



## City Budget 2012

## Exhibition Place Capital Budget Analyst Notes

The City of Toronto's budget is presented by program and service, in Analyst Note format. The City's Capital Budget funds major infrastructure.

# 2012–2021 Capital Program

## 2012 CAPITAL BUDGET ANALYST BRIEFING NOTES BUDGET COMMITTEE NOVEMBER 28, 2011

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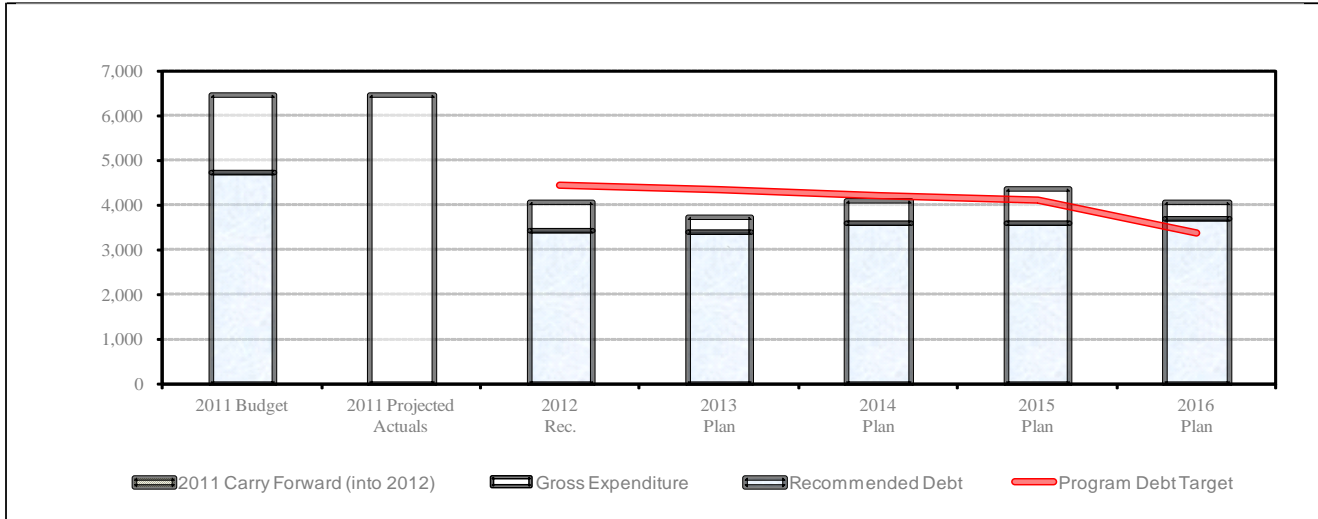
## PART I: RECOMMENDATIONS

The City Manager and Chief Financial Officer recommend that:

1. Council approve the 2012 Recommended Capital Budget for Exhibition Place with a total project cost of \$4.060, and 2012 cash flow of \$4.060 million comprised of the following:
  - a) New Cash Flow Funding for:
    - i) 8 new/change in scope sub-projects with a 2012 total project cost of \$4.060 million that requires cash flow of \$4.060 million in 2012
2. Council approve new debt service costs of \$0.069 million in 2012 and incremental debt costs of \$0.368 million in 2013 resulting from the approval of the 2012 Recommended Capital Budget, to be included in the 2012 and future year operating budgets;
3. Council approve the 2013–2021 Recommended Capital Plan for Exhibition Place totalling \$39.113 million in project estimates, comprised of \$3.725 million in 2013; \$4.105 million in 2014; \$4.375 million in 2015; \$4.070 million in 2016; \$4.865 million in 2017; \$4.385 million in 2018; \$4.440 million in 2019; \$4.465 million in 2020; and, \$4.683 million in 2021; and,
4. All sub-projects with third party financing be approved conditionally, subject to the receipt of such funds during 2012 and if such financing is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

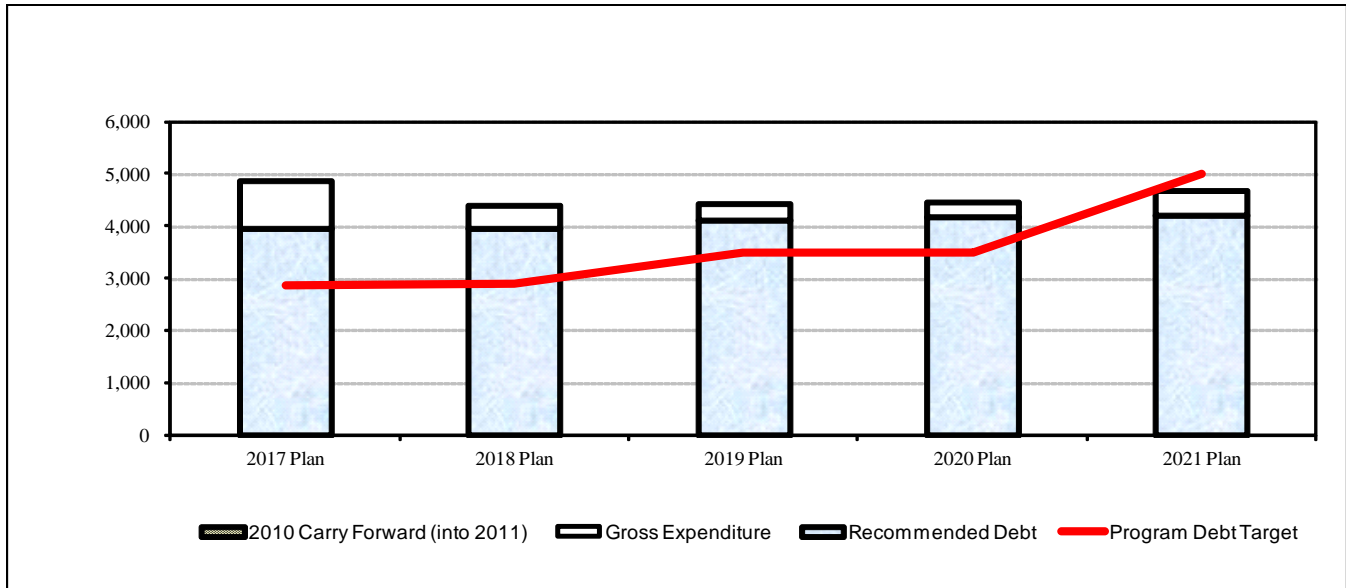
# PART II: 2012 – 2021 CAPITAL PROGRAM

## 10-Year Capital Plan 2012 Recommended Budget, 2013–2016 Recommended Plan (In \$000s)



		2012 Rec. Budget and 2013-2016 Plan								
		2011		2012	2013	2014	2015	2016	2012-2016	5-Year Total
		Budget	Projected Actual							
<b>Gross Expenditures:</b>										
2011 Capital Budget & Approved FY Commitments		6,457	6,457	100					100	
Recommended Changes to Approved FY Commitments				(100)					(100)	
2012 New/Change in Scope and Future Year Commitments				4,060					4,060	20%
2013 - 2016 Capital Plan Estimates					3,725	4,105	4,375	4,070	16,275	80%
2-Year Carry Forward to 2012										
1-Year Carry Forward to 2012			0	→						
<b>Total Gross Annual Expenditures &amp; Plan</b>		<b>6,457</b>	<b>6,457</b>	<b>4,060</b>	<b>3,725</b>	<b>4,105</b>	<b>4,375</b>	<b>4,070</b>	<b>20,335</b>	<b>100%</b>
<b>Program Debt Target</b>		<b>4,729</b>		<b>4,435</b>	<b>4,320</b>	<b>4,215</b>	<b>4,115</b>	<b>3,360</b>	<b>20,445</b>	
<b>Financing:</b>										
<b>Recommended Debt</b>		<b>4,729</b>		<b>3,435</b>	<b>3,400</b>	<b>3,600</b>	<b>3,600</b>	<b>3,700</b>	<b>17,735</b>	<b>87%</b>
Reserves/Reserve Funds		317		625	325	505	275	120	1,850	9%
Development Charges										
ISF		1,411								
Provincial/Federal										
Other Revenue							500	250	750	4%
<b>Total Financing</b>		<b>6,457</b>		<b>4,060</b>	<b>3,725</b>	<b>4,105</b>	<b>4,375</b>	<b>4,070</b>	<b>20,335</b>	<b>100%</b>
<b>By Project Category:</b>										
Health & Safety		100		210	185	85	85	0	565	3%
Legislated		50		50	50	535	600	200	1,435	7%
SOGR		4,990		2,975	2,515	2,430	2,765	3,150	13,835	68%
Service Improvement		1,317		825	975	1,055	925	720	4,500	22%
Growth Related										
<b>Total By Project Category</b>		<b>6,457</b>		<b>4,060</b>	<b>3,725</b>	<b>4,105</b>	<b>4,375</b>	<b>4,070</b>	<b>20,335</b>	<b>100%</b>
Asset Value - end of each year (\$)			659,343	659,343	659,343	659,343	659,343	659,343		
Yearly SOGR Backlog Estimate (not addressed by current plan)				(3,877)	(2,807)	(1,904)	(228)	440		
Accumulated Backlog Estimate (end of year)			14,322	18,199	21,006	22,910	23,138	22,698		
Backlog: Percentage of Asset Value (%)			2.2%	2.8%	3.2%	3.5%	3.5%	3.4%		
Debt Service Costs				69	436	436	457	457	1,854	
Operating Impact on Program Costs									0	
New Positions									0	

### 10-Year Capital Plan 2017–2021 Recommended Plan (In \$000s)



	2017 - 2021 Capital Plan						10-Year Total Percent
	2017	2018	2019	2020	2021	2012-2021	
<b>Gross Expenditures:</b>							
2011 Capital Budget & Approved FY Commitments						100	
Recommended Changes to Approved FY Commitments						(100)	
2012 New/Change in Scope and Future Year Commitments						4,060	9%
2017 - 2021 Capital Plan Estimates	4,865	4,385	4,440	4,465	4,683	39,113	91%
<b>Total Gross Annual Expenditures &amp; Plan</b>	<b>4,865</b>	<b>4,385</b>	<b>4,440</b>	<b>4,465</b>	<b>4,683</b>	<b>43,173</b>	<b>100%</b>
<b>Program Debt Target</b>	<b>2,860</b>	<b>2,875</b>	<b>3,473</b>	<b>3,473</b>	<b>5,000</b>	<b>38,126</b>	
<b>Financing:</b>							
<b>Recommended Debt</b>	<b>3,950</b>	<b>3,950</b>	<b>4,100</b>	<b>4,180</b>	<b>4,213</b>	<b>38,128</b>	88%
Reserves/Reserve Funds	915	435	340	285	470	4,295	10%
Development Charges							
ISF							
Provincial/Federal							
Other Revenue						750	2%
<b>Total Financing</b>	<b>4,865</b>	<b>4,385</b>	<b>4,440</b>	<b>4,465</b>	<b>4,683</b>	<b>43,173</b>	<b>100%</b>
<b>By Project Category:</b>							
Health & Safety	85	85	85		370	1,190	3%
Legislated		50	50		50	1,585	4%
SOGR	3,615	2,765	2,915	3,130	2,643	28,903	67%
Service Improvement	1,165	1,485	1,390	1,335	1,620	11,495	27%
Growth Related							
<b>Total By Project Category</b>	<b>4,865</b>	<b>4,385</b>	<b>4,440</b>	<b>4,465</b>	<b>4,683</b>	<b>43,173</b>	<b>100%</b>
Asset Value - end of each year (\$)	659,343	659,343	659,343	659,343	659,343	659,343	
Yearly SOGR Backlog Estimate (not addressed by current plan)	(1,742)	(1,912)	(270)	1,325	(1,954)		
Accumulated Backlog Estimate (end of year)	22,698	24,440	26,352	26,622	25,297	27,251	
Backlog: Percentage of Asset Value (%)	3.4%	3.7%	4.0%	4.0%	3.8%	4.1%	
Debt Service Costs	464	502	505	522	532	4,379	
Operating Impact on Program Costs						0	
New Positions						0	

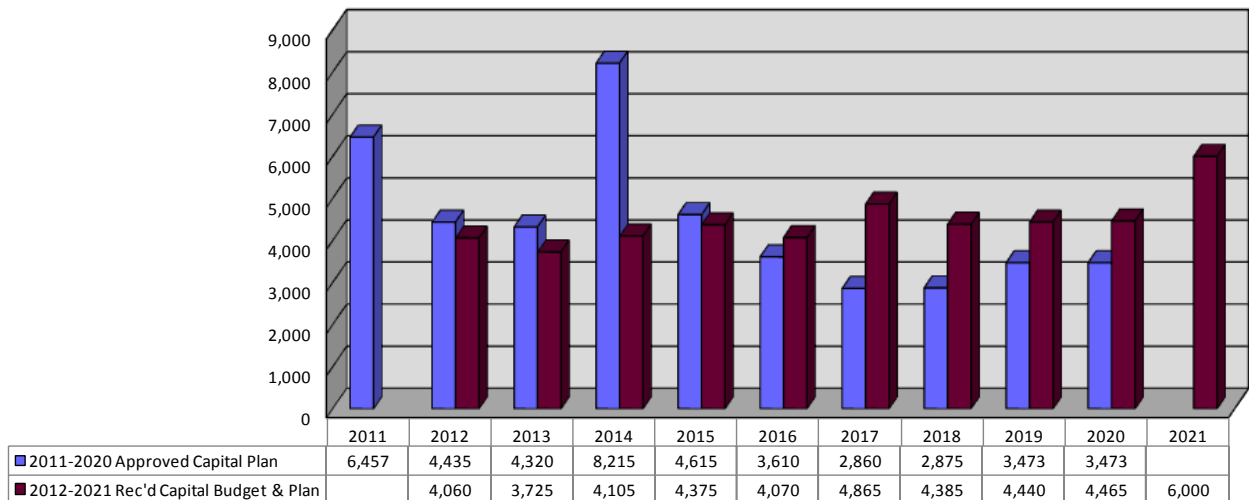
## 10–Year Capital Plan Overview

- Exhibition Place is responsible for 192 acres, with an asset value of \$634.3 million in historical costs, including 9 buildings designated under the Ontario Heritage Act and a further 20 buildings and structures listed on the Heritage Toronto's Inventory. These structures have historical and cultural significance. Many of these buildings were constructed before modern energy conservation, lighting, and heating standards were developed.
- The 10–Year Recommended Capital Plan provides funding for state of good repair and service improvements that will increase Toronto's international profile, provide economic stimulation, and achieve energy efficiency.
- The 2012–2021 Recommended Capital Plan totals \$43.173 million, of which \$20.335 million or 47% is projected for the first 5 years, with the final 5 years requiring funding of \$22.838 million or 53%. Exhibition Place has deferred capital projects to the last five years of the 10–Year Capital Plan period to reduce debt service costs during the peak City wide debt service period projected by the City. This is consistent with the needs of Exhibition Place as a significant volume of SOGR work has been completed with support from ISF funding since 2009.
- The Recommended 10–Year Capital Plan includes \$28.903 million or 67% for State Of Good Repair addressing the renewal need of aging and deteriorating infrastructure, and \$11.495 million or 27% for Service Improvement projects including BMO Field, Show Services and Parking Lot improvements. Health and Safety and Legislated projects have been allocated \$2.775 million or 6% for security and waste diversion projects.
- The 10–Year Recommended Capital Plan requires new debt funding of \$38.128 million which meets the 10 year debt affordability target. Debt funding of \$17.735 million recommended for the first five years is \$2.710 million below debt target while the last five years debt funding exceeds debt target by \$2.710 million.
  - Debt funding of \$38.128 million finances 88% of Exhibition Place's 10–Year Capital Plan, 10% or \$4.295 million from the Soccer Stadium (BMO) Maintenance Reserve Fund, and 2% or \$0.750 million from other third–party sources.
- Exhibition Place's State of Good Repair (SOGR) backlog will increase from \$14.322 million in 2011 to \$27.251 million by 2021. SOGR backlog, as a percentage of its total asset replacement value of \$659.343 million is 2.8 % in 2012, increasing to 4.1% by 2021.

- Funding on-going maintenance requirements on the 192-acre site within available debt funding represents the biggest challenges to reducing the State Of Good Repair backlog.
- In accordance with established practice, Exhibition Place will absorb any operating costs arising from the completion of capital projects in its 2012 Recommended Capital Budget and 2013–2021 Recommended Capital Plan.

**Key Changes to the 2011 – 2020 Approved Capital Plan**

**Changes to the 2011–2020 Approved Capital Plan  
(In \$000s)**



- The 2012 Recommended Capital Budget and 2013 – 2021 Recommended Capital Plan reflects a decrease of \$4.860 million over the first 4 years and an offsetting increase over the last five years when compared to the 2011–2020 Approved Capital Plan. The changes to the 2011–2020 Approved Capital Plan reflect the deferral of projects to reduce debt service costs during the peak City wide debt service period projected by the City and is consistent with the needs of Exhibition Place as a significant volume of SOGR work was completed with support from ISF funding in 2009 to 2011.
- The major changes to the 2011–2020 Approved Capital Plan, moving the following projects from the 2012–2016 time frame to 2017–2020, are outlined below:
  - The Horse Palace project deferred funding of \$1.030 million.
  - The Direct Energy project deferred funding of \$1.040 million.
  - The Coliseum Complex project deferred funding of \$0.905 million.

- The replacement of High Voltage Feeders included in Equipment project deferred, funding of \$0.405 million.

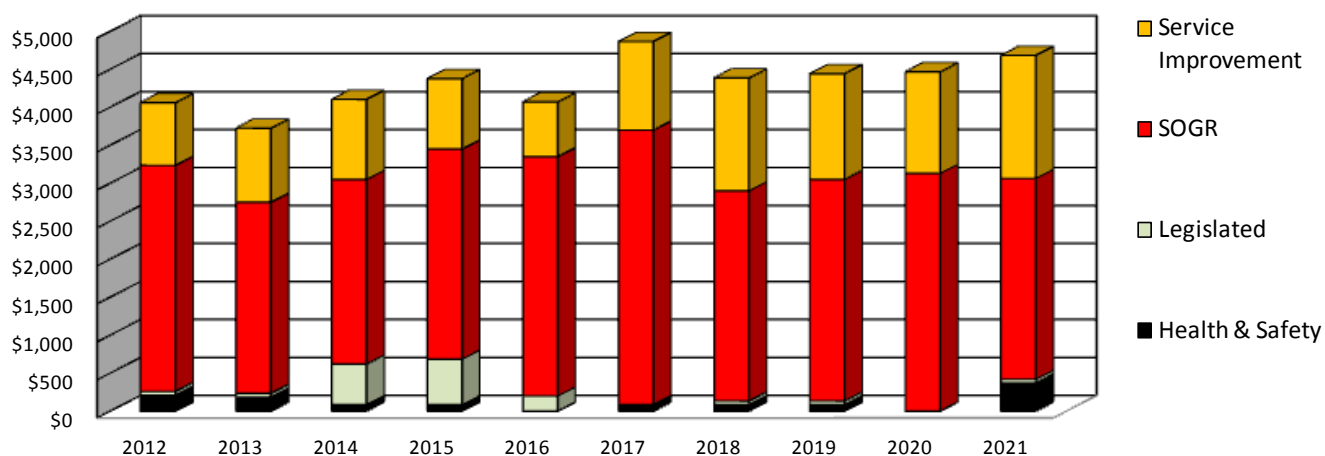
- The chart below details the changes from 2011–2020 Approved Capital Plan

**Summary of Project Changes**  
(In \$000s)

Key Projects	Total Project Cost	2012	2013	2014	2015	2016	2017	2018	2019	2020	2012 - 2020	Revised Total Project Cost
Pre-Engineering Program	1,100	(25)	0	(25)	(25)	0	25	25	25	25	25	1,125
Coliseum Complex	5,195	0	0	0	(390)	(515)	100	(50)	275	(393)	(973)	4,222
Direct Energy Centre	4,830	(440)	(535)	35	0	(100)	(75)	650	500	100	135	4,965
Better Living Centre	2,885	350	0	100	315	100	100	(190)	0	(727)	48	2,933
Environmental Restoration	1,150	(150)	(150)	(350)	(150)	(150)	(50)	(50)	(50)	(50)	(1,150)	0
Parks, Parking Lots and Roads	5,450	(775)	(20)	185	485	240	300	1,350	877	1,375	4,017	9,467
Horse Palace	2,613	0	(300)	(150)	(730)	150	465	350	417	0	202	2,815
Queen Elizabeth Building	4,500	(170)	(75)	150	380	575	390	(700)	(1,850)	0	(1,300)	3,200
Food Building	775	(175)	(100)	0	(10)	0	0	0	0	0	(285)	490
Equipment	8,333	400	475	(745)	(375)	(160)	(250)	(300)	215	(73)	(813)	7,520
Other Buildings	2,270	(15)	(15)	(15)	(15)	100	85	(10)	85	0	200	2,470
Green Energy Initiatives	4,750	0	0	(4,000)	0	0	0	0	0	0	(4,000)	750
National Soccer Stadium (BMO Field)	317	625	325	505	275	120	915	435	340	285	3,825	4,142
Press Building	165	0	0	0	0	0	0	0	8	0	8	173
Allstream Conference Centre	0	0	0	0	0	0	0	0	0	400	400	400
General Services Building	0	0	0	0	0	0	0	0	125	0	125	125
<b>Total Projects Changes</b>	<b>44,333</b>	<b>(375)</b>	<b>(395)</b>	<b>(4,310)</b>	<b>(240)</b>	<b>360</b>	<b>2,005</b>	<b>1,510</b>	<b>967</b>	<b>942</b>	<b>464</b>	<b>44,797</b>

**2012 – 2021 Recommended Capital Plan**

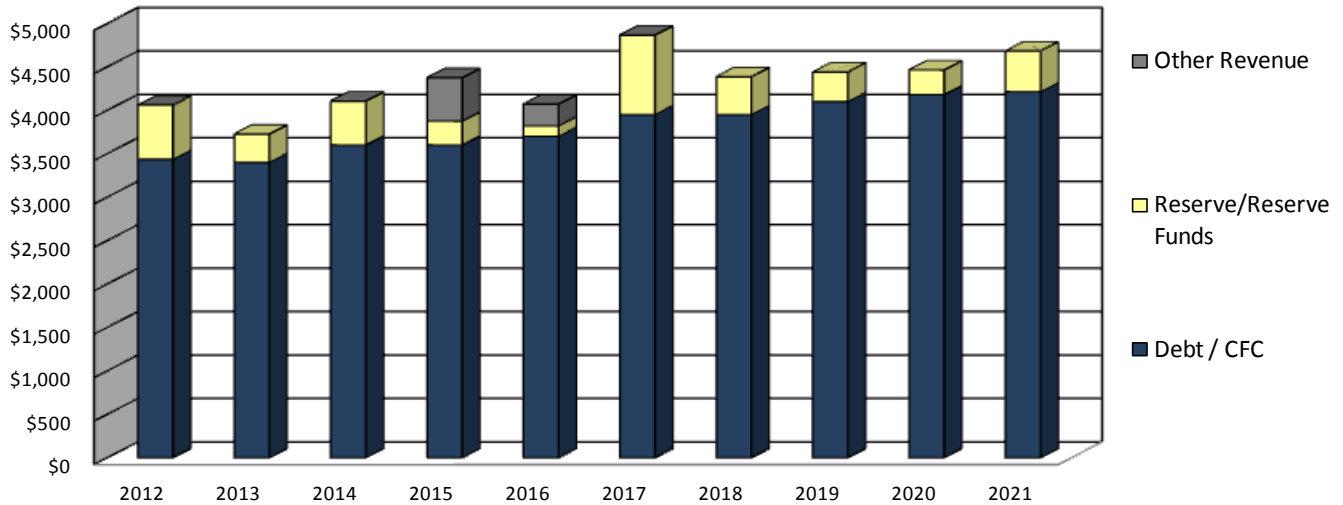
**2012–2021 Capital Plan by Project Category**  
(In \$000s)





- The 10 Year Recommended Capital plan provides funding of \$28.903 million or 67% for SOGR projects, \$11.495 million or 27% for Service Improvement projects, and \$2.775 million or 6% for Health and Safety and Legislated projects combined.
  - The first 5 years of the 10–Year Recommended Capital Plan provides funding of \$13.835 million or 68% for SOGR projects, \$4.5 million or 22% for Service Improvement projects, and \$2.0 million or 10% for Health and Safety and Legislated projects combined.
  - The second 5 years of the 10–Year Recommended Capital Plan provides funding of \$15.068 million or 66% for SOGR projects, \$6.998 million or 30% for Service Improvement projects, and \$0.775 million or 4% for Health and Safety and Legislated projects combined.
- Over the 10–year period, 67% of the funding is allocated to SOGR projects for the 20 buildings as directed by audits on each building, yet there is still insufficient funding to address 100% of the SOGR needs.
- State of Good Repair projects address the renewal needs of aging and deteriorating infrastructure. Projects that maintain assets in a state of good repair represent 67% or \$28.903 million of the projects included in the 10–Year Recommended Capital Plan.
- Health and Safety projects represent less than 3% or \$1.190 million of the projects included in 10–Year Recommended Capital Plan and will provide security improvements on the grounds.
- Legislated projects account for less than 4% or \$1.585 million of the projects included in the 10–Year Recommended Capital Plan, focusing on washroom access upgrades and Building Waste Management System project to help Exhibition Place meet the City’s waste diversion target of 70%.
- Service Improvement projects account for 27% or \$11.495 million of the projects included in the 10–Year Recommended Capital Plan. Key service improvement projects include improvements to the National Soccer Stadium (BMO Field) (\$4.295 million), various electrical infrastructure improvements for Show Services (\$2.150 million) and parking lot improvements (\$4.300 million).

2012–2021 Capital Plan by Funding Source  
(In \$000s)



- The 10–Year Recommended Capital Plan requires total funding of \$43.173 million, excluding carry forward funding. Overall, debt constitutes about 88% of the required funding at \$38.128 million. This debt funding meets the debt affordability targets over the 10–Year Capital Plan. However, debt funding of \$17.735 million for the first five years is \$2.710 million below debt target while the last five years debt funding exceeds debt target by the same amount.
- The remaining funding of the 10–Year Recommended Capital Plan is comprised of:
  - \$4.295 million or 10% from the Soccer Stadium Maintenance Reserve Fund (BMO Field)
  - \$0.750 million or 2% funded from third party grants, loans, and other contributions for Green Energy Initiatives
- Funding for the first 5 years of the 10 Year Recommended Capital Plan is comprised of \$17.735 million or 87% debt funding, \$1.850 million or 9% from the Soccer Stadium Maintenance Reserve Fund (BMO Field) and \$0.750 million or 4% from other third–party revenue.

### Summary of Major Capital Initiatives by Category (In \$000s)

	Total Project Cost	2012 Rec. Budget	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2012-2021 Total
<b>State of Good Repair (incl. H&amp;S , &amp; Leg.)</b>												
Building Automation	1,900	500	300	400	100	100	100	100	100	100	100	1,900
Coliseum Complex	2,892				675	715	1,020		275	207		2,892
Horse Palace East Side Roof	1,375								500	875		1,375
Queen Elizabeth Building Exhibit Hall Roof	1,750				550	550	650					1,750
Direct Energy Centre	5,060	700	785	1,075	495	155	650	500	100	600		5,060
Better Living Centre	1,878	350		100	315	100	100	190		723		1,878
Parks, Parking Lots and Roads	4,507	725	580		185	290	600	800	227	500	600	4,507
Other SOGR Projects	9,541	700	850	855	940	900	990	1,025	1,313	625	1,343	9,541
<b>Sub-Total</b>	<b>28,903</b>	<b>2,975</b>	<b>2,515</b>	<b>2,430</b>	<b>2,765</b>	<b>3,150</b>	<b>3,615</b>	<b>2,765</b>	<b>2,915</b>	<b>3,130</b>	<b>2,643</b>	<b>28,903</b>
<b>Service Improvements</b>												
National Soccer Stadium (BMO Field)	4,295	625	325	505	275	120	915	435	340	285	470	4,295
Parks, Parking Lots and Roads	4,300		350	150				950	950	950	950	4,300
Other Service Improvements Projects	2,900	200	300	400	650	600	250	100	100	100	200	2,900
<b>Sub-Total</b>	<b>11,495</b>	<b>825</b>	<b>975</b>	<b>1,055</b>	<b>925</b>	<b>720</b>	<b>1,165</b>	<b>1,485</b>	<b>1,390</b>	<b>1,335</b>	<b>1,620</b>	<b>11,495</b>
<b>Sub-Total Health and Safety/Leislated</b>	<b>2,775</b>	<b>260</b>	<b>235</b>	<b>620</b>	<b>685</b>	<b>200</b>	<b>85</b>	<b>135</b>	<b>135</b>		<b>420</b>	<b>2,775</b>
<b>Total</b>	<b>43,173</b>	<b>4,060</b>	<b>3,725</b>	<b>4,105</b>	<b>4,375</b>	<b>4,070</b>	<b>4,865</b>	<b>4,385</b>	<b>4,440</b>	<b>4,465</b>	<b>4,683</b>	<b>43,173</b>

### Major Capital Initiatives

- The 10–year Recommended Capital Plan includes funding of \$43.173 million for 9 major capital initiatives including \$28.903 million or 67% million for SOGR projects and \$11.495 million or 27% for Service Improvement projects.

### State of Good Repair

- The *Building Automation* project provides \$1.9 million over the 10\_year period to modernize and consolidate plant management and building information systems in various buildings. Improved energy monitoring and control systems will translate into lower utilities costs and reduce pressure on the environment. This is an ongoing project with cash flow funding provided annually to address these needs.
- The *Coliseum Complex* project of \$2.892 million is intended to correct structural and building envelope deficiencies and will start in 2015.
- The *Horse Palace East Side Roof Replacement* project provides funding of \$1.375 million to replace the East Side roof. The replacement of the aging east side roof, identified in the 2007 assessment, involves temporary relocation of PV cells to accommodate the roof replacement. Replacement of the roof will start in 2019.
- The *Queen Elizabeth Building Roof Replacement* project, at a cost of \$1.750 will replace the roof at the Queen Elizabeth Exhibition Hall. Replacement of the roof will start in 2015. This need was identified in the 2007 Building Assessment to mitigate water penetration to the interior of the building.
- The *Direct Energy Centre* project provides \$1.500 million to replace the Chiller/Cooler, \$0.660 million to replace sections of the movable Huffcore Wall, \$0.500 million to replace the west underground rollup door and \$0.925 million to refurbish washrooms.

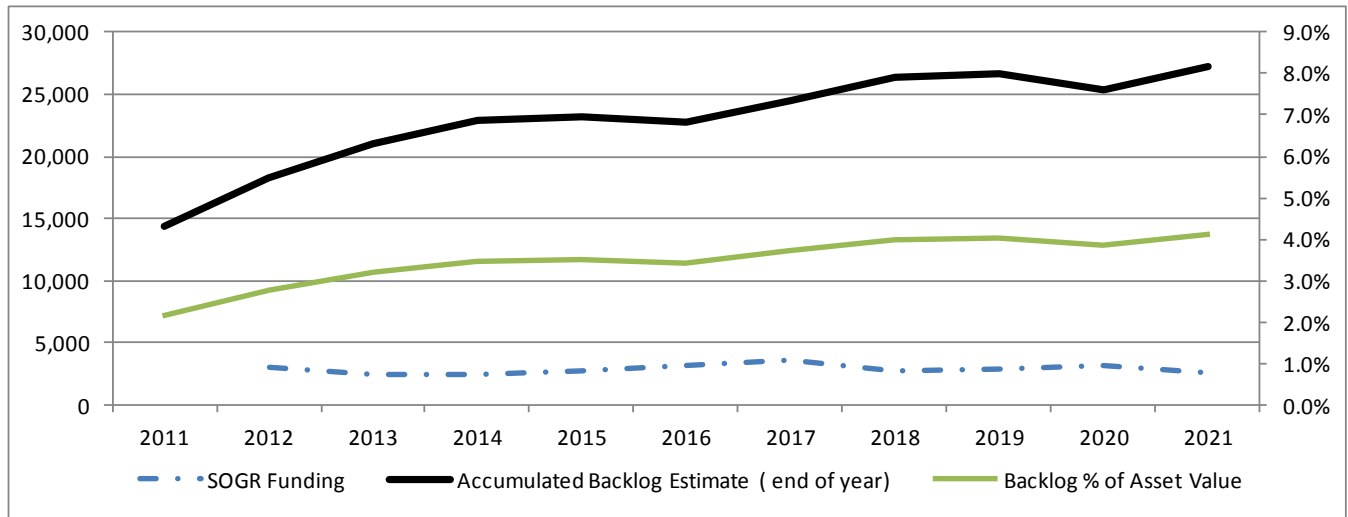
- The *Better Living Centre* project provides funding of \$0.625 million for the capsulation of interior lead, \$0.530 million for electrical infrastructure and \$0.500 million to replace an air handling unit.
- The *Parks, Parking Lots and Roads* project provides \$2.557 for SOGR work for Sidewalks, Pathways and Roads/Parking lots and \$1.850 million for street and parking lots lighting retrofit.

### Service Improvements

- The *National Soccer Stadium (BMO Field)* project has a cost of \$4.295 million for building upgrades, funded from the Soccer Stadium Maintenance Reserve Fund (BMO Field). The building upgrades include the replacement of a ticket scanner system, seating replacement, replacement of broken concrete; replacement of wooden stairs with galvanized steel; and improved Grandstand seating. This is an ongoing project with annualized funding provided from the annual contribution of \$0.400 million to the reserve fund by the private operator in accordance with the Operating Agreement.
- The *Parks, Parking Lots and Roads* project provides \$4.300 million for Service Improvements to parking lots and roads on the Exhibition Place grounds.

### State of Good Repair (SOGR) Backlog

**SOGR Funding & Backlog**  
(In \$000s)



### State of Good Repair (SOGR) Backlog

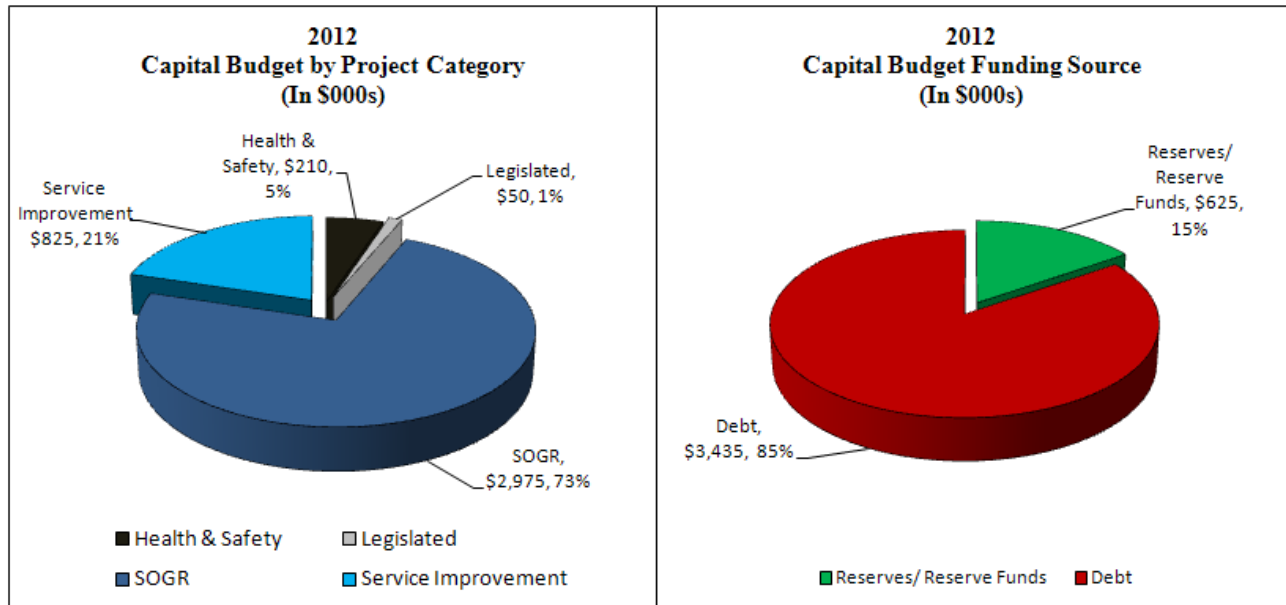
- Exhibition Place is responsible for 192 acres including 9 buildings designated under the Ontario Heritage Act and a further 20 buildings and structures listed on the City’s Inventory of Heritage Properties. These structures have historical and cultural significance. Many of these buildings were constructed before modern energy conservation, lighting, and heating standards were developed.
- Exhibition Place has completed 10 building audits and continues to assess buildings and perform yearly inspections and audits on the grounds to determine need and avoid health and safety implications for employees, clients and visitors.
- The 2011 year–end state of good repair backlog is valued at \$14.322 million. The state of good repair backlog has decreased substantially from 2009 as the Program has spent \$16.9 million on SOGR capital work, assisted by \$17.730 million of ISF funding in 2010. The 10–Year Recommended Capital Plan results in a \$12.929 million increase to the backlog to \$27.251 million by 2021. The annual allocation to SOGR projects is not sufficient to fund 100% of the yearly requirements for SOGR.
- The total replacement cost for all buildings and structures at Exhibition Place was estimated at \$659.0 million at the end of 2011. The SOGR backlog rate as a percentage of replacement costs is 2.2% at the end of 2011 and will average approximately 4% from 2014 to 2021.

**10–Year Capital Plan: Operating Impact Summary**

- The 10–Year Recommended Capital Plan does not result in an incremental operating impact on Exhibition Place's Operating Budget since there are no significant "new" facilities recommended.
- In accordance with established practice, Exhibition Place will absorb any operating costs arising from completed projects in its 2012 Recommended Capital Budget and 2013–2021 Recommended Capital Plan.
- Savings from Green Energy projects are used for the most part, to repay the loans required for the capital improvements to increase energy efficiency.

**PART III – 2012 RECOMMENDED CAPITAL BUDGET**

**2012 Capital Budget by Project Category and Funding Source**



- The 2012 Recommended Capital Budget, excluding funding carried forward from 2011 to 2012, requires \$4.060 million, including \$3.435 million funding from debt which is \$1.00 million below the debt affordability target for 2012, and \$0.625 million funding from Reserve Funds.
- Health and Safety projects account for \$0.210 million or 5% of those recommended for 2012 including, \$0.125 million to meet Fire Code for the protection system at the Food Building and \$ 0.085 million to improve the security surveillance system in various buildings
- Legislated projects account for \$0.050 million or 1% of the 2012 Recommended Capital Budget for the installation of a waste management system.
- \$2.975 million or 73% is provided for SOGR projects including \$2.892 million for the Coliseum Complex and \$1.750 million for the Queen Elizabeth Building.
- Service Improvement projects represent 21% of the 2012 Recommended Capital Budget or \$0.825 million, including \$0.625 million for the National Soccer Stadium improvements which are 100% funded from Reserve Funds.

## 2012 Recommended Cash Flow &amp; Future Year Commitments

(In \$000s)

	2010 & Prior Year Carry Forward	2012 Previously Approved Cash Flow Commitments	2012 New Cash Flow Rec'd	2012 Total Cash Flow Rec'd	2011 Carry Forwards	Total 2012 Cash Flow (Incl 2011 C/Fwd)	2013	2014	2015	2016	2017	2018	2019	2020	2021	Total Cost
<b>Expenditures</b>																
Previously Approved Change in Scope																
New			4,060	4,060		4,060										4,060
New w/Future Year																
<b>Total Expenditure</b>			4,060	4,060		4,060										4,060
<b>Financing</b>																
Debt			3,435	3,435		3,435										3,435
Other Reserves/Res Funds			625	625		625										625
Development Charges ISF Provincial/Federal																
<b>Total Financing</b>			4,060	4,060		4,060										4,060

\*Please refer to Appendix 4 for detailed project listings

- The 2012 Recommended Capital Budget of \$4.060 million provides funding for new projects only.
- The 2012 recommended debt funding of \$3.435 million is \$1.0 million below the Program's debt target of \$4.435 million.
- Exhibition Place has deferred \$1.0 million capital projects from 2012 to the last five Years of the 10–Year Capital Plan period to reduce debt service costs during the peak City wide debt service period projected by the City and better match its own forecasted needs.



## 2012 Recommended Capital Project Highlights

### 2012 Recommended Capital Projects (In \$000s)

Project	Total Project Costs	2012	2013	2014	2015	2016	2012-2016	2017	2018	2019	2020	2021	2012-2021
Pre-Engineering Program	100	100					100						100
Direct Energy Centre	700	700					700						700
Better Living Centre	350	350					350						350
Parks, Parking Lots and Roads	725	725					725						725
Food Building	125	125					125						125
Equipment	1,350	1,350					1,350						1,350
Other Buildings	85	85					85						85
National Soccer Stadium (BMO Field)	625	625					625						625
<b>Total (including carry forward)</b>	<b>4,060</b>	<b>4,060</b>					<b>4,060</b>						<b>4,060</b>

The 2012 Recommended Capital Budget provides funding of \$4.060 million funding to:

- Continue the following projects:
  - Pre-Engineering Program, \$0.100 million:  
Professional fees for studies, assessments and planning, \$0.100 million.
  - Direct Energy Centre, \$0.700 million:  
Replacement of damaged sections of Movable Huffcore Wall, renovations of washrooms and retrofit of Salons and interior equipment.
  - Better Living Centre, \$0.350 million:  
Capsulation of interior lead and electrical retrofit.
  - Parks Parking Lots and Roads, \$0.725 million:  
Sidewalks, Pathways and Roads, lighting retrofits.
  - Food Building, \$0.125 million:  
Fire Protection System retrofit.
  - Equipment, \$1.350 million:  
Fire Alarm Panel replacement (various locations), replace fibre optic cable grounds wide, transformers, switchgears, circuit breakers & feeders, Building Automation System.
  - Other Buildings, \$0.085 million:  
Grounds Security Surveillance System, CCTV.
  - National Soccer Stadium (BMO Field), \$0.625 million:  
Equipment upgrades, Kiosks and building repairs, 100% funded from the Soccer Stadium Maintenance Reserve Fund.

## PART IV: ISSUES FOR DISCUSSION

### 2012 Issues

#### Core Service Review Impacts

- At its meeting of September 26 and 27, 2011, City Council authorized the City Manager:
  - To negotiate, in consultation with the General Manager of Exhibition Place, and report on an agreement of separation and governance arrangements between Ex. Pl. and the Canadian National Exhibition Association (CNEA)
  - To work with Provincial Government on potential partnership opportunities with Ontario Place, and report back to Executive Committee as required.
- The 2012–2021 Recommended 10–Year Capital Plan has not been impacted by Core Service Review direction. The 10–Year Capital Plan for Exhibition Place will be adjusted in future years should an agreement to change the governance structure of the Exhibition Place be reached or to account for any potential partnership opportunities with Ontario Place that may require future capital works.

### Future Year Issues

#### *Green Energy Initiatives*

- The 2012–2021 Recommended Capital Plan includes funding for Green Energy Initiatives planned to start in 2015 that work towards energy self–efficiency at Exhibition Place including the funding of 2 green roofs on the Better Living Centre (\$0.5 million) and the addition of a green roof for West Annex (\$0.250 million).
- The 2 Green Energy sub–projects will rely on funding provided by third party grants, loans, other revenues and contributions. Third party financing for these projects will continue to be sought. These projects are included in the 10–Year Capital Plan and are recommended for approval conditional on receipt of third party funds.

## Appendix 1

### 2011 Performance

#### 2011 Key Accomplishments

In 2011 Exhibition Place achieved the following results:

- ✓ The Automotive Building Restoration project for 2011 is 100% complete.
- ✓ The 2011 phase of the Princes Gates Restoration project is 100% complete.
- ✓ Repair and upgrades of the Better Living Centre envelope and upgrades are 100% complete.
- ✓ Repairs to East Annex roof and the North Extension roof at the Coliseum are 100% complete.
- ✓ Building improvements to the Direct Energy Centre are 100% complete.
- ✓ Improvements to the Press Building are 100% complete.
- ✓ Replacement of the Music Centre's windows and doors is complete.

#### 2011 Capital Variance Review

##### 2011 Budget to Actuals Comparison – Total Gross Expenditures (In \$000s)

2011 Approved	Actuals as of September 30th (3rd Qtr Variance)		Projected Actuals at Year End		Unspent Balance	
	\$	% Spent	\$	% Spent	\$	% Unspent
14.6	9.1	62.5%	14.6	100.0%	0	0.0%

- Exhibition Place's capital expenditures for the period ending September 30, 2011 totalled \$9.1 million or 62.5% of the 2011 Approved Capital Budget of \$14.6 million. Capital spending is projected to reach \$14.6 million or 100% of the 2011 Approved Budget by year end.
- Final carry forward funding requirements, if any, will be reported in the First Quarter Capital Variance Report for 2012.

## Appendix 2

### 10 – Year Recommended Capital Plan Project Summary

Project	Total Project Costs	2012	2013	2014	2015	2016	2012-2016	2017	2018	2019	2020	2021	2012-2021
Pre-Engineering Program	1,153	100	125	100	100	100	525	125	125	125	125	128	1,153
Coliseum Complex	2,892	-	-	-	675	715	1,390	1,020	-	275	207	-	2,892
Direct Energy Centre	5,060	700	785	1,075	0	495	3,055	155	650	500	100	600	5,060
Better Living Centre	1,878	350	0	100	315	100	865	100	190	0	723	-	1,878
Parks, Parking Lots and Roads	10,042	725	930	635	735	490	3,515	600	1,750	1,177	1,450	1,550	10,042
Horse Palace	3,290	0	0	0	0	250	250	465	350	875	875	475	3,290
Queen Elizabeth Building	3,540	0	300	300	550	800	1,950	950	300	0	0	340	3,540
Food Building	390	125	100	0	165	0	390						390
Equipment	7,895	1,350	1,075	1,305	975	550	5,255	450	500	765	300	625	7,895
Other Buildings	1,090	85	85	85	85	200	540	85	85	85	0	295	1,090
Green Energy Initiatives	750				500	250	750						750
National Soccer Stadium (BMO Field)	4,295	625	325	505	275	120	1,850	915	435	340	285	470	4,295
Press Building	373						0			173		200	373
Allstream Conference Centre	400										400		400
General Services Building	125									125			125
<b>Total (including carry forward)</b>	<b>43,173</b>	<b>4,060</b>	<b>3,725</b>	<b>4,105</b>	<b>4,375</b>	<b>4,070</b>	<b>20,335</b>	<b>4,865</b>	<b>4,385</b>	<b>4,440</b>	<b>4,465</b>	<b>4,683</b>	<b>43,173</b>

## Appendix 3

### 2012 Recommended Capital Budget; 2013 to 2021 Capital Plan

## Appendix 4

### 2012 Recommended Cash Flow and Future Year Commitments

## Appendix 5

### 2012 Recommended Capital Project with Financing Details

## Appendix 6

### 2012 Reserve/Reserve Fund Review

#### Program Specific Reserve/Reserve Funds

\$000s

<b>Table 1</b>		Projected Balance as at Dec. 31, 2011 *	Proposed Withdrawals										
<b>Reserve / Reserve Fund Name</b>	<b>Project / SubProject Name and Number</b>		2012 Rec. Budget	2013 Plan	2014 Plan	2015 Plan	2016 Plan	2017 Plan	2018 Plan	2019 Plan	2020 Plan	2021 Plan	2012 - 2021 Total
XR-3601 Soccer Stadium Maintenance Reserve Fund	Beginning Balance	\$225	\$225	\$0	\$400	\$800	\$1,200	\$1,600	\$2,000	\$2,400	\$2,800	\$3,200	
	Upgrades		(\$92)										(\$92)
	Kiosks		(\$60)										(\$60)
	Building Repairs		(\$473)										(\$473)
	Total Proposed Withdrawals		(\$625)										(\$625)
	Projected Contributions		\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$400	\$4,000
<b>TOTAL RESERVE FUND BALANCE AT YEAR-END</b>		<b>\$225</b>	<b>\$0</b>	<b>\$400</b>	<b>\$800</b>	<b>\$1,200</b>	<b>\$1,600</b>	<b>\$2,000</b>	<b>\$2,400</b>	<b>\$2,800</b>	<b>\$3,200</b>	<b>\$3,600</b>	