



Arena Boards of Management

2016 OPERATING BUDGET OVERVIEW

The Arena Boards of Management are 8 Board-managed arenas that offer use of ice (i.e. Hockey, figure skating), programming, and pleasure skating to the community. Some arenas also offer dry floor rentals (i.e. floor hockey) in the summer. These services are complemented with snack bars, pro-shops, and meeting room rentals at some locations.

2016 Budget Highlights

The total cost to deliver these services to Toronto residents is \$8.644 million gross and \$8.652 million net as shown below.

(in \$000's)	2015 Budget	2016 Budget	Change	
			\$	%
Gross Expenditures	8,400.4	8,643.9	243.5	2.9%
Gross Revenues	8,407.2	8,651.7	244.6	2.9%
Net Expenditures	(6.8)	(7.9)	(1.1)	16.3%

The Arena Boards will achieve the target of 1% reduction over the 2015 Net Operating Budget through increased revenue from ice rentals, and managing expenditures closely to achieve the budget.

Contents

Overview:

- I: 2016 – 2018 Service Overview and Plan [6](#)
- II: 2016 Budget by Service [11](#)
- III: Issues for Discussion [17](#)

Appendices:

- 1. 2015 Performance [19](#)
- 2. 2016 Operating Budget by Expenditure Category [20](#)
- 3. 2016 Organization Chart [21](#)
- 4. Summary of 2016 Service Changes N/A
- 5. Summary of 2016 New & Enhanced Service Priorities N/A
- 6. Inflows/Outflows to / from Reserves & Reserve Funds [22](#)
- 7. 2016 User Fee Rate Changes [24](#)

Fast Facts

- 11 ice rinks, including 9 large rinks and 2 small rinks.
- 5 of 8 Arena Boards will offer year-round ice rentals.
- 5 of 8 Arena Boards offer meeting room rentals to the general public.
- All 8 arenas offer proshop and snack bar services.
- In 2015, all arenas operated at full capacity, delivering 24,357 prime-time and 13,151 non prime-time ice bookings.

Trends

- Available ice hours for the next 3 years for all arenas are steady, with an estimated utilization rate of 95% for prime time, and 64% for non prime time.
- Sundry revenue (proshop and snack shop) across all Arenas continues to decline due to strong commercial competition.
- Prime-time usage rate has risen by 4.3% and non prime-time usage rate has risen by 4.9% in 2015.

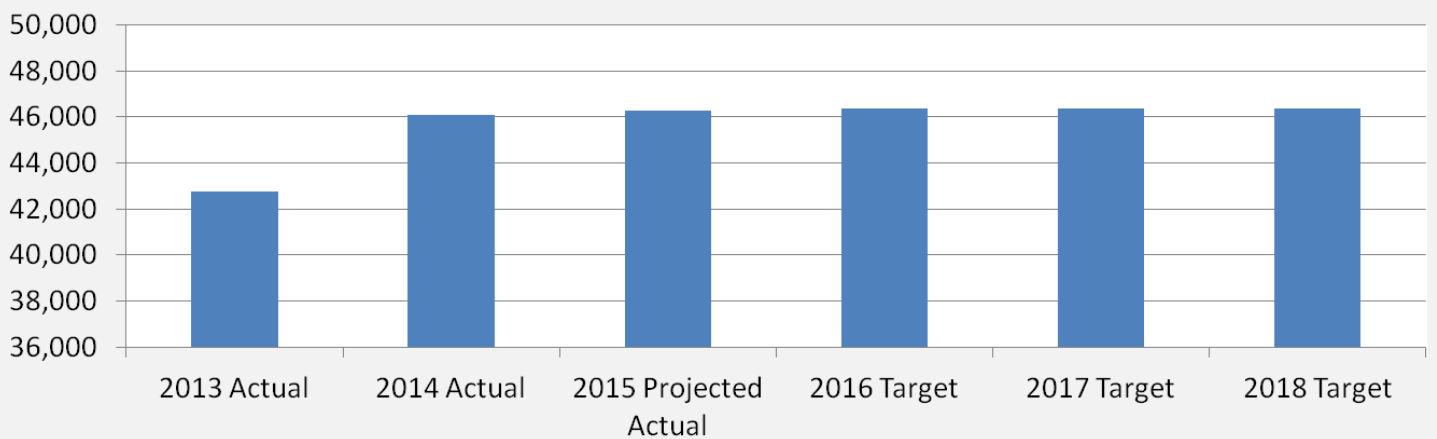
Our Service Deliverables for 2016

The Arena Boards of Management are responsible for providing ice time, in-house programming, and accessory services to individual users, community groups, and private groups.

The 2016 Operating Budget will fund:

- A total of 46,249 hours of available ice time, comprising of 25,768 hours of prime time ice and 20,481 hours of daytime ice, to the community across the eight Arenas.
- Ongoing delivery of in-house programs such as house leagues, hockey schools, summer camps, and learn-to-skate programs.
- Provision of accessory services such as snack bar, vending machines, pro shop, skate sharpening, and meeting/banquet hall facility rentals.
- Full capacity operation of prime time ice for all Arena Boards.

Hours Available for Ice Rental

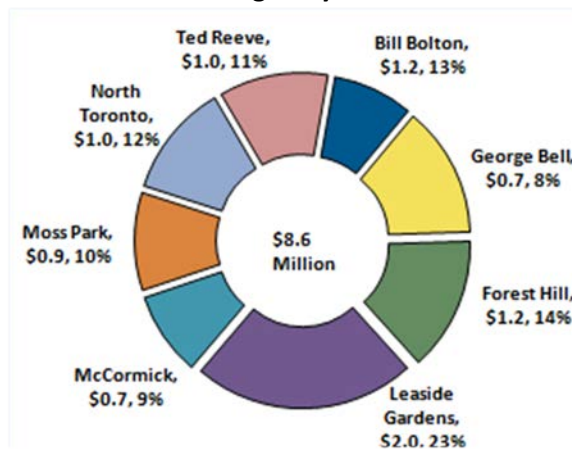


2016 Operating Budget Expenses & Funding

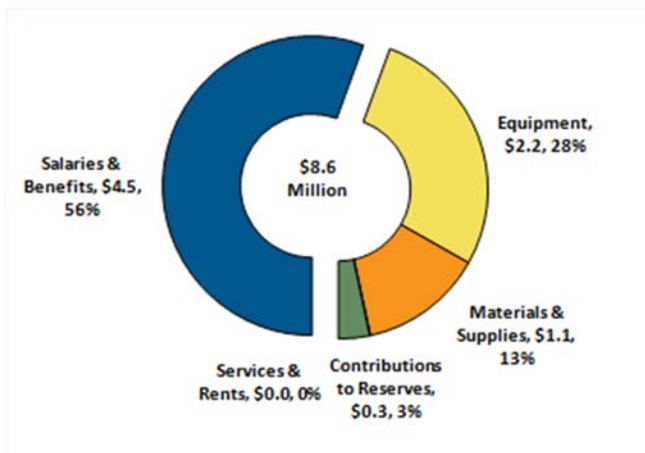
Our Key Issues & Priority Actions

Where the money goes:

2016 Budget by Service

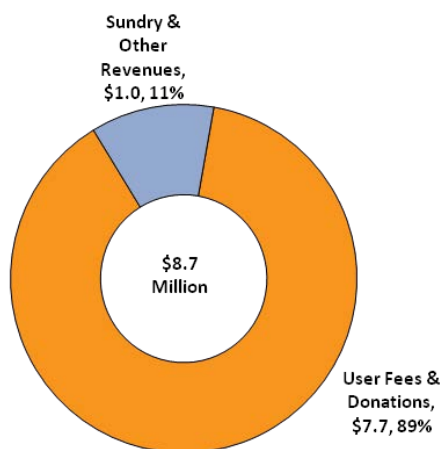


2016 Budget by Expenditure Category



Where the money comes from:

2016 Budget by Funding Source



Revenue Decline at Leaside Gardens Arena

- ✓ In 2014 and 2015, the Arena faced challenges overcoming disruptions caused by on-site construction on its sundry revenues and banquet hall usage, and committing to its first full year of debt repayment obligations.
- ✓ The 2016 Operating Budget includes increased advertising and promotion expenses in order to support recovery of its revenues.

2016 Operating Budget Highlights

- The 2016 Operating Budget of \$8.644 million gross and (\$0.008) million net will provide funding for:
 - ✓ Program specific expenditures such as purchases for snack bar and proshop, and zamboni contributions (\$1.895 million).
 - ✓ Administration and operation expenditures including permanent staffing costs, utilities, accounting fees, and office expenses (\$4.479 million).
 - ✓ Repairs and maintenance expenditures including ice refrigeration and resurfacers costs, and facility repairs (\$2.224 million).

Council Approved Budget

City Council approved the following recommendations:

1. City Council approve the 2016 Operating Budget for Arena Boards of Management of \$8.644 million gross, \$0.008 million net for the following Arenas:

<u>Arenas</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
George Bell Arena	715.5	(0.0)
William H. Bolton Arena	1,161.7	(0.9)
Larry Grossman Forest Hill Memorial Arena	1,193.2	(1.3)
Leaside Memorial Community Gardens	1,981.2	(3.6)
McCormick Playground Arena	747.2	(0.2)
Moss Park Arena	872.3	(0.8)
North Toronto Memorial Arena	1,007.5	(0.7)
Ted Reeve Arena	965.3	(0.3)
Total Program Budget	<u><u>8,643.9</u></u>	<u><u>(7.9)</u></u>

2. City Council approve the 2016 service levels for Arena Boards of Management as outlined on page 11 of this report, and associated staff complement of 67.8 positions.
3. City Council approve the 2016 new user fees, technical adjustments to user fees, market rate user fee changes, rationalized user fees, and other fee changes above the inflationary adjusted rate for Arena Boards of Management identified in Appendix 7, for inclusion in the Municipal Code Chapter 441 "Fees and Charges".



Part I:

2016 – 2018

Service Overview and
Plan

Program Map



Community Ice and Facility Booking

Purpose Statement:

- To provide various recreational ice programs that allocate the use of the arena's available ice time, prime time ice and day time ice, in a fair and equitable manner among eligible community groups and organizations, with particular consideration given to addressing the needs of the local community.

Service Customer

Ice Programming & Booking

- Individual Ice User
 - Public / Separate / Private School
 - Community Hockey Associations
 - Community Figure Skating
 - Corporations
 - Charitable Organizations
 - Private Rental
- Group Users - Leagues / Associations

Table 1
2016 Operating Budget and Plan by Service

(In \$000s)	2015		2016 Operating Budget			2016 vs. 2015 Budget Approved Changes		Incremental Change 2017 and 2018 Plan				
	Approved Budget	Projected Actual*	2016 Base	2016 New/Enhanced	2016 Budget			2017		2018		
	\$	\$				\$	\$	\$	%	\$	%	
By Service												
Gross Expenditures												
George Bell Arena	669.2	678.4	715.5		715.5	46.3	6.9%	20.6	2.9%	21.3	2.9%	
William H. Bolton Arena	1,138.5	1,021.2	1,161.7		1,161.7	23.2	2.0%	10.6	0.9%	41.8	3.6%	
Larry Grossman Forest Hill Memorial Arena	1,150.4	1,113.8	1,193.2		1,193.2	42.8	3.7%	33.0	2.8%	49.6	4.0%	
Leaside Memorial Community Gardens	1,936.9	1,936.9	1,981.2		1,981.2	44.4	2.3%					
McCormick Playground Arena	725.2	725.2	747.2		747.2	22.1	3.0%					
Moss Park Arena	854.3	854.3	872.3		872.3	18.0	2.1%					
North Toronto Memorial Arena	988.4	988.4	1,007.5		1,007.5	19.0	1.9%	35.5	3.5%	22.3	2.1%	
Ted Reeve Arena	937.6	937.9	965.3		965.3	27.7	3.0%	23.7	2.5%	25.7	2.6%	
Total Gross Expenditures	8,400.4	8,256.1	8,643.9		8,643.9	243.5	2.9%	123.4	1.4%	160.6	1.8%	
Revenue												
George Bell Arena	669.2	678.8	715.5		715.5	46.3	6.9%	20.7	2.9%	21.3	2.9%	
William H. Bolton Arena	1,139.3	1,028.5	1,162.5		1,162.5	23.2	2.0%	12.7	1.1%	47.0	4.0%	
Larry Grossman Forest Hill Memorial Arena	1,151.6	1,115.2	1,194.5		1,194.5	42.9	3.7%	33.4	2.8%	49.7	4.0%	
Leaside Memorial Community Gardens	1,940.4	1,940.4	1,984.8		1,984.8	44.4	2.3%					
McCormick Playground Arena	725.4	725.4	747.4		747.4	22.1	3.0%					
Moss Park Arena	854.4	854.4	873.2		873.2	18.7	2.2%					
North Toronto Memorial Arena	989.3	989.3	1,008.2		1,008.2	18.9	1.9%	34.8	3.5%	22.7	2.2%	
Ted Reeve Arena	937.6	937.6	965.6		965.6	28.0	3.0%	23.7	2.5%	25.9	2.6%	
Total Revenue	8,407.2	8,269.6	8,651.7		8,651.7	244.6	2.9%	125.3	1.4%	166.6	1.9%	
Net Expenditures												
George Bell Arena	0.0	(0.4)	(0.0)		(0.0)	(0.0)	0.0%	(0.0)	48.0%	(0.0)	24.3%	
William H. Bolton Arena	(0.8)	(7.3)	(0.9)		(0.9)	(0.0)	1.1%	(2.2)	252.2%	(5.2)	172.7%	
Larry Grossman Forest Hill Memorial Arena	(1.2)	(1.4)	(1.3)		(1.3)	(0.1)	11.2%	(0.4)	31.9%	(0.1)	5.7%	
Leaside Memorial Community Gardens	(3.5)	(3.5)	(3.6)		(3.6)	(0.1)	2.1%					
McCormick Playground Arena	(0.2)	(0.2)	(0.2)		(0.2)	(0.0)	0.9%					
Moss Park Arena	(0.1)	(0.1)	(0.8)		(0.8)	(0.8)	775.3%					
North Toronto Memorial Arena	(0.9)	(0.9)	(0.7)		(0.7)	0.1	(16.6%)	0.7	(91.4%)	(0.4)	659.4%	
Ted Reeve Arena	(0.0)	0.3	(0.3)		(0.3)	(0.3)	803.1%	0.1	(25.3%)	(0.3)	131.9%	
Total Net Expenditures	(6.8)	(13.5)	(7.9)		(7.9)	(1.1)	16.3%	(1.8)	23.3%	(6.0)	43.3%	
Approved Positions	66.57	66.57	67.72		67.72	1.15	1.7%					

*Based on 2015 Q3 Operating Variance Report

The Arena Boards of Management’s 2016 Operating Budget is \$8.644 million gross and \$0.008 million net, representing a 16.3% increase to the 2015 Approved Net Operating Budget Surplus and is in line with the reduction target as set out in the 2016 Operating Budget Directions and Guidelines.

- Base pressures are mainly attributable to staff salaries and benefit expenses, higher materials and supplies for snack bar operations, and maintenance and operating costs at the Arenas reflective of the higher future demands.
- Approval of the 2016 Operating Budget will result in Arena Boards of Management increasing its total staff complement by 1.2 positions from 66.6 to 67.8 driven by higher usage requiring additional hours worked by staff.
- The 2017 and 2018 Plan increases are attributable to staff salaries and benefit costs, materials and supplies, and ice rink operating costs.

**Table 2
Key Cost Drivers**

(In \$000s)	2016 Base Budget Total	
	\$	Position
Gross Expenditure Changes		
Economic Factors		
Corporate Economic Factors	81.1	
Reversal of one-time management consulting fee (Bill Bolton)	(15.0)	
Salary & Benefit Changes		
Progression Pay	61.1	
Benefits Adjustment	19.3	
One-time staff compensation (Bill Bolton and North Toronto)	46.4	
Other Base Changes		
Snack Bar Supplies	7.9	
Other Expenses (i.e. Telephone, General Equipment)	42.7	
Total Gross Expenditure Changes	243.5	
Revenue Changes (Increase) / Decrease		
User Fees (Volume and Rate)	(228.0)	
Sundry Revenue	(16.6)	1.2
Total Revenue Changes	(244.6)	1.2
Net Expenditure Changes	(1.1)	1.2

Key cost drivers for Arena Boards of Management's 2016 Operating Budget are discussed below:

- Economic Factors:
 - Inflationary increases are applied to utility costs such as water and hydro
- Salary & Benefit Changes:
 - North Toronto, Bill Bolton, Forest Hill, Leaside Gardens, McCormick, Moss Park, and Ted Reeve Arenas will apply progression pay to staffing costs, which will result in a proportional adjustment to the salaries and benefits expenses.
 - Bill Bolton Arena's Board of Management approved a one-time salary increase in 2016, and North Toronto Arena will continue to offer a compensation bonus to all staff (total of \$0.047 million for both Arenas).
- Other Base Changes:
 - General supplies, snack bar supplies and materials, and equipment costs are expected to increase by \$0.050.
- Revenue Changes:
 - User fee revenue increases of \$0.228 million are driven by a mix of higher volume and rate adjustments.
 - Sundry revenue will increase by \$0.017 million as a result of snack bar operations, and banquet hall rentals.

Table 5
2017 and 2018 Plan by Program

Description (\$000s)	2017 - Incremental Increase					2018 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	# Positions	Gross Expense	Revenue	Net Expense	% Change	# Positions
Known Impacts:										
Progression Pay	67.1		67.1			75.6		75.6		
Service and Rent	5.7		5.7			28.1		28.1		
Equipment	(2.7)		(2.7)			5.3		5.3		
General Materials and Supplies	53.4		53.4			51.6		51.6		
Sub-Total	123.4		123.4			160.6		160.6		
Anticipated Impacts:										
User Fee Revenue		(112.8)	(112.8)				(160.5)	(160.5)		
Sundry Revenue		(12.4)	(12.4)				(6.1)	(6.1)		
Sub-Total		(125.3)	(125.3)				(166.6)	(166.6)		
Total Incremental Impact	123.4	(125.3)	(1.8)			160.6	(166.6)	(6.0)		

Future year incremental costs are primarily attributable to the following:

Known Impacts:

- 8 Arena Boards, excluding George Bell Arena, will apply progression pay to staffing costs as it has been the standard practice in the past years in an effort to promote staff retention.
- The Arena Boards will have increased general materials and supply costs in 2017 and 2018 to provide increased snack bar supplies needed to support the increased demand, and general maintenance requirements on site.

Anticipated Impacts:

- All eight Arenas are anticipating a steady growth in user fees and sundry revenue in 2017 and 2018 which will be achieved through active marketing for ice rentals and maintaining close relationship with the existing user groups.



Part II: 2016 Budget by Service

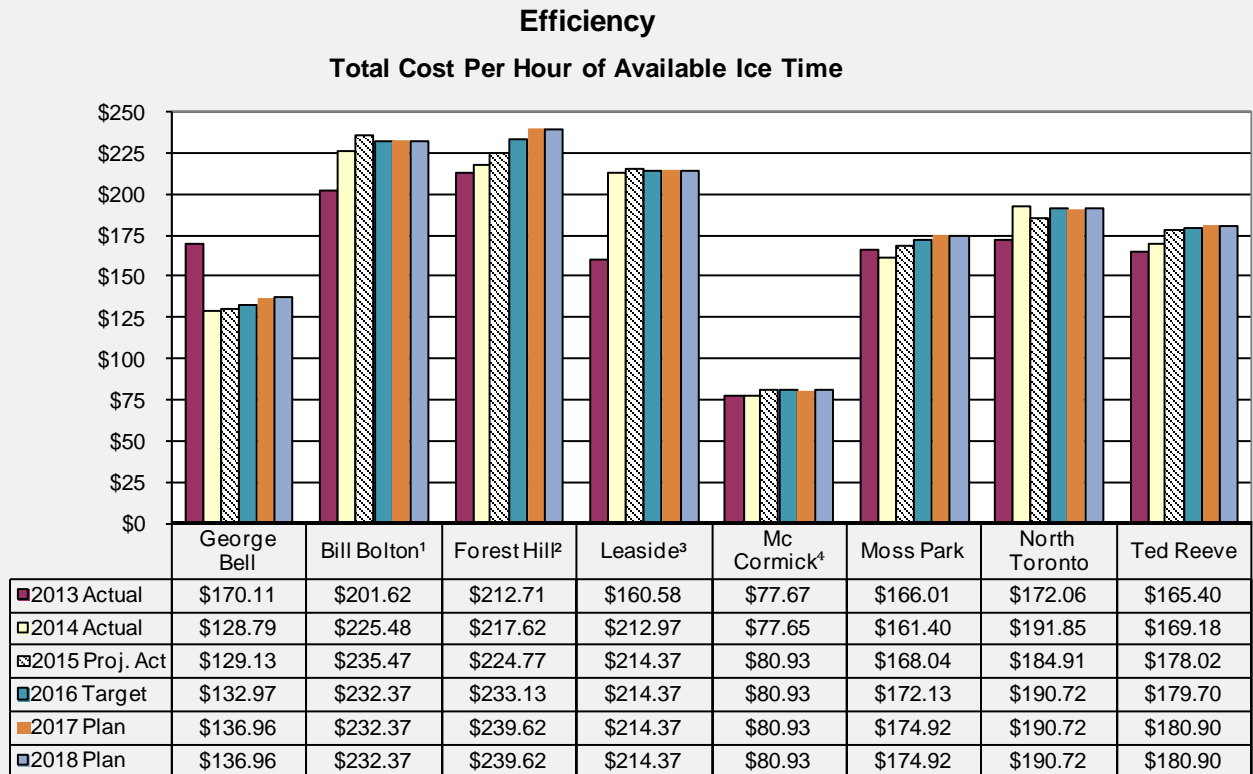
2016 Service Levels
Arena Boards of Management

Activity	Sub-Activity/Type	2016
Ice Booking	Prime Time	100% Utilization
	Non Prime time	60% Utilization (on average)
Facility Rental	Banquet hall / Meeting / Board Rooms	76% Utilization / Occupancy
	Arena Floor	100% On Demand
	Indoor Swimming Pool	100% Utilization / Occupancy
Concession / Vending	Snack Bar	66% staffed and open - 100% on demand
	Pro Shop	100% on demand
Directly Run (Programmed)	Recreational Skate / Shinny	100% of programmes are evaluated to respond to Community needs
	Camps	100% of programmes are evaluated to respond to Community needs
	Hockey Schools	100% of programmes are evaluated to respond to Community needs
	Summer / Winter Hockey Leagues	100% of programmes are evaluated to respond to Community needs
	Learn to Skate	100% of programmes are evaluated to respond to Community needs
Indirectly 3rd party Coordinated (Booking)		To maintain annual contracts for 3rd party groups

Overall, the 2016 Service Levels are consistent with the approved 2015 Service Levels for all eight Arena Boards.

Service Performance

Efficiency Measure – Total Cost Per Hour of Available Ice Time



¹ Bill Bolton Arena, which is located in a residential setting, is not able to operate ice in the late night. This results in fewer hours and higher cost per hour calculations.

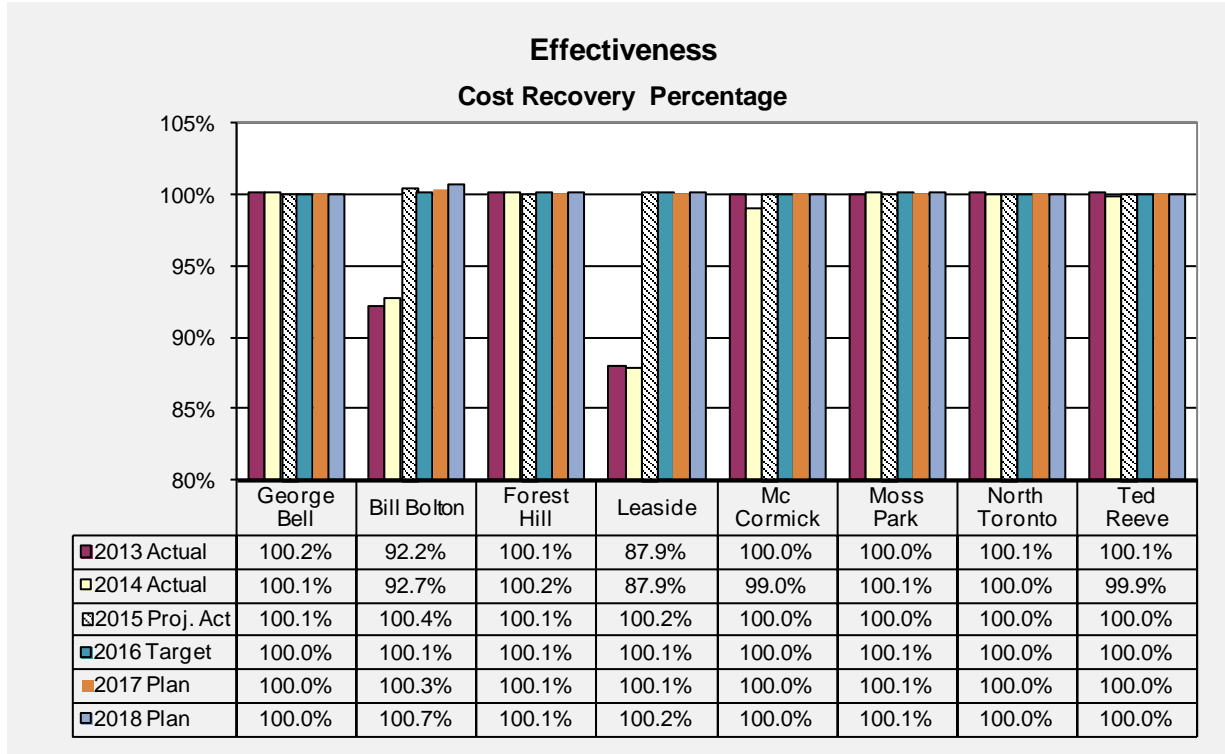
² Forest Hill Arena has one large and one small ice pad, but only the large pad operates year-round and is used to calculate hours of available ice, leading to larger cost per hour calculations

³ Leaside Arena began its first full-year of operations on the second ice rink in 2014, thus driving higher cost per hour in the future years.

⁴ McCormick Arena has one large and one small ice pad, both of which operate year-round and are used to calculate hours of available ice, leading to significantly lower cost per hour calculations.

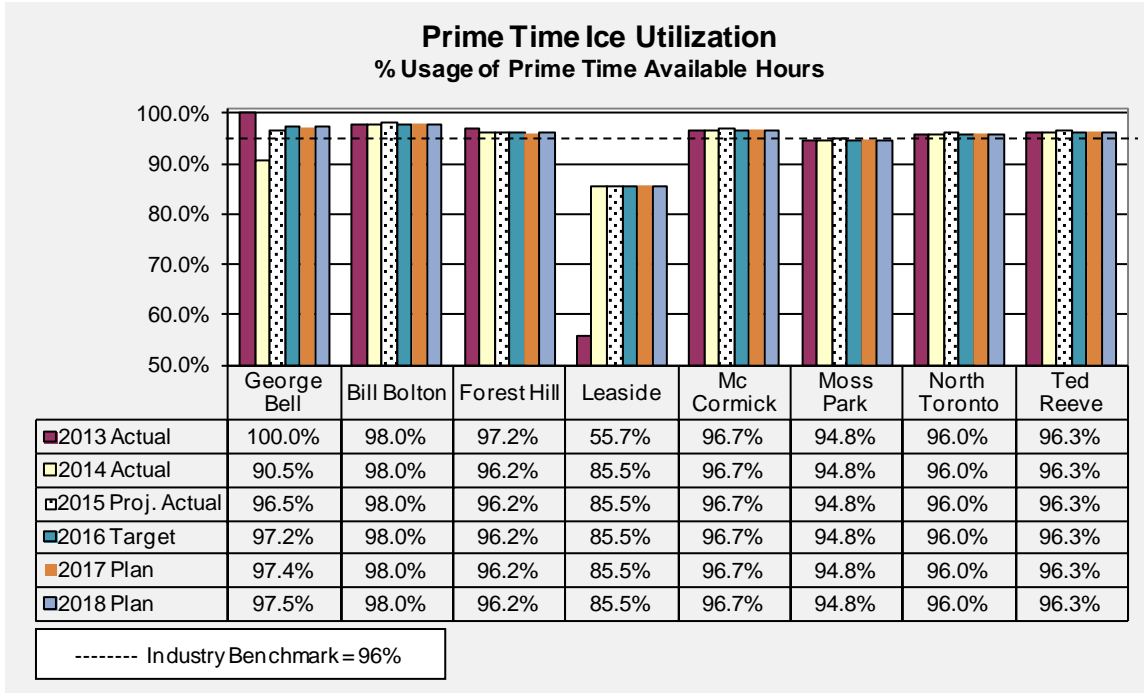
- The efficiency measure “Total Cost Per Hour of Available Ice Time” is derived from the total operating costs of an arena divided by the hours of ice time available to be booked.
- The cost per hour of ice time generally increases every year due to inflation and labour cost increases. Other fluctuations can be caused by arena closures for renovations, emergency shutdown due to emergency repairs, or quantity and dollar values of small repairs and maintenance projects undertaken by an Arena Board.
- George Bell Arena began its summer ice operations in 2014, resulting in increased available ice hours and a decreased cost per hour in years from 2015 to 2018.

Effectiveness Measure – Cost Recovery Percentage



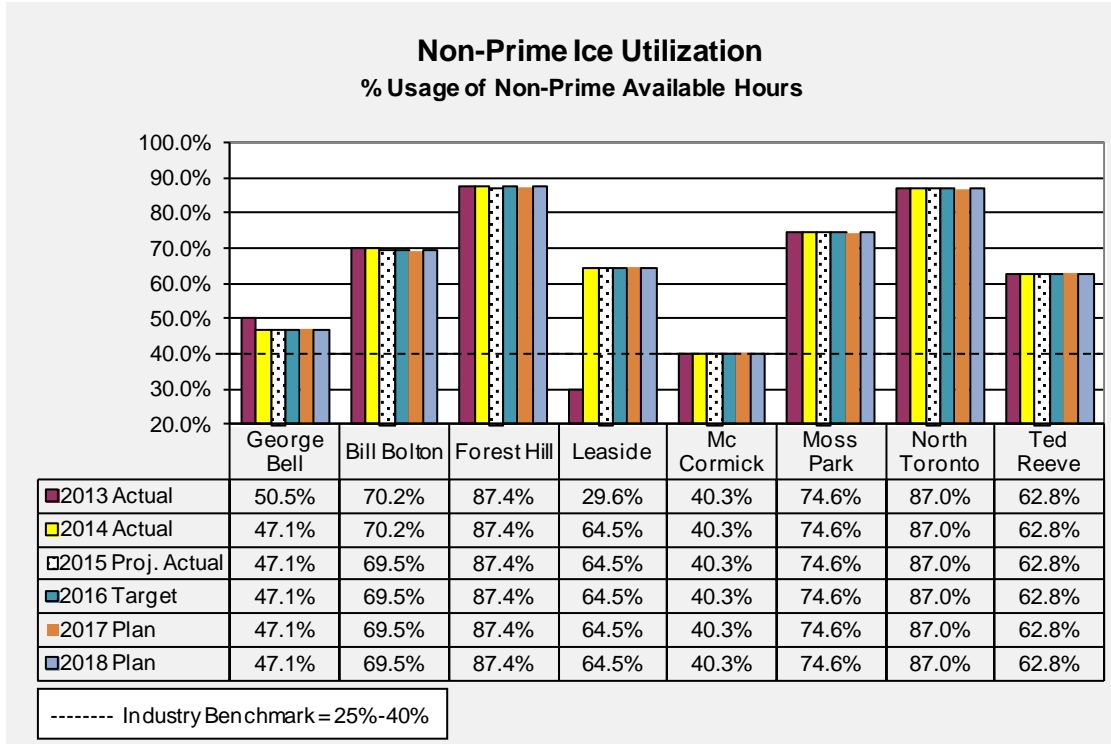
- A key mandate of the Arena Boards is to manage and operate the arenas (a City-owned asset) effectively and efficiently at no cost to the City. The goal is to generate sufficient revenue to fund operations.
- The effectiveness measure "Cost Recovery Percentage" is derived from the total revenue of an arena divided by its total expenditure, and indicates how each arena is performing and whether it is meeting its mandate. Arenas that break even or generate net surpluses require no operating budget support; net operating surpluses become part of the City's general revenues. Arenas that incur net operating deficits require funding from the City.
- Fluctuations can be caused by unanticipated demand changes for ice rentals or in-house programs, revenues from accessory operations (changes in snack bar/vending and pro shop sales and facility space rental revenue), advertising, one-time revenues, and the quantity and dollar value of repairs and maintenance projects.
- Bill Bolton Arena did not achieve cost recovery in 2013-2014 due to a backlog of maintenance, unexpected one-time expenses related to human resources consultant fees and repair needs. Bill Bolton Arena expects its cost recovery rate to stabilize at 100% and above in years 2015 to 2017 and to be achieved through close monitoring of the Arena's expenditures.
- Leaside Gardens Arena did not achieve cost recovery in 2014 as it was the Arena's full-year of operations of second ice pad. Despite the requirements of full loan repayment, the Arena increased its revenue performance from prior years through active marketing and expects full cost recovery by 2015 and onward.

Utilization Measure – % Usage of Prime Time Available Hours



- Prime Time Ice Utilization reflects the percentage of available prime time hours that is booked and used. The industry benchmark for prime time ice utilization is 96% booked for a standard ice season.
- This measure varies from year to year based on market demand. Seven arenas expect to surpass the industry benchmark of 96% for prime time ice utilization in 2016.
- In 2013, Leaside Gardens Arena experienced a lower utilization rate as a result of construction of the second ice pad. Leaside Gardens Arena anticipates prime ice time utilization rate to recover in 2015 and after. However, the rates will perform below the industry benchmark as the Arena lost ice booking and banquet hall rental revenues due to construction and must rebuild its usage levels. Efforts are underway to restore the lost revenues through increased marketing initiatives.
- In 2015, five of eight arenas will offer year-round ice operations (George Bell, William H. Bolton, Forest Hill, McCormick, and Moss Park). Their prime time ice utilizations reflect the total of the standard Fall/Winter Ice Season plus the Spring and Summer ice seasons' prime time hours sold versus availability.

Utilization Measure – % Usage of Non-Prime Time Available Hours



- Non-prime time ice time is generally defined as daytime and late night ice times during weekdays (Mondays to Fridays 7:00 a.m. to 4:00 p.m. and 11:00pm to 1:00am).
- The industry benchmark for non-prime ice utilization ranges from 25% to 40% average rental for the standard ice season for a good arena.
- All eight arenas have been meeting or surpassing the industry benchmark of 25-40% for non-prime time ice utilization, and expect to continue to do so in the near future.
- McCormick Arena's 40% utilization of non-prime ice time represents a composite figure for the two ice surfaces combined, one large and one small ice rink, and meets the industry benchmark. The small rink is difficult to rent out at the best of times, and during the day there is little demand for the small ice surface except for shinny and practices.
- Leaside Arena’s non-prime ice utilization rate dropped significantly in 2013 to 29.6% due to the addition of the second ice pad and the disruption caused by the construction. Leaside Arena experienced 64.5% of utilization rate since 2014 and the trend is expected to continue.
- All eight Arena Boards actively market daytime ice to the local community.



Part III: Issues for Discussion

Issues for Discussion

Issues Impacting the 2016 Budget

Leaside Arena Expansion Project: Subsequent Years of Operations

- Leaside Arena's 2016 Operating Budget, 2017 and 2018 Plans project net surpluses of \$0.004 million in each year demonstrating the Arena's ability to commit to the loan repayments while adhering to The Loan Agreement between the City, Infrastructure Ontario and the Board of Management of Leaside Arena.
- The Loan Agreement requires that quarterly loan payments be kept up to date as well as payroll costs to the City. For the loan to remain in good standing, it is necessary that the Arena settles its financial obligations on a timely basis.
- The year 2014 was Leaside Arena's first full year of operating the second ice pad. The 2014 audited financial results have been received by City Council on November 3, 2015 "Update on Arenas and Community Centres - 2014 Audited Financial Statements" (AU4.12).
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.AU4.12>
 - ✓ Final financial results will be reviewed for compliance with the loan agreement prior to the Arena Boards 2014 year-end settlement report moving forward.

Core Service Review – Status Update

- At the Special City Council Meeting of September 26 and 27, 2011, City Council adopted the following recommendation emanating from the Core Service Review (EX10.1):
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.EX10.1>
 - ✓ 8(o). Arenas (Directly Operated and Board Operated): Consider examining the existing business and governance models currently in place at all arenas (internally operated arenas and all 8 arena boards)."
- Council on November 13, 2013, considered an Ombudsman's report titled "*Skating on Thin Ice: an Investigation into Governance at an Arena Board*" (CC41.4) with a directive given to the City Manager to adopt the recommendations contained in the Ombudsman's Report:
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.CC41.4>
 - ✓ Recommendation 4 - the City Manager examine various governance models and service delivery mechanisms for arena boards, and provide advice on options for Council's consideration by 2016.
 - ✓ Recommendation 5 - the Strategic and Corporate Policy Division clarify and communicate the role of elected representatives on Arena Boards as part of the Board orientation.
- Although a governance model review has not been initiated, the City Manager's Office is in the process of providing orientation sessions to the new Arena Board members as they take office.

Appendices:

Appendix 1

2015 Service Performance

2015 Key Service Accomplishments

In 2015, Arena Boards of Management accomplished the following:

- ✓ All eight arenas operated at full capacity, delivering a combined total of 24,357 hours of prime-time ice bookings or 94.5% usage rate and 13,151 hours of non-prime time ice bookings or 64.2% usage rate. Prime ice usage rate has risen by 4.3%, and non-prime ice usage rate has risen by 4.9% in 2015.
- ✓ All eight arenas' 2014/2015 and 2015/2016 Fall/Winter Ice Season prime time ice allocations were in compliance with the City's Ice Allocation Policy.

Appendix 2

2016 Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2013	2014	2015	2015	2016	2016 Change from		Plan	
	Actual	Actual	Budget	Projected	Budget	2015 Approved		2017	2018
	\$	\$	\$	Actual *	\$	\$	%	\$	\$
Salaries and Benefits	4,259.3	4,072.9	4,348.5	4,273.8	4,478.9	130.4	3.0%	4,545.9	4,621.5
Materials and Supplies	1,667.5	1,540.3	2,147.2	2,110.3	2,224.3	77.1	3.6%	2,277.7	2,329.3
Equipment	39.8	327.4	43.5	42.8	44.7	1.2	2.8%	42.0	46.3
Services & Rents	869.2	785.2	1,031.5	1,013.8	1,079.4	47.9	4.6%	1,085.1	1,113.2
Contributions to Capital	165.7	91.0	559.5	549.9	546.4	(13.1)	(2.4%)	546.4	546.4
Contributions to Reserve/Res Funds	184.5	82.4	270.2	265.5	270.2			270.2	271.2
Other Expenditures		600.2							
Interdivisional Charges									
Total Gross Expenditures	7,186.1	7,499.5	8,400.4	8,256.1	8,643.9	243.5	2.9%	8,767.3	8,927.9
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	6,127.6	6,691.9	7,382.9	7,262.1	7,658.1	275.2	3.7%	7,771.0	7,931.4
Transfers from Capital Fund									
Contribution from Reserve/Reserve Funds	51.7	10.0							
Sundry Revenues	847.6	676.3	1,024.2	1,007.5	993.6	(30.6)	(3.0%)	1,006.0	1,012.1
Total Revenues	7,026.9	7,378.1	8,407.2	8,269.6	8,651.7	244.6	2.9%	8,777.0	8,943.6
Total Net Expenditures	159.2	121.3	(6.8)	(13.5)	(7.9)	(1.1)	16.3%	(9.7)	(15.7)
Approved Positions	67.2	67.4	66.6	66.6	67.7	1.2	1.7%		

* Based on the 2015 9-month Operating Variance Report

* Categories of expense are allocated and reported based on best available estimates

For additional information regarding the 2015 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2015" approved by City Council at its meeting on December 9, 2015.

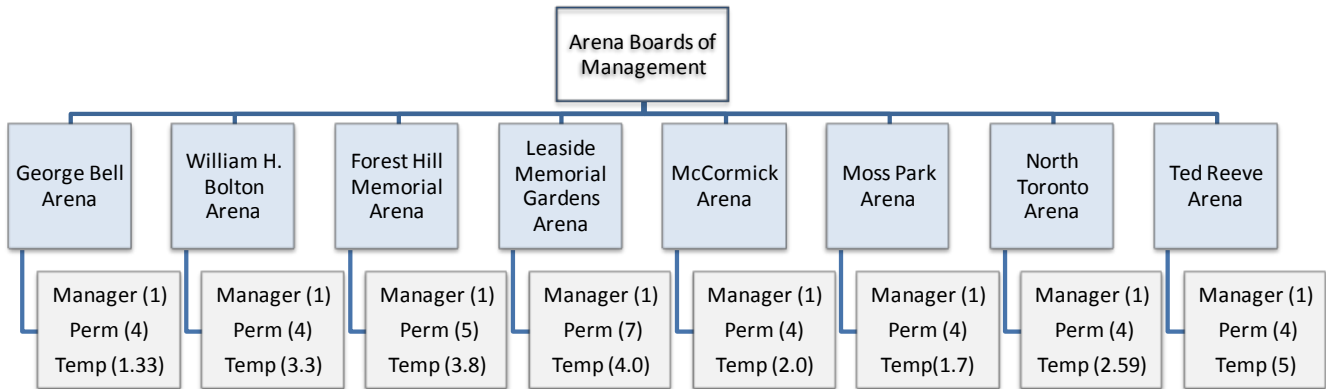
<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2015.EX10.27>

Impact of 2015 Operating Variance on the 2016 Budget

- Leaside Gardens Arena has increased its revenue levels in 2016 by \$0.044 million consistent with the actual experience and the expected increase in demand for its ice rink facility.
- Bill Bolton Arena increased its maintenance costs by \$0.050 million to address the needed minor repair work on site as made evident in 2015 actual experience.

Appendix 3

2016 Organization Chart



2016 Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent		8.0	29.3	7.0	44.3
Temporary			19.4	4.0	23.4
Total		8.0	48.7	11.0	67.7

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		143.4	238.4	228.4	215.4
Arena Boards of Management Ice Resurfacer Replacement Reserve	XQ1705				
<i>Proposed Withdrawals (-)</i>			(105.0)	(108.0)	(110.0)
<i>Contributions (+)</i>		95.0	95.0	95.0	104.0
Total Reserve / Reserve Fund Draws / Contributions		238.4	228.4	215.4	209.4
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		238.4	228.4	215.4	209.4

* Based on 9-month 2015 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		247.3	330.3	413.3	496.3
Leaside Memorial Community Gardens Arena Debt Service Reserve Fund	XR3216				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>		83.0	83.0	83.0	83.0
Total Reserve / Reserve Fund Draws / Contributions		330.3	413.3	496.3	579.3
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		330.3	413.3	496.3	579.3

* Based on 9-month 2015 Reserve Fund Variance Report

Appendix 6 - Continued

Inflows/Outflows to/from Reserves & Reserve Funds

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		25,335.2	25,335.2	12,018.1	2,712.1
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			87.2	87.2	87.2
Total Reserve / Reserve Fund Draws / Contributions		25,335.2	25,422.4	12,105.3	2,799.3
Other Program / Agency Net Withdrawals & Contributions			(13,404.3)	(9,393.2)	(4,599.7)
Balance at Year-End		25,335.2	12,018.1	2,712.1	(1,800.4)

* Based on 9-month 2015 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2015 *	Withdrawals (-) / Contributions (+)		
			2016	2017	2018
		\$	\$	\$	\$
Projected Beginning Balance		60,624.3	60,624.3	58,760.6	61,433.4
Sick Leave Reserve Fund	XR1007				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>			5.0	5.0	5.0
Total Reserve / Reserve Fund Draws / Contributions		60,624.3	60,629.3	58,765.6	61,438.4
Other Program / Agency Net Withdrawals & Contributions			(1,868.7)	2,667.8	3,573.3
Balance at Year-End		60,624.3	58,760.6	61,433.4	65,011.7

* Based on 9-month 2015 Reserve Fund Variance Report

Appendix 7a

User Fees Adjusted for Inflation and Other

Rate ID	Rate Description	Service	Fee Category	Fee Basis	2015	2016			2017	2018
					Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
A1001	Fall/Winter Ice Season: Ice Time Rental: Adult Prime Time:	George Bell	Market Based	Hour	\$277.48		\$8.02	\$285.50	\$294.07	\$302.89
A1002	Fall/Winter Ice Season: Ice Time Rental: Youth Prime Time:	George Bell	Market Based	Hour	\$216.06		\$6.48	\$222.54	\$229.22	\$236.10
A1003	Fall/Winter Ice Season: Ice Time Rental: Weekday Non-Prime	George Bell	Market Based	Hour	\$121.85		\$3.66	\$125.51	\$129.28	\$133.16
A1004	Fall/Winter Ice Season: Ice Time Rental: Weekday/Weekend N	George Bell	Market Based	Hour	\$235.92		(\$13.38)	\$222.54	\$229.22	\$236.10
A1008	Facility Space Rental : Meeting Room Rental: one hour meet	George Bell	Market Based	Hour	\$50.00		(\$5.75)	\$44.25	\$45.58	\$46.95
A1011	Ice Time Rental - Girls Hockey: Prime Time	George Bell	Market Based	Hour	\$186.72		(\$11.39)	\$175.33	\$180.59	\$186.01
A1012	Ice Time Rental: School Games Non-Prime	George Bell	Market Based	Hour	\$121.85		\$3.66	\$125.51	\$129.28	\$133.16
A1013	Summer Ice Rental	George Bell	Market Based	Hour	\$216.06		\$6.48	\$222.54	\$229.22	\$236.10
A2003	Program: Adult Leagues	Bill Bolton	Market Based	Participant	\$465.00		\$30.00	\$495.00	\$495.00	\$495.00
A2007	Program: Learn to Skate	Bill Bolton	Market Based	Participant	\$130.00		\$5.00	\$135.00	\$135.00	\$135.00
A2008	Program: Learn To Skate (Children - Beginners): Teaching C	Bill Bolton	Market Based	Participant	\$105.00		\$5.00	\$110.00	\$110.00	\$110.00
A2010	Program: Boys and Girls House League Hockey	Bill Bolton	Market Based	Participant	\$320.00		\$17.50	\$337.50	\$337.50	\$337.50
A2018	Program: Women's Education: Teaching Hockey Skills (for a Fall/Winter Ice Season: Ice	Bill Bolton	Market Based	Participant	\$142.00		\$23.00	\$165.00	\$165.00	\$165.00
A2019	Time Rental: Daytime ice: 7:0	Bill Bolton	Market Based	Hour	\$115.00		\$5.00	\$120.00	\$120.00	\$120.00
A2022	Fall/Winter Ice Season: Non-prime time ice rental: 4:00 pm	Bill Bolton	Market Based	Hour	\$168.00		\$2.00	\$170.00	\$170.00	\$170.00
A2028	Fall/Winter Ice Season: Ice Time Rental: Prime time ice:	Bill Bolton	Market Based	Hour	\$226.00		\$4.00	\$230.00	\$230.00	\$230.00
A3001	Large Ice Surface: Non-Prime Time Ice Rental: Daytime: 7:00	Forest Hill	Market Based	Hour	\$110.62		\$4.42	\$115.04	\$115.04	\$115.04
A3002	Large Ice Surface: Prime Time Ice Rental: Primetime: 4:00	Forest Hill	Market Based	Hour	\$203.54		\$8.85	\$212.39	\$212.39	\$212.39
A3003	Large Ice Surface: Ice Time Rental: Weekend: 7:00 am to 1:	Forest Hill	Market Based	Hour	\$203.54		\$8.85	\$212.39	\$212.39	\$212.39
A3004	Large Ice Surface: Non-Prime Time Ice Rental: 8:00 am to 4	Forest Hill	Market Based	Hour	\$57.52		\$4.43	\$61.95	\$61.95	\$61.95
A3006	Small Ice Surface: Ice Time Rental: Primetime: 4:00 pm to	Forest Hill	Market Based	Hour	\$157.52		\$6.20	\$163.72	\$163.72	\$163.72
A3007	Small Ice Surface: Ice Time Rental: Weekend: 7:00 am to 1:	Forest Hill	Market Based	Hour	\$157.52		\$6.20	\$163.72	\$163.72	\$163.72
A3008	Small Ice Surface: Ice Time Rental: 8:00 am to 4 pm Mon -	Forest Hill	Market Based	Hour	\$57.52		\$4.43	\$61.95	\$61.95	\$61.95

Appendix 7a - Continued

User Fees Adjusted for Inflation and Other

Rate ID	Rate Description	Service	Fee Category	Fee Basis	2015	2016			2017	2018
					Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
A4001	Prime Time Ice Rental	Leaside	Market Based	Hour	\$351.78		\$3.23	\$355.01	\$355.01	\$355.01
A4002	Day Time Ice Rental	Leaside	Market Based	Hour	\$154.60		\$1.51	\$156.11	\$156.11	\$156.11
A4003	Non-prime: 11 pm - 12 midnight	Leaside	Market Based	Hour	\$193.99		\$5.82	\$199.81	\$199.81	\$199.81
A4009	Tuesday Programs: Adult Shinny: 12 noon - 1:00 pm	Leaside	Market Based	Participant	\$7.00		\$0.08	\$7.08	\$7.08	\$7.08
A4011	Friday Programs: Adult Shinny: 1:00 pm - 2:00 pm	Leaside	Market Based	Participant	\$7.00		\$0.08	\$7.08	\$7.08	\$7.08
A5001	Large Ice Pad: Prime time: After 4:00 pm; Mon - Fri	Mccormick	Market Based	Hour	\$199.12		\$4.42	\$203.54	\$203.54	\$203.54
A5002	Large Ice Pad: Primetime: Weekends (Sat & Sun); all hours	Mccormick	Market Based	Hour	\$199.12		\$4.42	\$203.54	\$203.54	\$203.54
A5003	Small Ice Pad: Prime time: After 4:00 pm; Mon - Fri	Mccormick	Market Based	Hour	\$132.74		\$4.43	\$137.17	\$137.17	\$137.17
A5004	Small Ice Pad: Primetime: Weekends (Sat & Sun); all hours	Mccormick	Market Based	Hour	\$132.74		\$4.43	\$137.17	\$137.17	\$137.17
A5005	Large Ice Pad: Daytime: 7:00 am to 4:00 pm; Mon - Fri	Mccormick	Market Based	Hour	\$101.77		\$4.42	\$106.19	\$106.19	\$106.19
A5006	Small Ice Pad: Daytime: 7:00 am to 4:00 pm; Mon - Fri	Mccormick	Market Based	Hour	\$84.07		\$4.43	\$88.50	\$88.50	\$88.50
A6011	Adult Hockey School: Mon 8pm to 9pm or 9pm to 10pm; Thurs 8p	Moss Park	Market Based	Participant	\$200.00		\$14.00	\$214.00	\$214.00	\$214.00
A7001	Prime time ice rental: Mon - Fri: 5:00 pm to 12:00 midnight	North Toronto	Market Based	Hour	\$251.43		\$7.54	\$258.97	\$266.74	\$274.74
A7002	Prime time ice rental: Sat & Sun: 6:00 am to 12:00 midnight	North Toronto	Market Based	Hour	\$251.43		\$7.54	\$258.97	\$266.74	\$274.74
A7006	Non-prime time ice rental: Mon - Fri: 12:00 midnight to 6:0	North Toronto	Market Based	Hour	\$213.28		\$6.40	\$219.68	\$226.27	\$233.06
A7007	Non-prime time ice rental: Mon - Fri: 4:00 pm to 5:00 pm (R)	North Toronto	Market Based	Hour	\$190.89		\$5.73	\$196.62	\$202.52	\$208.60
A7009	Non-prime time ice rental: Daytime: Mon - Fri: 6:00 am to 8	North Toronto	Market Based	Hour	\$167.16		\$5.01	\$172.17	\$177.34	\$182.66
A7013	Non-prime time ice rental: Daytime: Mon - Fri: 8:00 am to 4:	North Toronto	Market Based	Hour	\$158.38		\$4.75	\$163.13	\$168.02	\$173.06
A8001	Prime Time Ice Rental: Mon. - Fri. 6:00 pm to 11:00 pm; Sat	Ted Reeve	Market Based	Hour	\$230.09		\$6.19	\$236.28	\$242.21	\$248.27
A8007	Non-prime time: Saturday Nights, after 9 pm	Ted Reeve	Market Based	Hour	\$168.00		\$3.68	\$171.68	\$175.97	\$180.37
A8008	Non-prime time: Weekdays: prior to 8:00 am; Mon - Fri	Ted Reeve	Market Based	Hour	\$116.96		\$3.39	\$120.35	\$123.37	\$126.45

Appendix 7a - Continued

User Fees Adjusted for Inflation and Other

Rate ID	Rate Description	Service	Fee Category	Fee Basis	2015	2016			2017	2018
					Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
A8009	Non-prime time: Weekdays: 8:00 am to 2:00 pm; Mon - Fri	Ted Reeve	Market Based	Hour	\$96.46		\$2.66	\$99.12	\$101.59	\$104.13
A8010	Non-prime time: Weekdays: 2:00 pm to 5:00 pm; Mon - Fri	Ted Reeve	Market Based	Hour	\$136.40		\$4.31	\$140.71	\$144.23	\$147.84
A8011	Non-prime time: Weekdays: 5:00 pm to 6:00 pm; Mon - Fri	Ted Reeve	Market Based	Hour	\$169.91		\$5.31	\$175.22	\$179.60	\$184.09
A8012	Prime time: Sunday to Friday after 11 pm	Ted Reeve	Market Based	Hour	\$182.30		\$5.31	\$187.61	\$192.30	\$197.11
A8015	Ice time rental: Pre-Season Prime time (Summer July - August	Ted Reeve	Market Based	Hour	\$209.00		\$6.27	\$215.27	\$220.65	\$226.17
A8016	Ice time rental: Tryout Ice (at end of ice season)	Ted Reeve	Market Based	Hour	\$209.00		\$6.27	\$215.27	\$220.65	\$226.17
A8020	Meeting room rental -Friday, Saturday, Sunday and Holidays;	Ted Reeve	Market Based	Hour	\$62.50		\$437.50	\$500.00	\$512.50	\$525.31