

2021 Budget Notes

Exhibition Place

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Description

Exhibition Place represents a true "Gathering Place" for residents of both the City and Province, as well as national and international visitors to the region. Over its history, Exhibition Place has evolved to serve as a central location for public celebrations, festival, and events. Exhibition Place is a key economic generator for the City of Toronto and is Canada's largest and best entertainment and sports venue on 192 acres; containing beautiful parkland and both modern and heritage facilities. Exhibition Place is the annual host to approximately 5.5 million visitors, more than 300 events including some of the top consumer exhibitions in Canada such as the Toronto International Boat Show, the National Home Show, the Canadian National Exhibition and the Royal Agricultural Winter Fair.

Why We Do It

To maintain and elevate the image of the public asset, parklands and heritage buildings, maintain long-term operational financial stability, and promote internal and external customer service excellence, optimize profits and generating economic impact to the City of Toronto and GTA. Also to elevate Exhibition Place as a global leader for exhibitions, conventions & events by creating excellent and sustainable experiences for our customers.

What Services We Provide

Exhibition and Events

Who We Serve: Event Participants (national and international); Local Businesses and Residents; Leased tenants

What We Deliver: To provide exhibit halls and service for shows and outdoor space for public celebrations and events

How Much Resources (gross operating budget): \$23.282 million

Conventions, Conference & Meetings

Who We Serve: Event Participants (national and international); Local Businesses and Residents; Leased tenants

What We Deliver: Provides new meeting rooms, exhibit space, and a Class A ballroom

How Much Resources (gross operating budget): \$4.784 million

Exhibition Place Parking Access

Who We Serve: Event Participants (national and international); Local Businesses and Residents; Leased tenants

What We Deliver: To provide convenient access to public parking for Exhibition Place events, BMO field sporting events, and general public use

How Much Resources (gross operating budget): \$1.715 million

Exhibition Place Asset Management

Who We Serve: Exhibition Place; City of Toronto

What We Deliver: To provide maintenance and construction services to Exhibition Place facilities and structures

How Much Resources (gross operating budget): \$14.027 million

Budget at a Glance

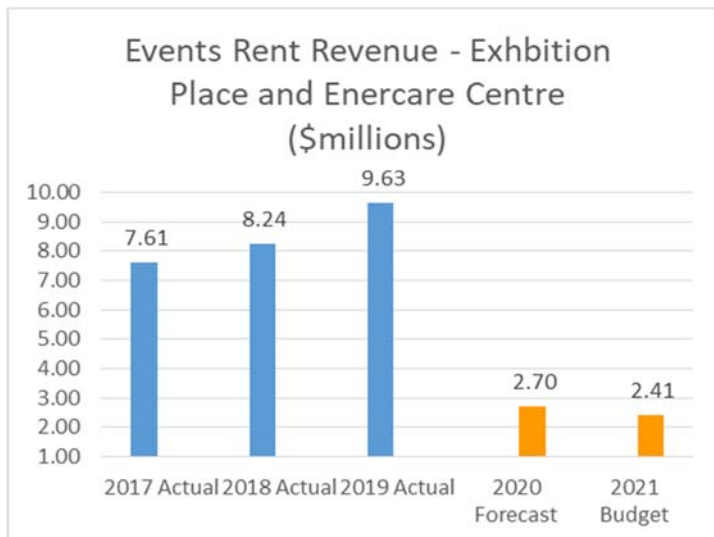
2021 OPERATING BUDGET			
\$Million	2021	2022	2023
Revenues	\$35.8	\$59.8	\$60.8
Gross Expenditures	\$43.8	\$59.3	\$60.3
Net Expenditures	\$8.0	(\$0.5)	(\$0.5)
Approved Positions	254.0	357.0	357.0

2021 - 2030 10-YEAR CAPITAL PLAN			
\$Million	2021	2022-2030	Total
Gross Expenditures	\$11.5	\$138.1	\$149.6
Debt	\$11.5	\$131.7	\$143.3

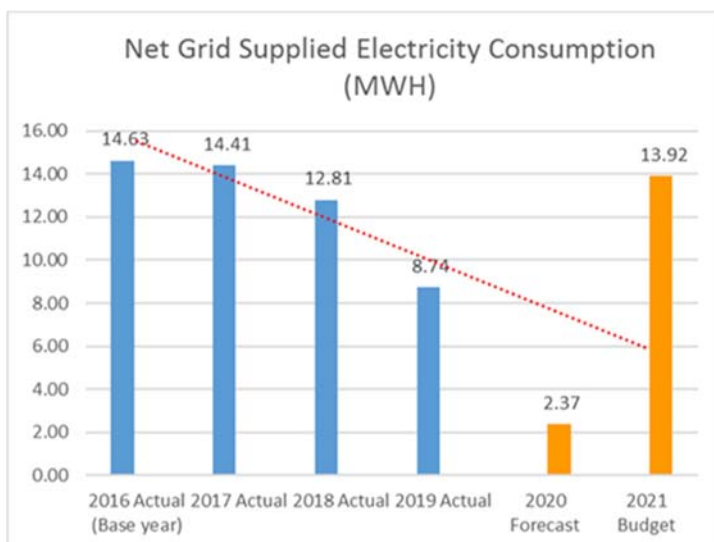
Note: Includes 2020 carry forward funding to 2021

*This document reflects the 2021 Operating Budget and 2021-2030 Capital Budget and Plan as recommended by the City's Manager and Chief Financial Officer and Treasurer.

How Well We Are Doing – Behind the Numbers



- Enercare Centre is the largest trade and consumer show facility in Canada and the sixth largest in North America with over 1.1 million square feet of contiguous space. In addition, Exhibition Place has a 192-acre site that allows public celebrations and events, such as the Honda Indy Toronto, and Toronto Caribbean Festival. On an annual basis the Exhibitions and Events service is hosting over 150 events and has a direct annual economic impact of more than \$425 million to Toronto.
- Actual experience suggests that the Enercare Centre and Exhibition Place continue to grow its occupancy rates and number of events hosted.
- 2019 actual rent is higher because contribution from one-time large events such as The Jehovah's Witnesses Conference, TD SMG Meeting, 16U 17U 18U Boys Volleyball National Championships, and Collision Conference.



- Exhibition Place sets a goal to aim for Electricity Net Grid Consumption; as an annual tactic, Management set a target to reduce kWh consumption by 1% a year from the base year of 2016. 2021 target is set at 1% from prior year target consistently as the annual goal.
- 2020 forecasted actual Net Grid Supplied Electricity Consumption is reduced significantly primarily due to the electricity production from District Energy System (DES), new high efficiency chiller, and the new GREENSmart lighting policy.

How Well We Are Doing

Service	Service Measure	2018 Actual	2019 Actual	2020 Target	2020 Projection	2021 Target	2022 Target	Status
Service Level Measures								
Exhibition and Events	% compliance with negotiated terms	100%	100%	100%	100%	100%	100%	●
	\$X food & beverage sales per attendee	5.20	5.37	5.47	6.58	5.42	5.42	●
	\$X of Service Revenue per \$1 of Rent Revenue	\$0.56	\$0.75	\$0.71	\$0.48	\$1.05	\$0.72	●
	\$X per square foot of long-term tenant space supported	\$7.88	\$9.84	\$8.76	\$5.97	\$6.45	\$9.07	●
Conventions, Conferences & Meetings	% compliance with negotiated terms	100%	100%	100%	100%	100%	100%	●
	\$x food and beverage sales per attendee	\$91.28	\$140.06	\$91.28	\$119.80	\$93.82	\$93.82	●
	\$X of Service Revenue per \$1 of Rent Revenue	\$0.20	\$0.27	\$0.57	\$0.50	\$0.30	\$0.30	●
Exhibition Place Parking Access	Variable labour cost ratio of x% of revenue	10%	9%	9%	13%	9%	9%	●
	x% of parking spaces available and accessible for all major events	100%	100%	100%	100%	100%	100%	●
Exhibition Place Asset Management	Waste Diversion %	84%	70%	90%	41%	70%	70%	●

COVID-19 IMPACT AND RECOVERY

2020 Impact	2021 Impact and Recovery
<p>Financial Impact (Operating)</p> <p>Since the decision made by City of Toronto and the Provincial Public Health to cancel all programs and events due to COVID-19 pandemic, a number of Exhibition Place show organizers have invoked the Force Majeure clause in their license agreements to cancel or postpone their 2020 events. In addition, tenants operations across the grounds have also been impacted and therefore the loss of related ancillary revenue such as parking and show services from their closures. The estimated impact from COVID-19 is the budget pressure of \$14.092 million:</p> <ul style="list-style-type: none"> • \$20.18 million lost net revenue from public events cancellation • \$0.50 million additional cost required to sanitize and operate the facility to new industry standard • \$4.20 million operating cost savings from cancelling all non-essential expenditures, delay in rehiring management staff who retired in 2020, temporary laying off of casual/temporary staff, reducing in volume of base building maintenance, reducing staff overtime and stop contribution to various reserves • \$2.39 million withdrawal from Conference Centre Reserve Fund to pay City loans 	<p>Financial Impact (Operating)</p> <p>The estimated impact from COVID-19 is a budget pressure of \$8.000 million:</p> <ul style="list-style-type: none"> • \$16.13 million lost net revenue from public events cancellation • \$0.15 million additional cost required to sanitize and operate the facility to new industry standard • \$4.18 million operating cost savings from cancelling all non-essential expenditures, delay in rehiring management staff who retired in 2020, temporary laying off of casual/temporary staff, reducing in volume of base building maintenance, reducing staff overtime and stop contribution to various reserve • \$3.60 million withdrawal from Conference Centre Reserve Fund to pay City loans
<p>Financial Impact (Capital)</p> <ul style="list-style-type: none"> • \$6.34 million in capital projects delayed as part of the City's capital slowdown to enable potential offsets to COVID-19 impacts, resulting in lower than projected spend rate of 56%. Exhibition Place forecasts to achieve a 93% spend rate, excluding COVID-19 impacts. • Cash flow funding of \$6.34 million has been resubmitted to 2021 and 2022 in the amount of \$6.12 million and \$0.22 million respectively. • The impact of COVID-19 on the 10-Year Capital Plan is \$8.365 million deferred to future years. 	<p>Financial Impact (Capital)</p> <ul style="list-style-type: none"> • Due to COVID-19 the 2021 Capital Budget was reduced by \$3.71 million to \$11.553 million • The 2021 Capital Budget includes \$6.12 million deferred from 2020 to 2021 due to COVID-19 • Projects have been budgeted based on priority and the capacity to spend
<p>Service Level Changes</p> <ul style="list-style-type: none"> • Once operations are normalized Exhibition Place will review service levels for any ongoing requirements for operations and community needs and will make adjustments accordingly 	<p>Service Level Changes</p> <ul style="list-style-type: none"> • Once operations are normalized Exhibition Place will review service levels for any ongoing requirements for operations and community needs and will make adjustments accordingly

EXPERIENCES, CHALLENGES AND PRIORITIES

Our Experience and Success

- In 2020 Exhibition Place is the first Canadian venue to receive the Global Biorisk Advisory Council (GBAC STAR™) facility accreditation which is the cleaning industry's only outbreak prevention, response and recovery accreditation for facilities
- In 2020 Exhibition Place received the Safe Travels Stamp designation from the World Travel and Tourism Council (WTTC) and Tourism Industry Association of Ontario (TIAO)
- In 2019 we successfully delivered large city-wide booking events such as Collision Conference and The Jehovah's Witnesses Conference
- Exceeded financial and operating budget targets from 2007-2019 total by \$26.53 million.
- We are servicing approximately 1,800 vehicles passing by daily through the grounds, in addition, to approximately 500,000 vehicles parking on an annual basis and the bicyclists who use bicycle lanes from Dufferin Gate to Princes' Gate and connects to Martin Goodman Trail
- Exhibition Place is a Canadian leader in environmental sustainability for convention centre operations. Enercare Centre is awarded LEED® EB:O&M Platinum Certification (Existing Buildings: Operations and Maintenance)
- Beanfield Centre is awarded "LEED® Silver Certified" by the Canada Green Building Council
- Exhibition Place is projected to reach a spend rate of 80% or higher for the 10-Year Capital Plan for the past three years
- Hot on the heels of winning EXHIBITOR Magazine's Centers of Excellence award in October, Enercare Centre has just been awarded EXHIBITOR Magazine's Best Convention Center (500,000 – 1 million square feet of exhibit space)

Key Challenges and Risks

- Further demonstrated focus on sustainability by preserving and upgrading parkland.
- Expanding the Customer Base by appealing to adjacent residential development.
- Ontario Place / Exhibition Place joint redevelopment/transformation.
- Expansion of Class A convention facilities to meet potential demand.
- Hotel X Phase 2 development.
- The Central Waterfront Secondary Plan.
- Dependence on entertainment/event revenues and impact of global economy on such revenues.
- Growing access and congestion issues in Toronto and immediate area.
- Changing security issues as a high-profile public venue.
- Impact on increased Exhibition Place activity on the surrounding neighborhoods.
- High demand and shortage of labour resources from all trades in order to provide service to clients (i.e. BMO Field, tenants, events, and Hotel X).
- Increasing operational costs in order to deliver current service standards: i.e. increase of unionized wages and benefits (based on contractual agreements); utilities cost, federal carbon tax on natural gas, paid-duty police and security costs etc.
- Maintain and elevate the image of the public asset, parklands and heritage buildings, maintain long-term operational financial stability, and promote internal and external customer service excellence, optimize profits and generating economic impact to the City of Toronto and GTA.
- Value and embrace diversity and inclusion.
- Continue promoting environmental initiatives and energy conservation.
- Review and assess the impacts of COVID – 19 on existing service levels, streamline business processes to increase efficiency and redirect financial resources to fund the impacted/needed areas.
- Capital Works – Capacity to spend could be limited if the event industry returns to normal. The demand for event space could limit the available time to complete major capital projects.
- Capital Works – to achieve a spend rate of at 90% of the 2021 Capital Budget. Significant projects are the Enercare Centre \$4.72 million and Electrical Underground High Voltage Equipment \$2.70 million.
- Addressing the State of Good Repair Backlog estimated at \$32.30 million in 2021 and anticipated to grow to \$119.63 million by 2030.

RECOMMENDATIONS

The City Manager and Chief Financial Officer and Treasurer recommend that:

1. City Council approve the 2021 Operating Budget for Exhibition Place of \$43.809 million gross, \$35.809 million revenue and \$8.000 million net for the following services:

Service:

	Gross Expenditures (\$000s)	Revenue (\$000s)	Net Expenditures (\$000s)
Exhibitions & Events	23,282.3	24,100.3	(818.1)
Conventions, Conferences & Meetings	4,784.4	6,955.4	(2,171.0)
Exhibition Place Parking Access	1,715.3	1,950.3	(235.0)
Exhibition Place Asset Management	14,027.5	2,803.4	11,224.1
Total Program Budget	43,809.4	35,809.4	8,000.0

2. City Council approve the 2021 staff complement for Exhibition Place of 254.0 positions comprised of 6.0 capital position and 248.0 operating positions.
3. City Council approve the 2021 market rate user fee changes for Exhibition Place identified in Appendix 9, for inclusion in the Municipal Code Chapter 441 "Fees and Charges".
4. City Council approve the 2021 Capital Budget for Exhibition Place with cash flows and future year commitments totaling \$11.985 million as detailed by project in Appendix 6a.
5. City Council approve the 2022-2030 Capital Plan for Exhibition Place totalling \$138.101 million in project estimates as detailed by project in Appendix 6b.
6. City Council request that all sub-projects with third party financing be approved conditionally, subject to the receipt of such financing in 2021 and if such funding is not forthcoming, their priority and funding be reassessed by City Council relative to other City-financed priorities and needs.

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2021 OPERATING BUDGET

2021 OPERATING BUDGET OVERVIEW

Table 1: 2021 Operating Budget by Service

(In \$000s)	2019 Actual	2020 Budget	2020 Projection	2021 Base Budget	2021 New / Enhanced	2021 Budget	Change v. 2020 Projection	
By Service	\$	\$	\$	\$	\$	\$	\$	%
Revenues								
Conventions, Conferences & Meetin	6,085.8	5,341.3	3,815.6	6,955.4		6,955.4	3,139.8	82.3%
Exhibition Place Asset Managemer	3,438.4	3,157.4	3,886.9	2,803.4		2,803.4	(1,083.5)	(27.9%)
Exhibition Place Parking Access	8,870.8	8,367.8	2,057.1	1,950.4		1,950.4	(106.7)	(5.2%)
Exhibitions & Events	44,390.7	40,687.4	11,721.2	24,100.3		24,100.3	12,379.2	105.6%
Total Revenues	62,785.7	57,553.8	21,480.7	35,809.4		35,809.4	14,328.7	66.7%
Expenditures								
Conventions, Conferences & Meetin	5,317.3	5,289.3	4,067.8	4,784.4		4,784.4	716.6	17.6%
Exhibition Place Asset Managemer	16,241.6	15,403.2	12,824.8	14,027.5		14,027.5	1,202.7	9.4%
Exhibition Place Parking Access	3,319.0	3,334.2	1,686.6	1,715.3		1,715.3	28.7	1.7%
Exhibitions & Events	35,663.5	33,027.1	16,493.4	23,282.3		23,282.3	6,788.9	41.2%
Total Gross Expenditures	60,541.4	57,053.8	35,072.5	43,809.4		43,809.4	8,736.9	24.9%
Net Expenditures	(2,244.3)	(500.0)	13,591.8	8,000.0		8,000.0	(5,591.8)	(41.1%)
Approved Positions	356.0	357.0	357.0	254.0		254.0	(103.0)	(28.9%)

*2020 Projection based on Q3 Variance Report

COSTS TO MAINTAIN EXISTING SERVICES

Total 2021 Base Budget expenditures of \$43.809 million gross reflecting an increase of \$8.737 million in spending above 2020 projected year-end actuals, predominantly arising from:

- Utilities and contract service cost increases from inflation
- Event expenditure increases; which are offset by increases in user fees and recoveries based on anticipated volumes changes from Exhibitions and Events service
- During the 1st six months of 2021, Exhibition Place anticipates a financial pressure from lost events revenues due to cancellations caused by COVID-19. This pressure is partially offset by savings from increases in efficiency and reductions of various non-essential expenditure items.

Given the financial impacts of COVID-19 on 2020 actuals, a further comparison of the 2021 Recommended Budget (excluding 2021 COVID-19 impacts) to the 2020 Council approved Budget is provided below:

- **2021 Base Budget of \$8.000 million in net expenditures reflects an \$11.266 million net decrease from the 2020 Council approved Budget, when excluding \$19.766 million in estimated COVID-19 financial impacts.**

EQUITY IMPACTS OF BUDGET CHANGES

No significant equity impacts: The changes in Exhibition Place's 2021 Operating Budget do not have any significant equity impacts.

2021 OPERATING BUDGET KEY DRIVERS

The 2021 Operating Base Budget for Exhibition Place is \$43.809 million gross or 24.9% higher than the 2020 Projected Actuals. Table 2a below summarizes the key cost drivers for the base budget.

Table 2a: 2021 Key Drivers – Base Budget

Key Cost Drivers	2019 Actuals	2020 Budget	2020 Projection	2021 Base Budget	Change Vs. 2020 Projection	
					\$	%
Expenditures						
1 Salaries and Benefits	31,867.2	32,510.8	19,561.1	23,853.3	4,292.2	21.9%
2 COVID-19 Impact			500.0	150.0	(350.0)	-70.0%
3 Materials & Supplies	4,624.4	4,655.8	4,493.6	5,085.5	591.9	13.2%
4 Equipment	534.6	522.0	522.0	372.0	(150.0)	-28.7%
5 Service and Rent	21,484.3	16,934.3	7,864.9	12,817.9	4,953.0	63.0%
6 Contribution To Reserves	2,130.9	2,430.9	2,130.9	1,530.7	(600.2)	-28.2%
Total Expenditures	60,641.4	57,053.8	35,072.5	43,809.4	8,736.9	24.9%
Revenues						
1 Provincial Subsidies						
2 User Fees & Donations	47,816.0	39,586.5	14,226.2	23,845.7	9,619.5	67.6%
3 Draw from Reserve Funds	1,801.2	4,404.5	4,402.5	5,141.0	738.5	16.8%
4 Other Revenues (Inc. IDR's)	13,268.4	13,562.8	2,852.0	6,822.7	3,970.8	139.2%
Total Revenues	62,885.7	57,553.8	21,480.7	35,809.4	14,328.7	66.7%
Net Expenditures	(2,244.3)	(500.0)	13,591.8	8,000.0	(5,591.8)	-41.1%
Approved Positions	356.0	357.0	194.0	254.0	60.0	30.9%

Salaries & Benefits:

Salaries & benefits increases due to anticipated volume changes per client demands. The additional cost is 100% recovered from clients.

Materials and Supplies:

Utility cost increases are due to inflation and additional direct utility costs to generate additional revenue from the District Energy System.

Services and Rents:

Increases in services and rents are due to anticipated event volume changes on the Exhibition Place grounds requiring additional costs per client demands. Additional event costs are fully recovered from increases in user fees and cost recoveries billed to clients.

User Fees & Donations:

User fees & donations are increasing from market rate changes to the service offered as well as anticipated volume changes.

Draw from Reserve Funds:

Increased draws from the Conference Centre Reserve Fund (CCRF) are anticipated to ensure loan payments can be made while Exhibition Place works to recover from COVID-19.

Other Revenue Changes:

Wages and Benefits recoveries revenue is higher in 2019 primarily due to contribution from one time large events at Enercare Centre and Beanfield Centre. The 2021 budget for direct wages and benefit recoveries is adjusted based on anticipated event volume changes per client demands.

Note:

- For additional information on 2021 key cost drivers refer to [Appendix 2](#).

Table 2b: 2021 Balancing Actions

(\$000s)								
Recommendation	Savings Type	2021				2022		
		Revenue	Gross	Net	Positions	Gross	Net	Positions
Withdrawal from CCRF	Other	2,387.0		(2,387.0)				
Vacancies and layoffs	Other		(1,737.0)	(1,737.0)	103.0			
Other operating cost saving (non-labour costs such as hydro, gas, water, non-essential expenditures, etc...)	Other		(4,653.1)	(4,653.1)				
Contributions to Reserve Funds (CCRF, Fleet, Equipment)	Other		(875.0)	(875.0)				
Contributions to Toronto Marketing Incentive Fund	Other		(250.0)	(250.0)				
Total Balancing Actions		2,387.0	(7,515.1)	(9,902.1)	103.0			-

The 2021 Operating Budget includes \$7.515 million in gross expenditure and \$9.902 million in net expenditures reductions attributed to:

Salary and benefits projected savings:

- Mitigation efforts to address COVID-19 financial impacts include salaries and benefits cost containment by delays in hiring, and a temporary reduction in part-time staffing budget.

Temporary reductions to Services and Rents, contributions to reserve funds:

- A temporary reduction to utilities and third-party services provided on the Exhibition Place grounds have been implemented by management to reduce the pressure from COVID-19. Exhibition Place will also be reducing its contributions to its Conference Centre Reserve Fund, Fleet Reserve, Equipment Reserve and the Toronto Marketing Incentive Fund in 2021 to lower its costs for 2021. As we project COVID-19 to be less of a concern in 2022, these costs are expected to resume back to normal levels in 2022.

Revenue Increase:

- Contributions from reserve revenues increases as Exhibition Place draws from its Conference Centre Reserve Fund to pay its loan obligations in 2021. A primary instance for the reserve is to provide a source of funding for any shortfalls in loan payments to the City for the new conference centre.

2022 & 2023 OUTLOOKS**Table 3: 2022 and 2023 Outlooks**

(\$000s)	2020 Projection	2021 Budget	2022 Outlook	2023 Outlook
Revenues	17,815.9	35,809.4	59,815.4	60,806.4
Gross Expenditures	35,398.6	43,809.4	59,315.4	60,306.4
Net Expenditures	17,582.7	8,000.0	(500.0)	(500.0)
Approved Positions	357.0	254.0	357.0	357.0

Key drivers

The 2022 Outlook with total gross expenditures of \$59.315 million reflects an anticipated \$15.506 million or 35.4 per cent increase in gross expenditures above the 2021 Operating Budget; the 2023 Outlooks expects a further increase of \$0.991 million or 1.67 per cent above 2022 gross expenditures.

These changes arise from the following:

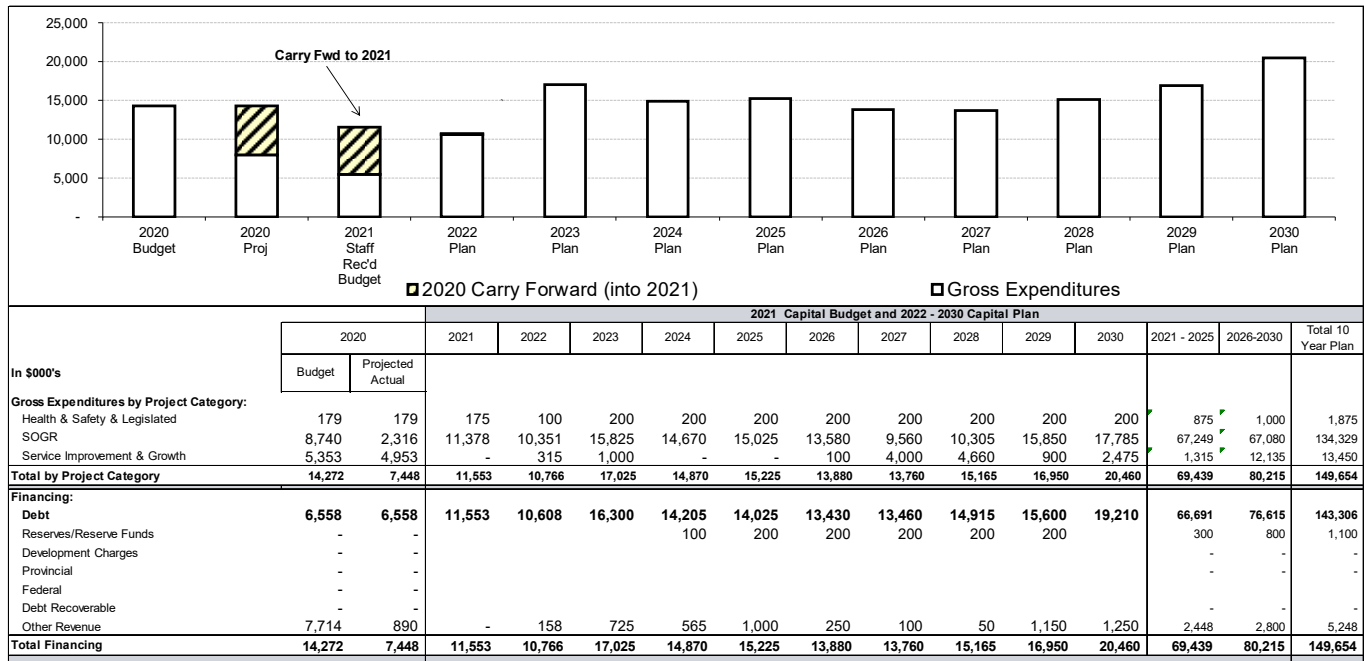
- Anticipated increases in volume of client demands when operations return to pre-COVID-19 levels **(2022 and 2023)**
- General inflationary increase for non-labour expenditures **(2022 and 2023)**
- Cost of living increases per collective agreements with unions; cost of living increases and performance based financial reward for non-union staff **(2022 and 2023)**

Revenues are expected to increase as a result of an anticipated increase in volume of client demands when operations are normalized. **(2022 and 2023)**

2021 – 2030
CAPITAL BUDGET AND PLAN

2021 – 2030 CAPITAL BUDGET & PLAN OVERVIEW

Chart 1: 10-Year Capital Plan Overview
(\$'000)



In \$'000's	2021 Capital Budget and 2022 - 2030 Capital Plan													2021 - 2025	2026-2030	Total 10 Year Plan	
	2020		2021	2022	2023	2024	2025	2026	2027	2028	2029	2030					
	Budget	Projected Actual															
Gross Expenditures by Project Category:																	
Health & Safety & Legislated	179	179	175	100	200	200	200	200	200	200	200	200	875	1,000	1,875		
SOGR	8,740	2,316	11,378	10,351	15,825	14,670	15,025	13,580	9,560	10,305	15,850	17,785	67,249	67,080	134,329		
Service Improvement & Growth	5,353	4,953	-	315	1,000	-	-	100	4,000	4,660	900	2,475	1,315	12,135	13,450		
Total by Project Category	14,272	7,448	11,553	10,766	17,025	14,870	15,225	13,880	13,760	15,165	16,950	20,460	69,439	80,215	149,654		
Financing:																	
Debt	6,558	6,558	11,553	10,608	16,300	14,205	14,025	13,430	13,460	14,915	15,600	19,210	66,691	76,615	143,306		
Reserves/Reserve Funds	-	-	-	-	100	200	200	200	200	200	200	-	300	800	1,100		
Development Charges	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Provincial	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Federal	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Debt Recoverable	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Other Revenue	7,714	890	-	158	725	565	1,000	250	100	50	1,150	1,250	2,448	2,800	5,248		
Total Financing	14,272	7,448	11,553	10,766	17,025	14,870	15,225	13,880	13,760	15,165	16,950	20,460	69,439	80,215	149,654		

Changes to Existing Projects
(\$0.4 Million)

The 2021-2030 Capital Budget and Plan reflects the following changes to existing projects over the nine common years (2021-2029):

- The *Food Building – Boilers, Hot Water Tanks & Water Distribution* project (\$0.4 million) has been deferred to 2022.

New Projects
(\$4.9 Million)

The 2021-2030 Capital Budget and Plan includes new projects as follows:

- The *Energare Centre – Replace Parking Garage Traffic Topping* (\$4.0 million) which is set to begin in 2029.
- Parks, Parking Lots and Roads – Build Curb Stop Replacement* (\$0.5 million) starting in 2021.
- The *Press Building – Roof Replacement* (\$0.4 million) scheduled for 2030.

Capital Needs Constraints
(\$118.8 Million)




Exhibition Place has three unmet projects over the 10-year planning horizon:

- Coliseum Complex – Industry Building renovation* \$65.0 million.
- Electrical Underground High Voltage Utilities* \$7.1 million
- Projects to reduce the state of good repair backlog \$46.7 million.

Note:

For additional information, refer to [Appendix 6](#) for a more detailed listing of the 2021 and 2022-2030 Capital Budget & Plan by project; [Appendix 7](#) for Reporting on Major Capital Projects – Status Update; and [Appendix 8](#) for Capital Needs Constraints, respectively

2021 – 2030 CAPITAL BUDGET AND PLAN**\$149.7 Million 10-Year Gross Capital Program**

		
Aging Infrastructure	Parks, Parking Lots and Roads	Mechanical/Electrical & Communication Infrastructure
\$130.1M 87%	\$16.3 M 11%	\$3.2 M 2%
Enercare Centre Beanfield Centre Coliseum Complex Food Building Electrical Underground High Voltage	Festival Plaza Sidewalks, Pathways, Roads, & Lots Parking Technology	Building Automation System Transformers in all Substations Replace Fibre Optic Trunked Radio Repeater System

How the Capital Program is Funded

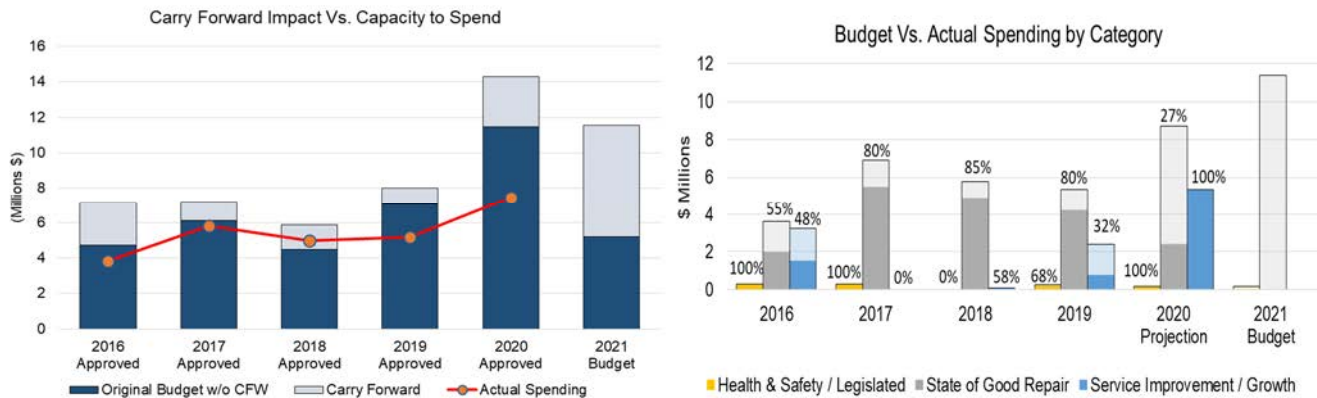
City of Toronto		Provincial Funding	Federal Funding
\$ 149.7 M 100%		\$0 M 0%	\$0 M 0%
Debt	\$ 143.3 M		
Reserve Draws	\$ 1.1 M		
Other	\$ 5.3 M		

CAPACITY TO SPEND REVIEW

The 10-Year Capital Plan has been developed with consideration of historical demonstrated ability to spend within any given year of the ten year capital plan. A review was undertaken to ensure budgets align with Exhibition Place's ability to spend and the markets capacity to deliver.

A key component in determining an appropriate level of annual cash flows includes historical capacity to spend reviews by project categories (Chart 2 below) as well as the level of projected 2020 underspending that will be carried forward into 2021 to complete capital work.

Chart 2 – Capacity to Spend



Capacity to Spend Review Impact on the 10-Year Plan

For 2020, the projected spending is \$7.449 million or 52.2% of the 2020 Council Approved Capital Budget of \$14.273 million. The lower spending reflects a reduction of \$6.435 million in funding to address COVID-19 impacts that is not included in the projected spending for the year, but is included in the 2020 Approved Capital Budget.

Based on the review of historical capital spending constraints, capacity to spend review, building assessments and SOGR priority, the 2021 Capital Budget of \$11.553 million includes carry forward funding of \$6.123 million from 2020, and supports the delivery of ongoing projects and programs, as well as new projects that are anticipated to be awarded in 2021, all funded by debt.

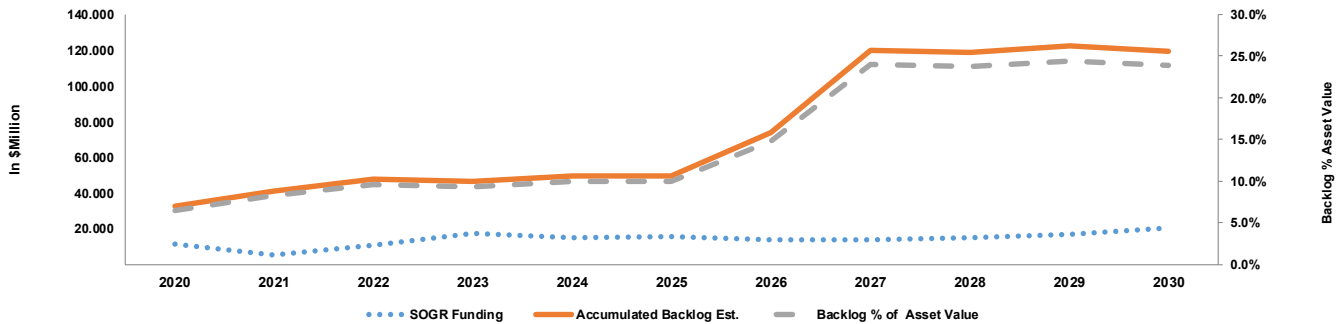
Exhibition Place reviewed its historical capital spending trends and capacity to deliver projects, approximately \$15.0 million in capital spending has been deferred to future years. Key adjustment to the 10-Year Capital Plan is noted below:

- The largest projects that were deferred are the *Parks, Parking Lots and Roads - Festival Plaza* (\$11.485 million) deferred for two years and *Coliseum Complex - roof replacement* (\$3.3 million) deferred one year. The roof replacement will be completed in 4 phases from 2021-2024.

STATE OF GOOD REPAIR (SOGR) FUNDING & BACKLOG

The chart below depicts the SOGR funding and accumulated backlog estimates for key asset classes in Exhibition Place: heritage buildings, 192 acre grounds, convention and conference centres

Chart 3: Total SOGR Funding & Backlog



\$ Million	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
SOGR Funding	11.290	5.430	10.550	17.025	14.870	15.225	13.880	13.760	15.165	16.950	20.460
Accumulated Backlog Est.	32.305	41.050	47.920	46.750	49.590	49.690	73.705	120.020	119.045	122.275	119.630
Backlog % of Asset Value	6.5%	8.2%	9.6%	9.3%	9.9%	9.9%	14.7%	24.0%	23.8%	24.4%	23.9%
Total Asset Value	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231	500.231

- The 10-Year Capital Plan will fund \$134.329 million of SOGR projects within Exhibition Place over the 10-year period, providing an average of \$13.433 million annually. This funding will continue ongoing state of good repair projects for Exhibition Place buildings, parks, roads and parking lots.
- Over the 10-year capital plan the SOGR backlog increase by \$87.325 million. The projects contributing to the \$119.630 Million backlog are the *Coliseum Complex* (\$74.5 million), the *Enercare Centre* (\$9.8 million), the *Electrical Underground High Voltage* (\$7.1 million), *Parks, Parking Lots, Roads* (5.8 million), the *Queen Elizabeth Building* (\$5.4 million), the *Horse Palace* (\$4.9 million), the *Better Living Centre* (\$4.5 million), and the *General Services Building* (\$3.1 million).
- Exhibition Place's Capital Needs Constraints includes the SOGR projects to help reduce the backlog that totals \$46.7 million. These projects cannot be accommodated within the City's affordability and Exhibition Place's capacity to spend and therefore not included in the 2021-2030 Capital Budget and Plan.

APPENDICES

Appendix 1

COVID-19 Financial Impact - Operating

COVID-19 Impacts	(\$000s)					
	2020			2021		
	Revenues	Gross	Net	Revenues	Gross	Net
Revenue Loss						
User Fees	(30,082.4)		30,082.4	(19,616.1)		19,616.1
Cost Recoveries Revenue	(9,741.8)		9,741.8	(7,636.3)		7,636.3
Sub-Total	(39,824.2)		39,824.2	(27,252.4)		27,252.4
Expenditure Increase						
Sanitization and Operation		500.0	500.0		150.0	150.0
Sub-Total		500.0	500.0		150.0	150.0
Savings due to Underspending						
Events direct wages and benefits costs (recoverable)		(9,741.8)	(9,741.8)		(7,636.3)	(7,636.3)
Sub-Total		(9,741.8)	(9,741.8)		(7,636.3)	(7,636.3)
Savings due to Management Actions						
Delay in rehiring replacement for non-unionized staff who retired in 2020		(1,068.2)	(1,068.2)		(764.6)	(764.6)
Temporary laying off of casual/temporary staff and reducing volume of base building maintenance and over time		(2,319.8)	(2,319.8)		(972.4)	(972.4)
Other operating cost saving (non-labour costs such as hydro, gas, water, non-essential expenditures, etc...)		(8,801.5)	(8,801.5)		(4,653.1)	(4,653.1)
Contributions to Reserve Funds (CCRF, Fleet, Equipment)		(300.0)	(300.0)		(875.0)	(875.0)
Contributions to Toronto Marketing Incentive Fund		(250.0)	(250.0)		(250.0)	(250.0)
Sub-Total		(12,739.5)	(12,739.5)		(7,515.1)	(7,515.1)
Total COVID-19 Impact	(39,824.2)	(21,981.3)	17,843.0	(27,252.4)	(15,001.4)	12,251.0

The 2020 forecasted financial impact is as at September 30, 2020. At this time there was still some uncertainty as to the future financial impacts and the extent of COVID-19. Exhibition Place staff have developed a 2021 Operating Budget with the assumption that all revenue for the first six months of 2021 will be unattainable.

Appendix 2

2021 Operating Budget by Revenue / Expenditure Category

Category (In \$000s)	2018 Actual**	2019 Actual**	2020 Budget	2020 Projection*	2021 Budget	2021 Change from 2020 Projected Actual	
	\$	\$	\$	\$	\$	\$	%
Provincial Subsidies							
Federal Subsidies							
Other Subsidies							
User Fees & Donations	41,402.0	47,816.0	39,586.5	14,226.2	23,845.7	9,619.5	67.6%
Licences & Permits Revenue							
Transfers From Capital							
Contribution From Reserves/Reserve Funds	2,022.0	1,801.2	4,404.5	4,402.5	5,141.0	738.5	16.8%
Sundry and Other Revenues	9,171.8	13,268.4	13,562.8	2,852.0	6,822.7	3,970.8	139.2%
Inter-Divisional Recoveries							
Total Revenues	52,595.8	62,885.7	57,553.8	21,480.7	35,809.4	14,328.7	66.7%
Salaries and Benefits	27,582.5	31,867.2	32,510.8	19,561.1	23,853.3	4,292.2	21.9%
Materials & Supplies	3,325.2	4,624.4	4,655.8	4,493.6	5,085.5	591.9	13.2%
Equipment	1,016.9	534.6	522.0	522.0	372.0	(150.0)	(28.7%)
Service and Rent	16,368.9	21,484.3	16,934.3	8,364.9	12,967.9	4,603.0	55.0%
Contribution To Capital							
Contribution To Reserves/Reserve Funds	2,080.9	2,130.9	2,430.9	2,130.9	1,530.7	(600.2)	(28.2%)
Other Expenditures							
Inter-Divisional Charges							
Total Gross Expenditures	50,374.3	60,641.4	57,053.8	35,072.5	43,809.4	8,736.9	24.9%
Net Expenditures	(2,221.4)	(2,244.3)	(500.0)	13,591.8	8,000.0	(5,591.8)	(41.1%)
Approved Positions	356.0	356.0	357.0	357.0	254.0	(103.0)	(28.9%)

* Year-End Projection Based on Q3 2020 Variance Report

** Prior Year Budget and Actuals adjusted retroactively to remove interdepartmental charges and recoveries

Appendix 3

Summary of 2021 Service Changes

N/A

Appendix 4

Summary of 2021 New / Enhanced Service Priorities Included in Budget

N/A

Appendix 5

Summary of 2021 New / Enhanced Service Priorities Not Included in Budget

N/A

Appendix 6 Exhibition Place

**2021 Capital Budget;
2022 - 2030 Capital Plan Including Carry Forward Funding**

Project Code	(In \$000s)	2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2021 2030 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
EX001	Pre-Engineering Program	173	175	175	175	175	175	175	200	200	200	1,823		1,823	
EX002	Parks, Parking Lots and Roads	896	700	1,650	400	400	400	4,050	4,860	1,200	2,075	16,631		5,246	11,385
EX003	M/E & Communication Infrastructures	793	500	400	400	475	200	200	200	325	200	3,693		3,693	
EX004	Enercare Centre	4,817	4,410	7,200	7,085	4,085	6,385	5,595	6,530	6,180	9,350	61,637		59,572	2,065
EX005	Coliseum Complex	248	2,430	3,175	2,480	4,430	3,655	640	1,305	200		18,563		18,563	
EX006	Queen Elizabeth Building	197	750			950	200	200	300			2,597		2,597	
EX007	Other Buildings	513	250	250	250	635	250	250	250	250	250	3,148	1,875	1,273	
EX008	Beanfield Centre	943	350	350	350	350	915	500	250	6,295	5,485	15,788		15,788	
EX009	Better Living Centre	173		275			100	500	220			1,268		1,268	
EX010	General Services Building		385		200	100	300	200				1,185		1,185	
EX011	Horse Palace	100		100	100	1,000	800	1,250	950			4,300		4,300	
EX012	Food Building		316	1,450	1,130	2,000	500	200	100	2,300	2,500	10,496		10,496	
EX013	Press Building										400	400		400	
EX014	Special Projects (Greek Gods Relocation)				500							500		500	
EX015	Electrical Underground High Voltage Utilities	2,700	500	2,000	1,800	625						7,625		7,625	
Total Expenditures (including carry forward from 2020)		11,553	10,766	17,025	14,870	15,225	13,880	13,760	15,165	16,950	20,460	149,654	1,875	134,329	13,450

Appendix 6a Exhibition Place

2021 Cash Flow and Future Year Commitments Including Carry Forward Funding

(In \$000s)	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	Total 2021 Cash Flow & FY Commits	Previously Approved	Change in Scope	New w/ Future Year
<i>Pre-Engineering Program</i>	173										173	173		
<i>Parks, Parking Lots and Roads</i>	896										896	296	400	200
<i>M/E & Communication Infrastructures</i>	793										793	493	300	
<i>Enercare Centre</i>	4,817										4,817	2,167	(790)	3,440
<i>Coliseum Complex</i>	248										248	98	(150)	300
<i>Queen Elizabeth Building</i>	197										197	197		
<i>Other Buildings</i>	513										513	113	150	250
<i>Beanfield Centre</i>	943										943	443	500	
<i>Better Living Centre</i>	173										173	173		
<i>General Services Building</i>														
<i>Horse Palace</i>	100										100		(100)	200
<i>Food Building</i>		432									432	0	432	
<i>Press Building</i>														
<i>Special Projects (Greek Gods Relocation)</i>														
<i>Electrical Underground High Voltage Utilities</i>	2,700										2,700	2,700		
Total Expenditure (including carry forward from 2020)	11,553	432									11,985	6,853	742	4,390

Appendix 6b
Exhibition Place

2022 - 2030 Capital Plan

Project Code	(In \$000s)	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan	2022 2030 Total	Health & Safety & Legislated	SOGR	Growth & Improved Service
EX001	Pre-Engineering Program	175	175	175	175	175	175	200	200	200	1,650		1,650	
EX002	Parks, Parking Lots and Roads	700	1,650	400	400	400	4,050	4,860	1,200	2,075	15,735		4,350	11,385
EX003	M/E & Communication Infrastructures	500	400	400	475	200	200	200	325	200	2,900		2,900	
EX004	Enercare Centre	4,410	7,200	7,085	4,085	6,385	5,595	6,530	6,180	9,350	56,820		54,755	2,065
EX005	Coliseum Complex	2,430	3,175	2,480	4,430	3,655	640	1,305	200		18,315		18,315	
EX006	Queen Elizabeth Building	750			950	200	200	300			2,400		2,400	
EX007	Other Buildings	250	250	250	635	250	250	250	250	250	2,635	1,700	935	
EX008	Beanfield Centre	350	350	350	350	915	500	250	6,295	5,485	14,845		14,845	
EX009	Better Living Centre		275			100	500	220			1,095		1,095	
EX010	General Services Building	385		200	100	300	200				1,185		1,185	
EX011	Horse Palace		100	100	1,000	800	1,250	950			4,200		4,200	
EX012	Food Building	316	1,450	1,130	2,000	500	200	100	2,300	2,500	10,496		10,496	
EX013	Press Building									400	400		400	
EX014	Special Projects (Greek Gods Relocation)			500							500		500	
EX015	Electrical Underground High Voltage Utilities	500	2,000	1,800	625						4,925		4,925	
Total Expenditures		10,766	17,025	14,870	15,225	13,880	13,760	15,165	16,950	20,460	138,101	1,700	122,951	13,450

Appendix 7

Reporting on Major Capital Projects: Status Update

Division/Project name	2020 Cash Flow			Total Project Cost		Status	Start Date	End Date		On Budget	On Time
	Appr.	YTD Spend	YE Project Spend	Appr. Budget	Life to Date			Planned	Revised		
Exhibition Place											
Hotel X Bridge - Phase 2	3,180	2,000	2,816	3,180	3,180	On Track	Jan-20	Dec-20		Ⓞ	Ⓞ
Comments:	Construct an elevated pedestrian walkway that connects Hotel X to the Beanfield Centre. The bridge is currently being constructed offsite. Onsite construction is expected to start in summer 2020. This is a major project because the bridge will improve service at the Beanfield Centre, address AODA concerns, and enable Exhibition Place to book more events and be more competitive in the high end Gala and Conference market										
Explanation for Delay:											
Replace & Retrofit Chillers	2,000	30	30	2,000	30	Significant Delay	Jan-20	Dec-20	Dec-21	Ⓢ	Ⓢ
Comments:	The chiller is integral to the HVAC system for the Enercare Centre and there are 3 existing 1,250-ton chillers in the Enercare Centre which are 20 years old and need to be overhauled or replaced. Chiller no. 2 is a priority to be replaced since it is deteriorating quickly. In 2017, one new 1,250-ton chiller was added and commissioned.										
Explanation for Delay:	Project delayed due to COVID-19 reduction in CFC funded projects. Will be included in the Capital budget for 2021										
Replace Priority Feeders (2020)	2,000	30	30	2,000	30	Significant Delay	Jan-20	Dec-20	Dec-21	Ⓢ	Ⓢ
Comments:	Replacing the current underground electrical underground high voltage infrastructure with new cabling that can withstand the current demand for energy. This is a major project because the current infrastructure is over 75 years old and has many failures due to brittle cabling.										
Explanation for Delay:	Project delayed due to COVID-19 reduction in CFC funded projects. Will be included in the Capital budget for 2021										

On/Ahead of Schedule Ⓞ >70% of Approved Project Cost
Minor Delay < 6 months Ⓜ Between 50% and 70%
Significant Delay > 6 months Ⓢ < 50% or > 100% of Approved Project

Appendix 8

Summary of Capital Needs Constraints (In \$ Millions)

Project Description	Total Project	Non-Debt	Debt Required	Cash Flow (In \$ Millions)										
				2021	2022	2023	2024	2025	2026	2027	2028	2029	2030	
Parks, Parking Lots and Roads	5.82		5.82	0.42	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60	0.60
M/E & Communication Infrastructures	0.97		0.97	0.07	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10
Enercare Centre	9.83		9.83	0.83	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00	1.00
Coliseum Complex	74.46		74.46	0.46	1.00	1.00	1.00	1.00	21.00	46.00	1.00	1.00	1.00	1.00
Queen Elizabeth Building	5.41		5.41	0.21	0.55	0.55	0.55	0.55	0.60	0.60	0.60	0.60	0.60	0.60
Better Living Centre	4.54		4.54	0.24	0.45	0.45	0.45	0.45	0.50	0.50	0.50	0.50	0.50	0.50
General Services Building	3.09		3.09	0.14	0.30	0.30	0.30	0.30	0.35	0.35	0.35	0.35	0.35	0.35
Horse Palace	4.91		4.91	0.16	0.50	0.50	0.50	0.50	0.55	0.55	0.55	0.55	0.55	0.55
Food Building	1.57	0.79	0.79		0.12	0.15	0.15	0.15	0.20	0.20	0.20	0.20	0.20	0.20
Press Building	1.21		1.21	0.06	0.10	0.10	0.10	0.10	0.15	0.15	0.15	0.15	0.15	0.15
Electrical Underground High Voltage Utilities	7.14		7.14						0.46	2.00	1.80	1.89	1.00	
Other Buildings	0.69		0.69	0.06	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07	0.07
Total Needs Constraints (Not Included)	119.63	0.79	118.85	2.64	4.79	4.82	4.82	5.28	27.12	51.92	7.01	6.12	5.12	

In addition to the 10-Year Capital Plan of \$149.654 million, staff have also identified \$119.630 million in capital needs constraints for Exhibition Place as reflected in the table above.

- Exhibition Place's Capital Needs Constraints includes a number of SOGR backlog projects for approximately \$46.7 million to address the SOGR backlog. As the SOGR backlog grows, the Capital Needs Constraints will also grow due to affordability and capacity to spend concerns.
- The Coliseum Complex – Industry Building Renovations* project accounts for \$74.460 million of the Capital Needs Constraints for the 10-Year Capital Plan. This project is for the replacement of windows, roof of the Industry Building and also to fully renovate the Class "B" facility to meet future trade and consumer show standards. Although ongoing maintenance of critical components of the coliseum complex (windows and step flat roofs) is being performed to support ongoing use, a full renovation is required to take the complex to its potential level of use.
- Electrical Underground High Voltage Utilities* project Phase 3 and 4 require \$7.140 million to replace ageing high-voltage infrastructure across the Exhibition grounds owned by Exhibition Place. The project was phased for 4 phases with the first phase having been approved and included in the 2019 Capital Budget. Phase 2 of this project with cash flow funding requirements of \$4.930 million was added to the 2020 Capital Budget. The phases have been ordered in priority sequence to address work that needs to be completed to avoid service disruptions. These 50 years old assets have reached their end of life and failure to proceed with this project could result in electrical system failures causing substantial financial losses to Exhibition Place and its commercial tenants on the grounds.

Appendix 9

2021 User Fee Changes (Excludes User Fees Adjusted for Inflation)

Table 9 – Market Rate Adjustments

Rate Description	Service	Fee Category	Fee Basis	2020	2021		2022	2023
				Approved Rate	Market Rate Adjustments	Budget Rate	Plan Rate	Plan Rate
Rental of Exhibit Halls and Heritage Courts	Exhibition and Events	Market Based	Daily rate per square foot	\$0.104 to \$0.206	\$0.003 to \$0.006	\$0.107 to \$0.213	\$0.111 to \$0.219	\$0.114 to \$0.225
General parking fee	Parking Access	Market Based	Per car park per day	\$12 to \$35	\$0.00	\$12 to \$35	\$12 to \$35	\$12 to \$35
Rental of Ballrooms and Meeting Rooms	Conventions, Conferences & Meetings	Market Based	Daily rate per square foot	\$0.600 to \$0.650	\$0.018 to \$0.020	\$0.618 to \$0.670	\$0.618 to \$0.670	\$0.637 to \$0.690

Appendix 10

Inflows and Outflows to/from Reserves and Reserve Funds

2021 Operating Budget

Program Specific Reserve / Reserve Funds

Exhibition Place Conference Centre (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
Beginning Balance		7,526.2	7,211.2	3,610.2	4,110.2
Exhibition Place Conference Centre	XR3019				
<i>Withdrawals (-)</i>					
<i>Loan payments</i>		(1,057.5)	(1,057.5)	(1,057.5)	(1,057.5)
<i>Net naming fee</i>		(2,387.0)	(3,601.0)		
<i>Contributions (+)</i>					
<i>Annual contribution</i>					
<i>Net naming revenue</i>		1,057.5	1,057.5	1,057.5	1,057.5
<i>Surplus Contribution</i>		2,072.0		500.0	500.0
Total Reserve / Reserve Fund Draws / Contributions		7,211.2	3,610.2	4,110.2	4,610.2
Balance at Year-End		7,211.2	3,610.2	4,110.2	4,610.2

* Based on 9-month 2020 Reserve Fund Variance Report

Vehicle Reserve - Exhibition Non-Motorized Equipment (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
Beginning Balance		4.0	204.0	204.0	204.0
Vehicle Reserve - Exhibition Non-Motorized Equipment	XQ1902				
<i>Withdrawals (-)</i>					
<i>Plan replacement</i>		-	-	(200.0)	(200.0)
<i>Contributions (+)</i>					
<i>Annual contribution</i>		200.0	-	200.0	200.0
Total Reserve / Reserve Fund Draws / Contributions		204.0	204.0	204.0	204.0
Balance at Year-End		204.0	204.0	204.0	204.0

* Based on 9-month 2020 Reserve Fund Variance Report

Vehicle Reserve - Exhibition Place (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
Beginning Balance		619.8	762.0	361.0	216.0
Vehicle Reserve - Exhibition Place	XQ1702				
<i>Withdrawals (-)</i>					
<i>Plan replacement</i>		(30.5)	(233.0)	(120.0)	-
<i>Contributions (+)</i>					
<i>Annual contribution</i>		375.0	-	375.0	375.0
Total Reserve / Reserve Fund Draws / Contributions		964.3	529.0	616.0	591.0
Other Program / Agency Net Withdrawals & Contributions		(202.3)	(168.0)	(400.0)	(400.0)
Balance at Year-End		762.0	361.0	216.0	191.0

* Based on 9-month 2020 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

Insurance Reserve (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
Beginning Balance		18,083.0	30,142.0	14,678.0	18.0
Insurance Reserve	XR1010				
<i>Withdrawals (-)</i>					
<i>Contributions (+)</i>					
<i>Annual Contribution</i>		448.4	423.2	423.2	423.2
Total Reserve / Reserve Fund Draws / Contributions		18,531.4	30,565.2	15,101.2	441.2
Other Program / Agency Net Withdrawals & Contributions		11,610.6	(15,887.2)	(15,083.2)	2,131.8
Balance at Year-End		30,142.0	14,678.0	18.0	2,573.0

* Based on 9-month 2020 Reserve Fund Variance Report

Sick Leave Reserve (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2020 *	Withdrawals (-) / Contributions (+)		
			2021	2022	2023
		\$	\$	\$	\$
Beginning Balance		32,138.0	23,948.0	21,979.0	20,010.0
Sick Leave Reserve	XR1007				
<i>Withdrawals (-)</i>					
<i>Annual withdrawal</i>		(358.0)	(250.0)	(250.0)	(250.0)
<i>Contributions (+)</i>					
<i>Annual Contribution</i>		50.0	50.0	50.0	50.0
Total Reserve / Reserve Fund Draws / Contributions		31,830.0	23,748.0	21,779.0	19,810.0
Other Program / Agency Net Withdrawals & Contributions		(7,882.0)	(1,769.0)	(1,769.0)	(1,418.0)
Balance at Year-End		23,948.0	21,979.0	20,010.0	18,392.0

* Based on 9-month 2020 Reserve Fund Variance Report

Inflows and Outflows to/from Reserves and Reserve Funds

2021 – 2030 Capital Budget and Plan

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Project / Sub Project Name and Number	Projected Balance as at Dec 31, 2020 *	Contributions / (Withdrawals)										Total	
			2021 Budget	2022 Plan	2023 Plan	2024 Plan	2025 Plan	2026 Plan	2027 Plan	2028 Plan	2029 Plan	2030 Plan		
XR3019 Exhibition Place Conference Centre	Beginning Balance	7,526	7,211	3,610	4,110	4,610	5,010	5,310	5,610	5,910	6,210	6,510		
	<i>Withdrawals (-)</i>													
	<i>Operating Withdrawal</i>	(3,445)	(4,659)	(1,058)	(1,058)	(1,058)	(1,058)	(1,058)	(1,058)	(1,058)	(1,058)	(1,058)	(1,058)	(14,176)
	<i>Withdrawal for Capital Plan - state of good repair</i>					(100)	(200)	(200)	(200)	(200)	(200)		-	(1,100)
	Total Withdrawals	(3,445)	(4,659)	(1,058)	(1,058)	(1,158)	(1,258)	(1,258)	(1,258)	(1,258)	(1,258)	(1,258)	(1,058)	(15,276)
	<i>Contributions (+)</i>													
	<i>Operating Contribution</i>	3,130	1,058	1,558	1,558	1,558	1,558	1,558	1,558	1,558	1,558	1,558	1,558	15,075
Total Contributions	3,130	1,058	1,558	1,558	1,558	1,558	1,558	1,558	1,558	1,558	1,558	1,558	15,075	
Balance at Year-End		7,211	3,610	4,110	4,610	5,010	5,310	5,610	5,910	6,210	6,510	7,010	(201)	

* Based on 9-month 2020 Reserve Fund Variance Report

Appendix 11

Glossary

Approved Position: Permanent or temporary positions that support the delivery of City services and service levels as approved by Council.

Actuals: An actual financial amount paid (or received) for the delivery of City services (these exclude any commitments to be paid in the future).

Capacity to Spend: Ability to spend money along with the capacity to deliver projects as demonstrated by historic spending patterns and approved contractual obligations.

Capital Budget: A Capital Budget is the City's plan to acquire / build assets or extend the useful life of existing assets; an example of a capital expenditure is the construction of a new community centre.

Capital Needs Constraints: The capital needs that cannot be accommodated within the capital plan that the Division or Agency have the capacity to deliver.

Complement: Positions that support the delivery of City services and service levels as approved by Council.

Efficiencies: Reductions in the cost of delivering a service without a reduction in service level.

New / Enhanced: New and enhanced service changes resulting in an increase in service levels from what was previously approved by Council.

Operating Budget: An Operating Budget is the City's annual plan to provide services to the residents of Toronto; the budget includes all revenues and expenses needed to provided services; an example of an operating cost would be the cost to run the TTC subways.

Operating Impact of Completed Capital Projects: The additional expense (or savings) and positions needed to operate or maintain a new asset; an example would be the additional expense and staff needed to operate a recently completed community centre.

Rate Supported Budget: Budget fully funded by user fees such as Solid Waste, Toronto Water and Toronto Parking Authority

Staff Recommended Operating / Capital Budget: An operating or capital budget recommended by City Manager and Chief Financial Officer and Treasurer to City Council for consideration and approval.

State of Good Repair (SOGR): The cost of maintaining assets to ensure they are able to support the delivery of City services and meet service outcomes

Tax Supported Budget: Budget funded by property taxes.

User Fees: Program generated fee and rental revenue for the use of its services (such as the TTC fare, ice rental fees and various City permits).

Value Based Outcome Review (VBOR): The City conducted a Value Based Outcome Review in 2019 for all of its operations and agencies to identify specific opportunities and strategies to maximize the use of tax dollars, enhance its financial sustainability while achieving service outcomes. These opportunities will help the City chart its financial course in the next four years.

Voluntary Separation Program – On July 28th, 2020, City Council approved the implementation of a Voluntary Separation Program for staff who are eligible to retire with an unreduced pension providing a lump sum payment of up to three months' salary to eligible employees, subject to the terms of the program guidelines, funded through savings generated from a combination of permanently eliminating vacated positions and/or holding the positions vacant for a minimum of six months.