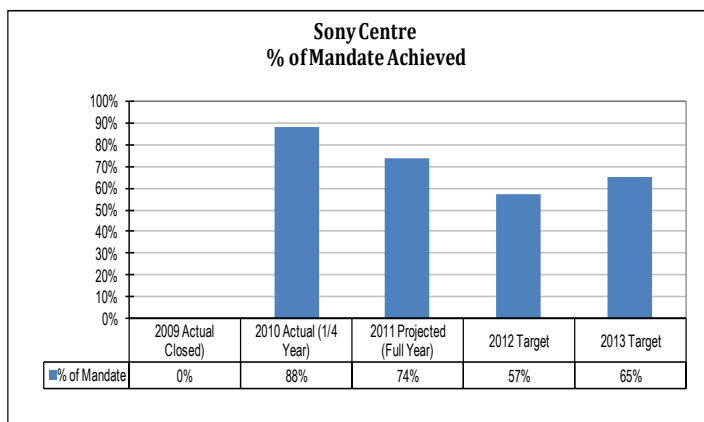
Effectiveness

- Sony Centre measures effectiveness by the percentage of days used compared to the days available for use.



- In 2009 there were no days available for booking since the Centre was closed.
- In 2010, Sony Centre was opened for 3 months of which 78% of the days available were booked.
- For future years, 30% of the available days are expected to be used in 2011, 46% in 2012, and 47% in 2013. The low targets for 2012 and 2013 are reflective of the sluggish market conditions.

- Effectiveness is also measured by the percentage of performances held at the theatre which meet the Centre’s mandate of presenting musical theatre, international dance, children's and family events and other quality attractions.

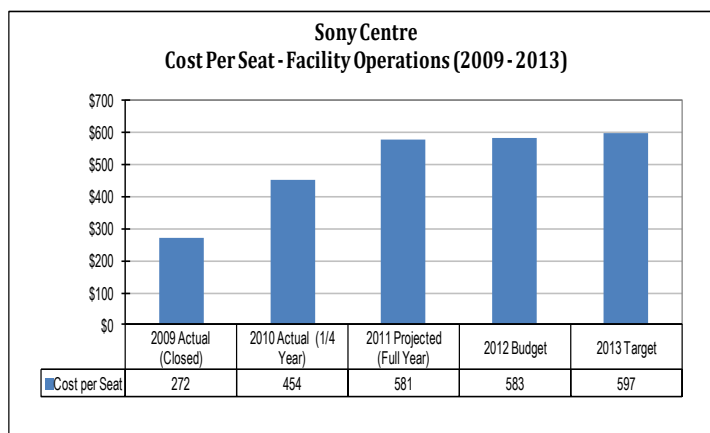


- No programming took place in 2009 during the renovations.
- In 2010, 88% of shows met the mandate.
- For future years, the Centre forecasts a 74% achievement of the mandate in 2011, 57% in 2012 and 65% in 2013. The decline is attributed to market conditions and the expectation that the on-brand profile will decline as a result of fewer risk attractions.

Sony Centre for the Performing Arts

Efficiency

- Sony Centre measures efficiency by dividing the total cost to operate a facility by the number of total (3,191) seats in the theatre for an average cost per seat.

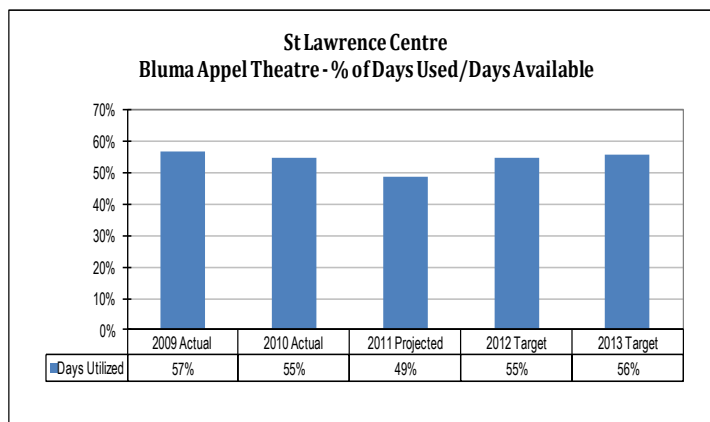


- Sony Centre closed its facility between July 2008 and September 2010 for redevelopment of the Centre, re-opened for business on October 1, 2010.
- The cost per seat fluctuates considerably between 2009 and 2011 because of partial year operations. The cost per seat was \$272 in 2009, \$454 in 2010 and is projected to be \$581 in 2011. Projections for 2012 are \$583 and \$597 in 2013.

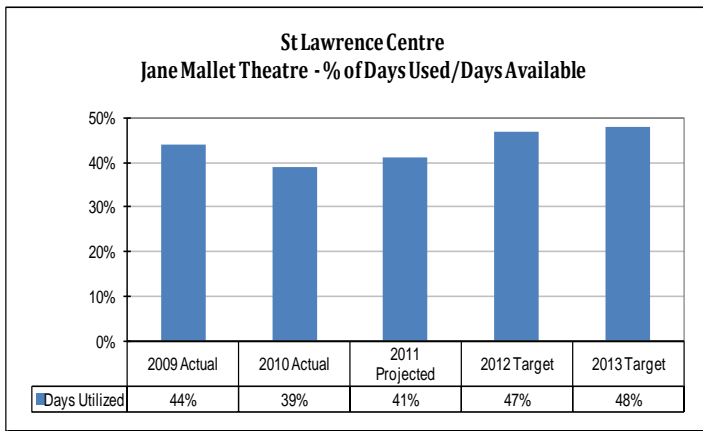
St Lawrence Centre for the Arts

Effectiveness

- St. Lawrence Centre measures the effectiveness of each theatre – the Bluma Appel and Jane Mallet theatres – by tracking the percentage of days used compared to the days available for booking.

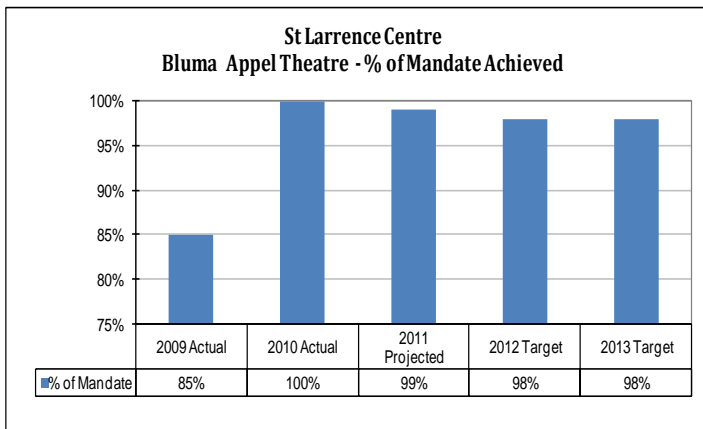


- The percentage of days used to days available in the Bluma Appel theatre was 57% in 2009, 55% in 2010, is projected to be 49% in 2011, and is targeted for 54% in 2011 and 55% in 2013 based on projected bookings.

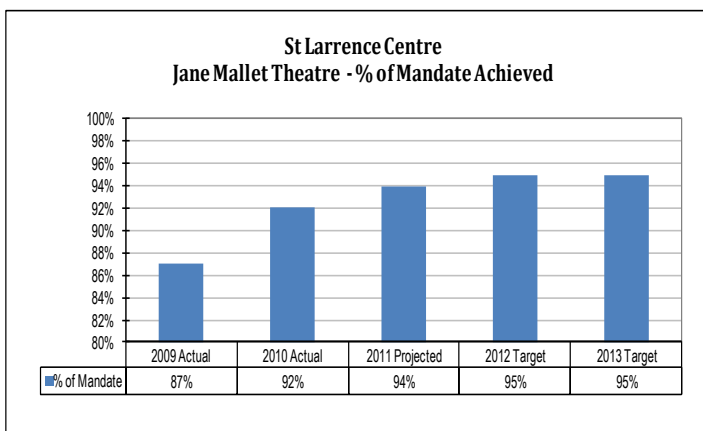


- The percentage of days used to days available in the Jane Mallet theatre was 44% in 2009, 39% in 2010, is projected to be 41% in 2011, and is targeted for 47% in 2011 and 48% in 2012 based on future projections.

- St. Lawrence Centre’s mission statement is to provide a modern and well-equipped theatre to the City’s premier not-for-profit theatre companies and presenters. St. Lawrence Centre also measures effectiveness by the percentage of performances held which meet the Centre’s mandate.



- The percentage of performances held in the Bluma Appel theatre which met the Centre’s mandate was 85% in 2009, 100% in 2010, is projected to be 99% in 2011, is set to be 98% in 2012 and 2013.

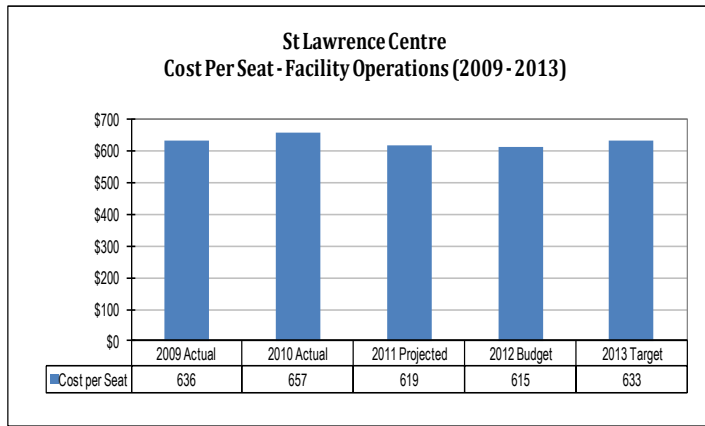


- The percentage of performances presented in the Jane Mallet theatre which achieved the Centre’s mandate was 87% in 2009, 92% in 2010, is projected to be 94% in 2011, is targeted to be 95% in 2012 and 2013.

St Lawrence Centre for the Arts

Efficiency

- St. Lawrence Centre measures efficiency by dividing the total facility operations cost by the total number (1,374) of seats in the Centre.

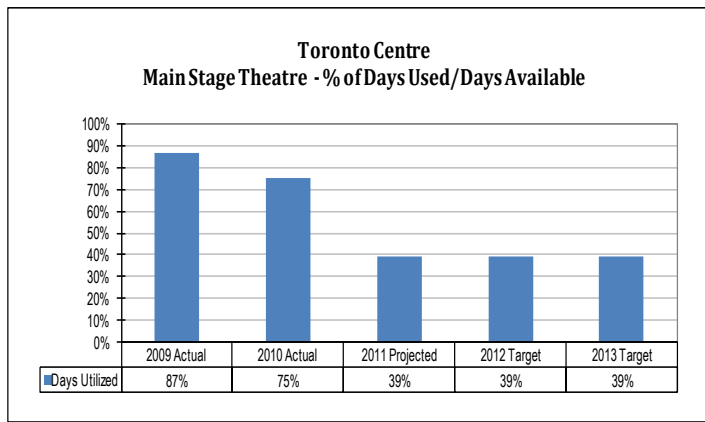


- There are 876 seats in the Bluma Appel theatre and 498 seats in the Jane Mallet theatre
- The cost per seat was \$636 in 2009 and 657 in 2010 and is expected to drop to \$619 in 2011.
- The future year targets are set consistently at \$615 in 2012 and \$633 in 2013.

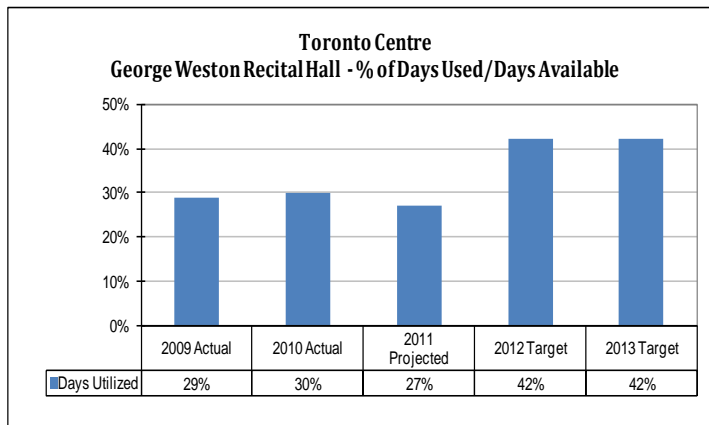
Toronto Centre for the Arts

Effectiveness

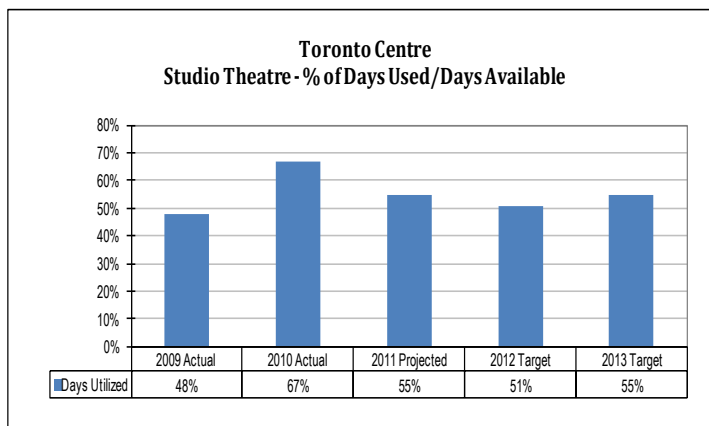
- Toronto Centre measures the effectiveness of each of its theatre space – the Main Stage, George Weston Recital Hall, and Studio theatres – by tracking the percentage of days used to the days available for booking.



- The percentage of days used to days available in the Main Stage theatre was 87% in 2009, 75% in 2010, is forecasted to be 39% in 2011, and is projected at 39% from 2012 to 2013.
- Usage was highest in the Main Stage theatre in 2009 and 2010 due to the successful staging of "Jersey Boys".
- In 2011 and 2012, the Main Stage Theatre will continue to be used for Broadway style productions on a rental basis through its agreement with Dancap Productions.

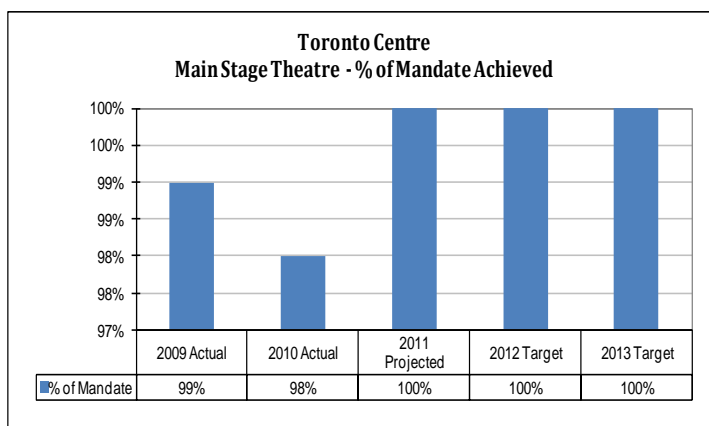


- The percentage of days used to days available in the George Weston Recital Hall was 29% in 2009, 30% in 2010, is projected to be 27% in 2011, and is targeted at 42% in 2012 and 2013.
- The 2011 and 2012 projected percentage of days used in the George Weston Recital Hall will partially rely on programming related to the Canadian Songwriters Hall of Fame.

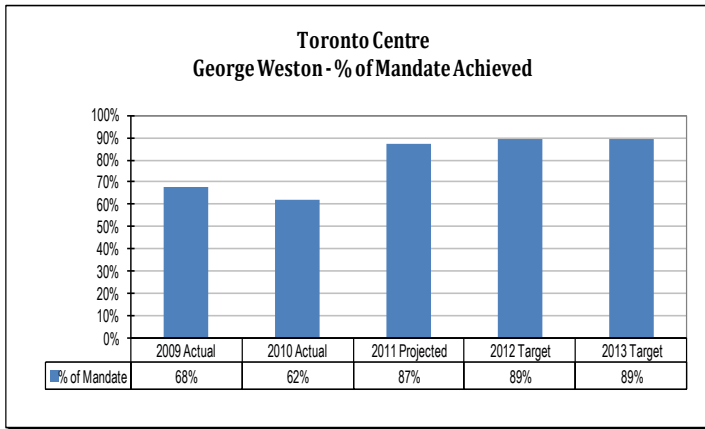


- The percentage of days used to days available in the Studio Theatre was 48% in 2009, 67% in 2010, is expected to be 55% in 2011, is targeted at 51% in 2012 and 55% in 2013.
- The future year projected percentage of days used in the Studio Theatre will continue to rely on usage by local arts groups and some of the Centre's own small productions and events.

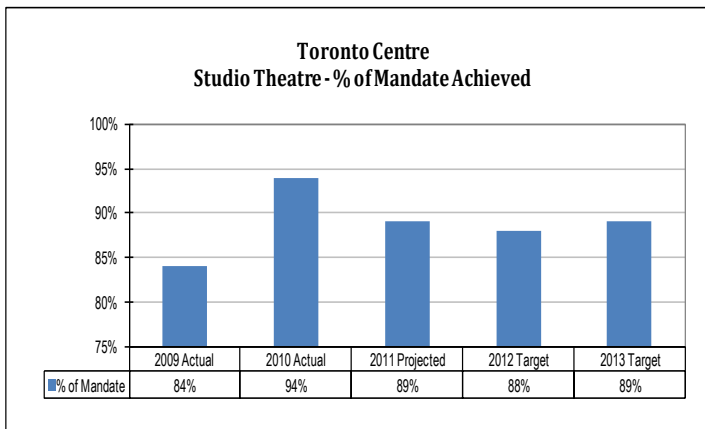
- Toronto Centre's mission statement is to function as a first class venue for a full range of performing arts. Toronto Centre also measures effectiveness by the percentage of performances presented that meet the Centre's Mission statement.



- The percentage of performances held in the Main Stage Theatre which met the Centre's mandate was 95% in 2008, 99% in 2009, is projected to be 97% in 2010, and is set to be 93% between 2011 and 2013.



- The percentage of performances presented in the George Weston Recital Hall which achieved the Centre's mandate was 76% in 2008, 76% in 2009, is projected to be 74% in 2010, and is targeted to be 77% in 2011 and 79% in 2012 and 2013.

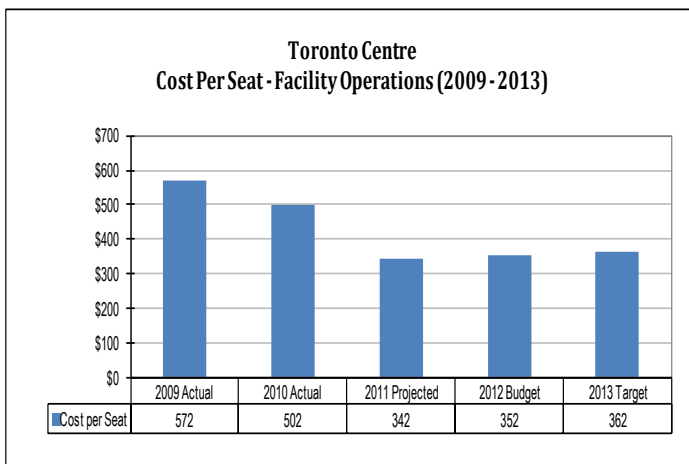


- The percentage of performances presented in the Studio Theatre which achieved the Centre's mandate was 87% in 2008, 94% in 2009, is projected to be 95% in 2010, and is targeted to be 92% between 2011 and 2013.

Toronto Centre for the Arts

Efficiency

- Toronto Centre measures efficiency by dividing the total facility operations cost by the total number (3,036) of seats in the Centre.



- There are 1,800 seats in the Main Stage Theatre, 1,036 seats in the George Weston Recital Hall, and 200 seats in the Studio Theatre.
 - The cost per seat was \$572 in 2009, \$502 in 2010, projected to be \$342 in 2011 and is targeted at \$352 in 2012, and \$362 in 2013.

2011 Budget Variance Analysis

2011 Budget Variance Review
(In\$000s)

	2009 Actuals	2010 Actuals	2011 Approved Budget	2011 Projected Actuals*	2011 Appvd. Budget vs Projected Actuals Variance	
	\$	\$	\$	\$	\$	%
GROSS EXP.						
Sony Centre	3,090.7	10,715.1	17,989.1	13,141.0	(4,848.1)	(27.0)
St. Lawrence Centre	3,801.9	3,680.1	3,645.9	3,584.7	(61.2)	(1.7)
Toronto Centre for the Arts	8,687.6	7,798.7	5,312.9	4,134.4	(1,178.5)	(22.2)
	15,580.2	22,193.9	26,947.9	20,860.1	(6,087.8)	(22.6)
REVENUES						
Sony Centre	2,253.7	9,754.3	16,957.9	11,756.0	(5,201.9)	(30.7)
St. Lawrence Centre	2,160.5	2,009.3	2,299.1	2,018.9	(280.2)	(12.2)
Toronto Centre for the Arts	7,988.0	6,843.5	4,389.8	2,869.9	(1,519.9)	(34.6)
	12,402.2	18,607.1	23,646.8	16,644.8	(7,002.0)	(29.6)
NET EXP.						
Sony Centre	837.0	960.8	1,031.2	1,385.0	353.8	34.3
St. Lawrence Centre	1,641.4	1,670.8	1,346.8	1,565.8	219.0	16.3
Toronto Centre for the Arts	699.6	955.2	923.1	1,264.5	341.4	37.0
	3,178.0	3,586.8	3,301.1	4,215.3	914.2	27.7
Approved Positions						
Sony Centre	21.2	47.7	105.4	93.9	(11.5)	(10.9)
St. Lawrence Centre	43.7	43.1	41.6	35.6	(6.0)	(14.4)
Toronto Centre for the Arts	92.0	75.3	64.0	55.2	(8.8)	(13.8)
	156.9	166.1	211.0	184.7	(26.3)	(39.1)

* Based on the Third Quarter Operating Budget Variance Report.

2011 Experience

The Third Quarter Variance Report projects that the Theatres will be over spent by \$0.914 million or 27.7% of the 2011 Approved Operating Budget of \$3.301 million by year-end due to the following factors:

- Sony Centre for the Performing Arts expects to over spend its 2011 Approved Operating Budget of \$1.031 million by \$0.354 million or 34.4% by year-end due to unachieved ticket sales. Sony has responded to the decreased forecasts of volume-of-days used in 2011 through reduction of overhead staff, and a strategy to increase the ratio of risk performance days-of-use to total projected days-of-operations.
- St. Lawrence Centre for the Arts projects that it will over spend its 2011 Approved Operating Budget of \$1.347 million by \$0.219 million or 16.4% by year-end. This result is attributed to show cancellations and reduced concession sales.
- Toronto Centre for the Arts expects to over spend its 2011 Approved Operating Budget of \$0.923 million net by \$0.341 million or 37.0%. The over spending is due to a 50% drop in Main Stage budgeted utilization and reduction in associated ancillary sales.

Impact of 2011 Operating Variance on the 2012 Recommended Budget

- Each Theatre has included adjustments in their 2012 Operating Budgets to improve their outcomes in 2012.
 - The Sony Centre has adjusted gross expenditures by \$2.083 million gross, \$0.256 million net million to reflect 2011 experience.
 - The St Lawrence Centre has adjusted their base budget by \$0.034 million gross, and (\$0.049 million) net to account for changes in programming.
 - The Toronto Centre has adjusted their 2011 budget (\$0.985 million) gross, \$0.157 million net to reconcile to 2011 actual experience.

Appendix 2A

2012 Recommended Operating Budget by Expenditure Category
and Key Cost Drivers*Sony Centre for the Performing Arts*Program Summary by Expenditure Category
(In \$000s)

	2009	2010	2011	2011	2012	2012 Change from		2013	2014
	Actual	Actual	Approved Budget	Projected Actual	Recommended Budget	2011 Approved Budget		Outlook	Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	1,963.3	4,043.3	7,430.7	7,080.7	6,584.7	(846.0)	-11%		
Materials and Supplies	243.5	562.9	1,182.5	992.0	1,359.1	176.6	15%		
Equipment	87.4	27.6	26.1	26.1	19.6	(6.5)	-25%		
Services & Rents	719.7	4,846.9	6,594.7	4,502.1	8,467.2	1,872.5	28%		
Contribution to Capital									
Contributions to Reserves	25.9	26.4	177.4	168.9	312.5	135.1	76%		
Contributions to Reserve Funds	0.0	311.3	1,176.8	1,463.3	1,256.2	79.4	7%		
Other Expenditures	51.0	896.7	1,400.9	959.0	1,927.4	526.5	38%		
Interdivisional Charges									
TOTAL GROSS EXPEND.	3,090.8	10,715.1	17,989.1	15,192.1	19,926.7	1,937.6	11%	0.0	0.0
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	186.7	7,044.3	13,079.9	10,475.0	14,910.2	1,830.3	14%		
Transfers from Capital Fund									
Contributions from Reserves	0.0	0.0	150.0	142.5	142.5	(7.5)	-5%		
Contributions from Reserve Funds	1,498.4	1,478.0	1,176.8	1,463.3	1,398.7	221.9	19%		
Other Revenue	568.6	1,232.0	2,551.2	2,081.0	2,548.0	(3.2)	0%		
TOTAL REVENUE	2,253.7	9,754.3	16,957.9	14,161.8	18,999.4	2,041.5	12%	0.0	0.0
TOTAL NET EXPEND.	837.1	960.8	1,031.2	1,030.3	927.3	(103.9)	-10%	0.0	0.0
APPROVED POSITIONS	21.2	47.7	105.4	92.3	74.9	(30.5)	-29%	0.0	0.0

2012 Key Cost Drivers (Sony Centre)

- 2011 is the first full year of operations for the Sony Centre since its temporary shutdown for redevelopment. The Centre closed for construction on July 2008 and re-opened its facility for business on October 1, 2010.

- The 2012 Salaries and Benefits are decreasing by \$846 million or 11% over the 2011 Approved Operating Budget. The decline is mainly due to staffing reductions resulting from lower than expected days-of-use.
- The increase in 2012 Services and Rents of \$1.872 or 28% over 2011 are the result of an increase ratio of risk performance days-of-use to total projected days-of-operations. Conversely, 2012 User Fees and Donation are also increasing in 2012 by \$1.830 million, or 14 % as a result of an increase number of At-Risk performances in 2012.

Appendix 2B

2012 Recommended Operating Budget by Expenditure Category
and Key Cost Drivers*St. Lawrence Centre for the Arts*Program Summary by Expenditure Category
(In \$000s)

	2009	2010	2011	2011	2012	2012 Change from		2013	2014
	Actual	Actual	Approved Budget	Projected Actual	Recommended Budget	2011 Approved Budget		Outlook	Outlook
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	2,627.0	2,572.9	2,537.4	2,451.3	2,533.2	-4.2	-0.2%	2,535.8	2,592.2
Materials and Supplies	481.7	452.0	456.5	438.5	467.9	11.4	2.5%	430.9	443.3
Equipment									
Services & Rents	493.3	566.6	455.1	462.4	452.2	-2.9	-0.6%	458.0	469.8
Contributions to Capital									
Contributions to Reserve/Res Funds	13.1	13.4	88.9	13.9	88.9	0.0	0.0%	89.3	89.8
Other Expenditures	186.8	75.2	107.4	92.6	99.5	-7.9	-7.4%	106.0	108.1
Interdivisional Charges									
TOTAL GROSS EXPENDITURES	3,801.9	3,680.1	3,645.3	3,458.7	3,641.7	-3.6	-0.1%	3,620.0	3,703.2
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	2,102.2	1,967.6	2,190.5	1,903.2	2,318.9	128.4	5.9%	2,332.5	2,381.1
Transfers from Capital Fund									
Contribution from Reserve/Res Funds	0.0	0.0	75.0	0.0	75.0	0.0	0.0%	75.0	75.0
Other Revenues	58.3	41.8	33.6	43.0	36.2	2.6	7.7%	16.4	17.6
TOTAL REVENUE	2,160.5	2,009.3	2,299.1	1,946.2	2,430.1	131.0	5.7%	2,423.9	2,473.7
TOTAL NET EXPENDITURES	1,641.4	1,670.8	1,346.2	1,512.5	1,211.6	-134.6	-10.0%	1,196.1	1,229.5
APPROVED POSITIONS	43.7	43.1	41.6	40.4	41.7	0.1	0.2%	41.1	41.5

2012 Key Cost Drivers (St. Lawrence Centre)

- The 2011 Salaries and Benefits decreased by \$0.004 million or 0.2% over the 2011 Approved Operating Budget. Increases in personnel costs due to COLA and wage increases were more than offset by savings resulting from a favourable contract settlement which reduced guaranteed weeks of work.

- The increase in 2012 User Fees and Donations of \$0.128 million or 5.9%, and Other Revenues of \$0.003 million or 7.7% over the 2011 Approved Operating Budget is due to increased rents, and recoveries arising from wage increases.
- Between 2009 and 2012 the Operating Budget has been reduced by \$0.429.8 million net or 26% from \$1.641 million to \$1.212 million primarily due to the City's fiscal constraints and increasing programming revenue targets.
- Over the past 3 years the Centre has over spent its 2009 to 2011 Approved Operating Budgets due to insufficient revenues from its not-for-profit clients.

Appendix 2C

2012 Recommended Operating Budget by Expenditure Category
and Key Cost Drivers*Toronto Centre for the Arts*Program Summary by Expenditure Category
(In \$000s)

	2009	2010	2011	2011	2012	2012 Change from		2013	2014
	Actual	Actual	Approved Budget	Projected Actual	Recommended Budget	2011 Approved Budget			
	\$	\$	\$	\$	\$	\$	%	\$	\$
Salaries and Benefits	4,622.5	4,118.1	2,877.5	2,905.1	2,889.9	12.4	0%		
Materials and Supplies	993.6	798.8	783.6	459.0	523.1	(260.5)	(33.2%)		
Equipment	645.7	869.2	367.0	40.1	302.5	(64.5)	(17.6%)		
Services & Rents	1,442.9	1,324.6	974.1	491.2	399.6	(574.5)	(59.0%)		
Contributions to Capital									
Contributions to Reserve/Res Funds	983.0	688.0	311.3	239.0	216.7	(94.6)	(30.4%)		
Other Expenditures									
Interdivisional Charges									
TOTAL GROSS EXPENDITURES	8,687.7	7,798.7	5,313.5	4,134.4	4,331.8	(981.7)	(18.5%)	0.0	0.0
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	7,320.0	5,967.5	3,789.8	2,637.9	2,958.2	(831.6)	(21.9%)		
Transfers from Capital Fund									
Contribution from Reserve/Res Funds	593.0	876.0	600.0	232.0	550.0	(50.0)	(8.3%)		
Other Revenues									
TOTAL REVENUE	7,913.0	6,843.5	4,389.8	2,869.9	3,508.2	(881.6)	(20.1%)	0.0	0.0
TOTAL NET EXPENDITURES	774.7	955.2	923.7	1,264.5	823.6	(100.1)	(10.8%)	0.0	0.0
APPROVED POSITIONS	92.0	75.3	64.0	55.2	65.0	1.0	2%	0.0	0.0

2012 Key Cost Drivers (Toronto Centre)

- The decrease in 2012 Materials and Supplies, Equipment and Services and Rents of \$0.261 million, \$0.65 million and \$0.575 million respectively are attributed to a reconciliation to 2011 actual experience for 2012.
- As well, a decrease in 2012 User Fee and Donations of \$0.831 million or 22% is due a budget adjustment to bring revenues to actual experience and known commitments. This reduction is partially offset by increased revenues from sponsorships and other revenue generating efforts.

- A reduction of \$0.500 million in funding from reserve fund contributions is the result of reduced facility capital spending, or 8% below 2011 reserve fund contribution levels.
- Over the past 3 years Toronto Centre for the Arts has achieved financial results below the 2008–2010 Approved Operating Budgets. However in the 3rd quarter variance report the Toronto Centre projects spending in excess of its Approved 2011 Net Budget by \$0.341 million or 37%, forecasting its year-end net expenditure at \$1.264 million.

Appendix 3
Summary of 2012 Recommended Service Changes



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	AGENCIES Toronto Centre for the Arts	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
2012 Recommended Base Budget Before Service Change:			4,331.8	3,198.2	1,133.6	64.0	0.0	0.0
Z2	6	Sponsorship and Naming Rights Initiative	0.0	200.0	(200.0)	0.0	0.0	0.0
<small>(TG001-Z01)</small> Service / Activity: Toronto Centre for the Arts / Theatres Description: Increase in sponsorship revenues through naming right opportunities will see an increase in revenues of \$0.200 million. The TCA is planning on maximizing all possible sponsorship and naming right opportunities. Service Level Change: None ADMIN:			0.0	200.0	(200.0)	0.0	0.0	0.0
Z2	7	Arts Community Rentals Initiative	0.0	100.0	(100.0)	1.0	0.0	0.0
<small>(TG001-Z02)</small> Service / Activity: Toronto Centre for the Arts / Theatres Description: Increased revenues of \$0.100 will be achieved through higher volume of Not-for-Profit Community arts clients by way of reduced rental fees. The TCA is planning to start an initiative to attract additional Not-for-Profit Community arts clients on a reduced rental fee basis. This project is expected to result in a higher volume of rentals in the George Weston Recital Hall for 2012. This initiative will see an increase in staff compliment of one person at a cost of \$0.057 million, with a corresponding reduction in Service and Rents of \$0.057 million Service Level Change: Potential increase of use of George Weston Recital Hall by not-for-profit community groups ADMIN:			0.0	100.0	(100.0)	1.0	0.0	0.0
Z2	8	Parking Revenues	0.0	10.0	(10.0)	0.0	0.0	0.0
<small>(TG001-Z03)</small> Service / Activity: Toronto Centre for the Arts / Theatres Description: The Toronto Centre for the Arts will enter into an agreement with Facilities and Real Estate for the operation of 300 parking spots under the North York Civic Centre during periods of high patron attendance primarily during Main Stage shows at the Centre for net revenues expected at \$0.010 million Service Level Change: Parking will be available under North York Civic Centre for Theatre patrons for high attendance events ADMIN:			0.0	10.0	(10.0)	0.0	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	AGENCIES Toronto Centre for the Arts	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Total Recommended Service Level Reductions:			0.0	310.0	(310.0)	1.0	0.0	0.0
Total Recommended Base Budget:			4,331.8	3,508.2	823.6	65.0	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	AGENCIES St. Lawrence Centre for the Arts	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
2012 Recommended Base Budget Before Service Change:			3,772.5	2,419.1	1,353.4	42.5	0.0	0.0
Z1	1	Staffing Changes	(86.9)	0.0	(86.9)	(1.0)	0.0	0.0
<small>(TG3-Z002)</small> Service / Activity: St. Lawrence Centre for the Arts / N/A Description: Changes in staff with a reduction of an IT related position with a reallocation of responsibilities among administrative staff for a net reduction of \$0.087 million. Service Level Change: None ADMIN:			(86.9)	0.0	(86.9)	(1.0)	0.0	0.0
Z1	1	Office Efficiencies	(7.1)	0.0	(7.1)	0.0	0.0	0.0
<small>(TG3-Z003)</small> Service / Activity: St. Lawrence Centre for the Arts / N/A Description: Efficiency reductions have been achieved through lease re-negotiations for photocopiers and postage machine, offset by telephone and payroll processing software charges for a net office budget reduction of \$0.007 million Service Level Change: None ADMIN:			(7.1)	0.0	(7.1)	0.0	0.0	0.0
Z1	1	Reduced Guarantee for Stagehand Weeks	(44.8)	0.0	(44.8)	0.0	0.0	0.0
<small>(TG3-Z004)</small> Service / Activity: St. Lawrence Centre for the Arts / N/A Description: Favourable contract negotiations with IATSE (International Alliance of Theatrical Stage Employees) were achieved in 2011 which will see a reduction in the guaranteed number of weeks paid in a year to unionized stagehands. The reduction of total guaranteed weeks is the equivalent of 0.5 staff with projected savings in 2012 of \$0.045 million. Service Level Change: None ADMIN:			(44.8)	0.0	(44.8)	(0.5)	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	AGENCIES St. Lawrence Centre for the Arts	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
Z2	1	New business with new regular licensee Harold Green	8.0	11.0	(3.0)	0.2	0.0	0.0
<small>(TG3-Z001)</small>		Service / Activity: St. Lawrence Centre for the Arts / N/A						
		Description: The Harold Green Theatre will be a new resident company in the Jane Mallet Theatre. As a result Theatre subscription fees and box office services will increase by \$11.K, offset by staff costs for part time hours in Box Office to handle the volume change by \$4.8K, ticket print costs \$2K, and box office credit card charges \$1.2K						
		Service Level Change: More days used - by new company						
		ADMIN:	8.0	11.0	(3.0)	0.2	0.0	0.0
Total Recommended Service Level Reductions:			(130.8)	11.0	(141.8)	(1.3)	0.0	0.0
Total Recommended Base Budget:			3,641.7	2,430.1	1,211.6	41.2	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change



2012 Operating Budget - Recommended Service Change Summary of Administrative Review

TYPE	PRIORITY	AGENCIES Sony Centre for the Performing Arts	Recommended Adjustments				2013 Net Incremental Outlook (\$000s)	2014 Net Incremental Outlook (\$000s)
			Change in Gross Expenditure (\$000s)	Change in Revenue (\$000s)	Net Change (\$000s)	Change in Approved Positions		
2012 Recommended Base Budget Before Service Change:			20,644.4	18,999.4	1,645.0	94.7	0.0	0.0
Z1	1	Reduced Theatre Activity	(717.8)	0.0	(717.8)	(19.8)	0.0	0.0
<small>(TG-Z001)</small> Service / Activity: Sony Centre for the Performing Arts / N/A								
Description:								
Service efficiencies were achieved through rationalization of overhead staff. Of the \$0.718 million in operational savings, \$0.688 million or 95% were related to staff reductions. Sony Centre in responding to decreased forecasts of volume-of-days used in 2011 through reduction of overhead staff. The Sony Centre is confident that the servicing of existing business would not be compromised by these cutbacks.								
Service Level Change:								
There will be no change in service levels								
ADMIN:			(717.8)	0.0	(717.8)	(19.8)	0.0	0.0
Total Recommended Service Level Reductions:			(717.8)	0.0	(717.8)	(19.8)	0.0	0.0
Total Recommended Base Budget:			19,926.6	18,999.4	927.2	74.9	0.0	0.0

Category Legend - Type

- Z1 - Base Efficiency Change
- Z2 - Base Revenue Change
- Z3 - Minor Service Level Change
- Z4 - Major Service Level Change

Appendix 5

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve/Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	2012	2013	2014
			\$	\$	\$
Sony Centre Facility Fee Reserve Fund	XR3030	Projected Beginning Balance *	29.7	29.7	29.7
		Proposed Withdrawals (-)	(1,256.2)		
		Contributions (+)	1,256.2		
Balance at Year-End			29.7	29.7	29.7

* Based on 3rd QTR Commitment Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	Projected Balance as of December 31, 2011	2013	2014
			\$	\$	\$
St. Lawrence Centre for the Arts Reserve Fund	XR1046	Projected Beginning Balance *	1.1	1.1	1.1
		Proposed Withdrawals (-)	(75.0)		
		Contributions (+)	75.0		
Balance at Year-End			1.1	1.1	1.1

* Based on 3rd QTR Commitment Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	2012	2013	2014
			\$	\$	\$
North York Performing Arts Centre Capital Reserve Fund	XR3007	Projected Beginning Balance *	7,795.2	7,445.2	7,445.2
		Proposed Withdrawals (-)	(550.0)		
		Contributions (+)	200.0		
Balance at Year-End			7,445.2	7,445.2	7,445.2

* Based on 3rd QTR Commitment Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	2012	2013	2014
			\$	\$	\$
North York Performing Arts Operating Stabilization Reserve	XQ1060	Projected Beginning Balance*	750.5	750.5	750.5
		Proposed Withdrawals (-)			
		Contributions (+)			
Balance at Year-End			750.5	750.5	750.5

* Based on 3rd QTR Commitment Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Description	2012	2013	2014
			\$	\$	\$
Sony Centre Operating Stabilization Reserve	XQ2031	Projected Beginning Balance*	181.2	181.2	181.2
		Proposed Withdrawals (-)	(285.0)		
		Contributions (+)	285.0		
Balance at Year-End			181.2	181.2	181.2

* Based on 3rd QTR Commitment Report

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of December 31, 2011 *	Proposed Withdrawals (-) / Contributions (+)		
			2012	2013	2014
			\$	\$	\$
Insurance Reserve Fund	XR1010	31,346.4			
Sony Centre for the Performing Arts			27.5	27.5	27.5
St. Lawrence Centre for the Arts			13.9	13.9	13.9
Toronto Centre for the Arts			16.0	16.0	16.0
Total Reserve / Reserve Fund Draws / Contributions			57.4	57.4	57.4

* Based on 3rd Quarter Commitment Report