

Toronto 2017 BUDGET



PROGRAM SUMMARY



Civic Theatres Toronto

2017 OPERATING BUDGET OVERVIEW

The three City-owned and operated Theatres promote theatrical, artistic and cultural programming in the community through convenient and cost-effective access to state of the art venues that support multi-cultural, not-for-profit, and corporate events.

2017 Operating Budget Highlights

The total cost to deliver these services to Toronto residents is \$29.059 million gross and \$5.886 million net as shown below:

(in \$000's)	2016 Budget	2017 Budget	Change	
			\$	%
Gross Expenditures	23,123.3	29,058.5	5,935.2	25.7%
Gross Revenues	17,626.8	23,172.5	5,545.7	31.5%
Net Expenditures	5,496.6	5,886.0	389.4	7.1%

**2016 and 2017 Budgets include a one-time funding for Leadership Development.*

Sony Centre and St. Lawrence Centre met the 2.6% reduction target, through revenue enhancement strategies, while Toronto Centre for the Arts is 8.5% above the 2016 Approved Net Operating Budget driven by a loss of revenue at its Lyric Theatre and actual experience. City Council approved a one-time funding for Leadership Development to support transition of the new Civic Theatres Toronto organization.

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Fast Facts

- Sony Centre for Performing Arts offers a 3,191-seat auditorium and is Canada's largest soft seat theatre.
- St. Lawrence Centre for the Arts houses 2 theatres: the 876-seat Bluma Appel Theatre and the 498-seat Jane Mallet Theatre.
- Toronto Centre for the Arts has 4 theatres: the new 578-seat Lyric Theatre; the 300-seat Greenwin Stage Tower Theatre; the 1,036-seat George Weston Recital Hall; and the 200-seat Studio Theatre.

Trends

- The cost per seat generally increases gradually to reflect the cost of inflation but can also fluctuate from year to year depending on the level of stage activity taking place in each location which impacts the total facility operation costs.
- Cost per seat for Toronto Centre for the Arts increased by 37% in 2016 driven by an increased building operations cost and departure of a long-term resident licensee of 2016, and 20% utilization at the brand new Lyric Theatre which had a soft opening November 2016 after major renovations completed in September 2016.

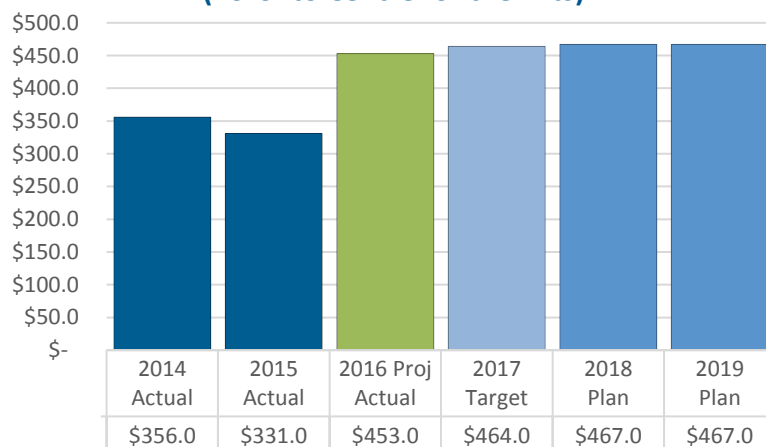
Key Service Deliverables for 2017

The Civic Theatres endorse culture, arts and theatre by programming a full range of high quality performances and events for both corporate and not-for-profit artists.

The 2017 Operating Budget will enable:

- Sony Centre for the Performing Arts offers multi-functional space, comprehensive event services, state-of-the-art lighting and sound systems, and a world class stage.
 - The Theatre will build the Centre's brand of excellence in programming performances with diverse appeal to all of Toronto's residents.
- St. Lawrence Centre for the Arts provides state-of-the-art facilities to Toronto's not-for-profit performing arts companies and local communities at an affordable cost.
 - The Centre will continue to attract a wide range of cultural and artistic events with select corporate and not-for-profit presenters.
- Toronto Centre for the Arts offers a first class venue for a full range of performing arts.
 - The Centre will become the most versatile performing arts centre in Toronto. It will build strategic links with the local arts community and seek educational and programming partners that will strengthen the operations of the Centre.

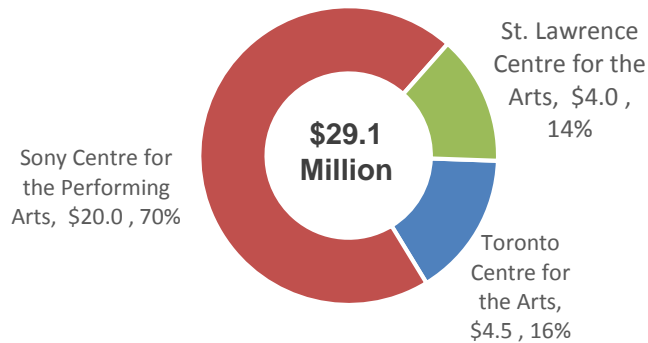
**Efficiency Measure - Facility Cost Per Seat
(Toronto Centre for the Arts)**



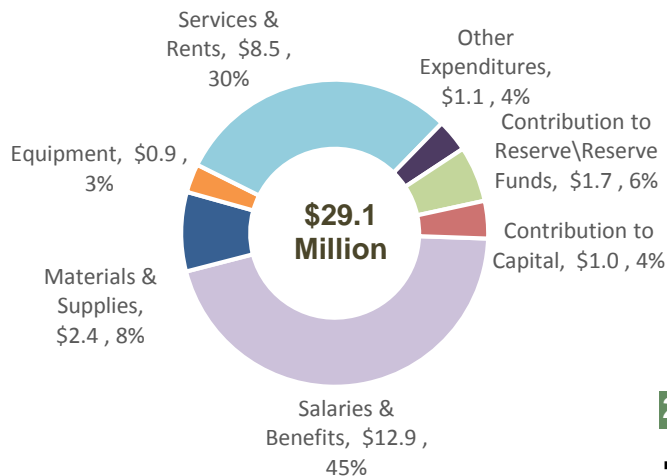
**Consolidated facility cost per seat for the three Theatres will not yet be available until the three operations have fully merged.*

Where the money goes:

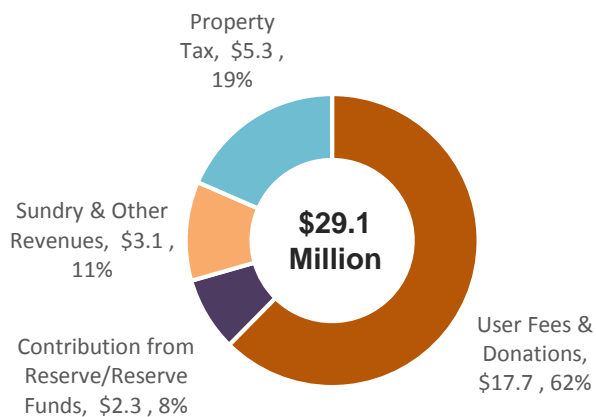
2017 Budget by Service



2017 Budget by Expenditure Category



Where the money comes from:



Our Key Issues & Priority Actions

- **Leadership Development for the Civic Theatres** will require new one-time funding in 2017 to support the final stage of the CEO search process and support a new CEO office for the three Civic Theatres.
 - ✓ The new CEO will lead the task of consolidating the operations of the three Civic Theatres, and bringing efficiencies expected to arise from the merger. The one-time new request of \$0.633 million will support the transition of the Civic Theatres Toronto.
- **Toronto Centre for the Arts** recently lost one of its major clients at its Classical Theatre resulting in a revenue loss of \$0.200 million.
 - ✓ The 2017 Operating Budget for Toronto Centre is above its 2016 Approved Net Operating Budget by \$0.147 million or 8.5%. To meet the 2.6% reduction target, Toronto Centre would need to reduce its expenditures by \$0.192 million which will negatively affect its ability to serve clients and improve future outcomes.

2017 Operating Budget Highlights

- The 2017 Operating Budget for Civic Theatres Toronto of \$29.059 million in gross expenditures provides funding for programming and operating costs for the three Civic Theatres.
- *The Sony Centre and St. Lawrence Centre* have achieved the budget reduction target of -2.6% to the 2016 Approved Budget through measures taken based on the following:
 - Increased programming activities with "Sony Centre Presents" (\$0.046 million).
 - Increased bookings for Bluma Appel Theatre at St. Lawrence Centre (\$0.045 million).
- The *Toronto Centre for the Arts'* 2017 Operating Budget is 8.5% over the 2016 Approved Budget due to the loss of revenue:
 - Additional reductions would lead to severe impact on Toronto Centre's operations.

Council Approved Budget

City Council approved the following recommendations:

1. City Council approve the 2017 Operating Budget for Civic Theatres Toronto of \$29,059 million gross, \$5.886 million net for the following services:

<u>Service</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Toronto Centre for the Arts	4,468.7	1,887.4
Sony Centre for the Performing Arts	19,973.0	1,686.0
St. Lawrence Centre for the Arts	3,983.8	1,679.6
Leadership Development	633.0	633.3
Total Program Budget	<u>29,058.5</u>	<u>5,886.0</u>

2. City Council approve the 2017 service levels for Civic Theatres Toronto as outlined on pages 15, 19, and 22 of this report, and associated staff complement of 187.7 positions.



Part 1:

2017-2019 Service Overview and Plan

Program Map

Theatres

Sony Centre For The Performing Arts

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

St. Lawrence Centre for the Arts

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

Toronto Centre for the Arts




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

Theatrical & Other Culture Events

Purpose:

To promote Theater, Arts, and Culture in the community through convenient and cost-effective access to state of the art theater venues that support multi-cultural, not-for-profit and corporate events

Legend:

	Program		Activity
	Service		

Service Customer

Theatrical & Other Culture Events

- Individuals
- Community Groups
- Educational Institutions
- Corporations
- Theater & Music Resident Companies
- Event Participants & Attendees
- Theatre Patrons generally and specifically
Multicultural and Youth audiences
- Cultural Programming Producers

Table 1
2017 Operating Budget and Plan by Service

(In \$000s)	2016		2017 Operating Budget			2017 vs. 2016 Budget Change		Incremental Change			
	Budget	Projected Actual*	Base	New/Enhanced	Total Budget			2018 Plan		2019 Plan	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
Toronto Centre for the Arts											
Gross Expenditures	3,952.8	4,630.9	4,468.7		4,468.7	515.9	13.1%	70.9	1.6%	70.5	1.6%
Revenue	2,212.8	2,616.7	2,581.3		2,581.3	368.5	16.7%	(22.5)	(0.9%)	27.9	1.1%
Net Expenditures	1,740.0	2,014.2	1,887.4		1,887.4	147.4	8.5%	93.5	5.0%	42.6	2.1%
Sony Centre for the Performing Arts											
Gross Expenditures	15,312.1	15,278.8	19,973.0		19,973.0	4,660.8	30.4%	94.6	0.5%	95.8	0.5%
Revenue	13,580.0	13,312.5	18,286.9		18,286.9	4,706.9	34.7%				
Net Expenditures	1,732.1	1,966.3	1,686.0		1,686.0	(46.1)	(2.7%)	94.6	5.6%	95.8	5.4%
St. Lawrence Centre for the Arts											
Gross Expenditures	3,558.4	4,235.5	3,983.8		3,983.8	425.5	12.0%	64.4	1.6%	73.4	1.8%
Revenue	1,834.0	2,479.1	2,304.3		2,304.3	470.3	25.6%	42.9	1.9%	43.7	1.9%
Net Expenditures	1,724.4	1,756.4	1,679.6		1,679.6	(44.8)	(2.6%)	21.6	1.3%	29.6	1.7%
Leadership Development											
Gross Expenditures	300.0	300.0		633.0	633.0	333.0	111.0%				
Revenue											
Net Expenditures	300.0	300.0		633.0	633.0	333.0	111.0%				
Total											
Gross Expenditures	23,123.3	24,445.2	28,425.5	633.0	29,058.5	5,935.1	25.7%	230.0	0.8%	239.6	0.8%
Revenue	17,626.8	18,408.3	23,172.5		23,172.5	5,545.7	31.5%	20.4	0.1%	71.6	0.3%
Total Net Expenditures	5,496.6	6,036.9	5,253.0	633.0	5,886.0	389.5	7.1%	209.7	3.6%	168.0	2.8%
Approved Positions	171.9	179.5	186.7	1.0	187.7	15.8	9.2%				

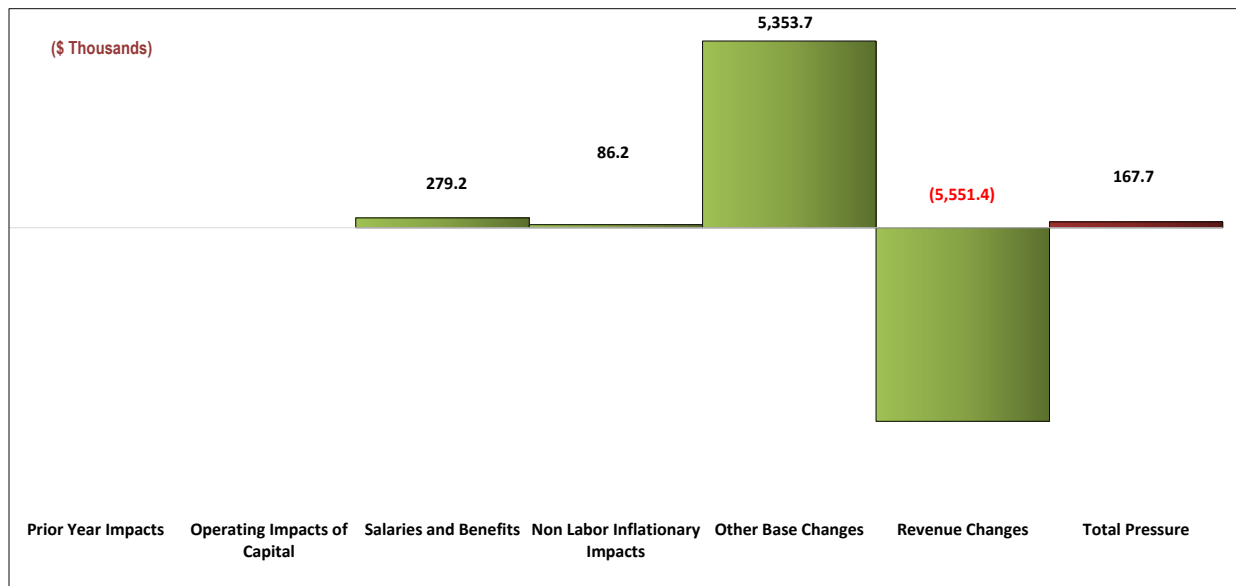
*As of September 30, 2016

The Civic Theatres Toronto's 2017 Operating Budget is \$29.059 million gross and \$5.886 million net, representing a 7.1% increase over the 2016 Approved Net Operating Budget. The three Civic Theatres exclusive of the Leadership Development are \$0.192 million or 3.7% above the reduction target as set out in the 2017 Operating Budget Directions approved by Council.

- Base pressures are mainly attributable to increased programming activities at the Sony Centre and St. Lawrence Centre, and loss of a long-term client at Toronto Centre for the Arts.
- To help mitigate the above pressures, the Sony Centre will offer more "Sony Centre Presents" productions and St. Lawrence Centre will generate additional revenue from increased bookings for its Jane Mallet Theatre and Bluma Appel Theatre. Toronto Centre for the Arts has submitted an offsetting reduction against the pressures arising from the loss of its major client, however it is not included in the 2017 Budget as it would impair the Centre's ability to serve its clients and develop more activity.
- Approval of the 2017 Operating Budget will result in Civic Theatres Toronto increasing its total staff complement by 14.8 positions from 171.9 to 186.7. This increase reflects additional temporary staff to support planned activity levels.
- The new Leadership Development funding request of \$0.633 million is included in the 2017 Operating Budget. See the Issues section for details.
- The 2018 and 2019 Plan increases are attributable to known inflationary costs for utilities, small programming driven expenditures, and cost of living adjustments for the three Civic Theatres staff.

The following graphs summarize the operating budget pressures for this Program and the actions taken that partially offset these pressures and reduce pressures.

Key Cost Drivers



Actions to Achieve Budget Reduction Target

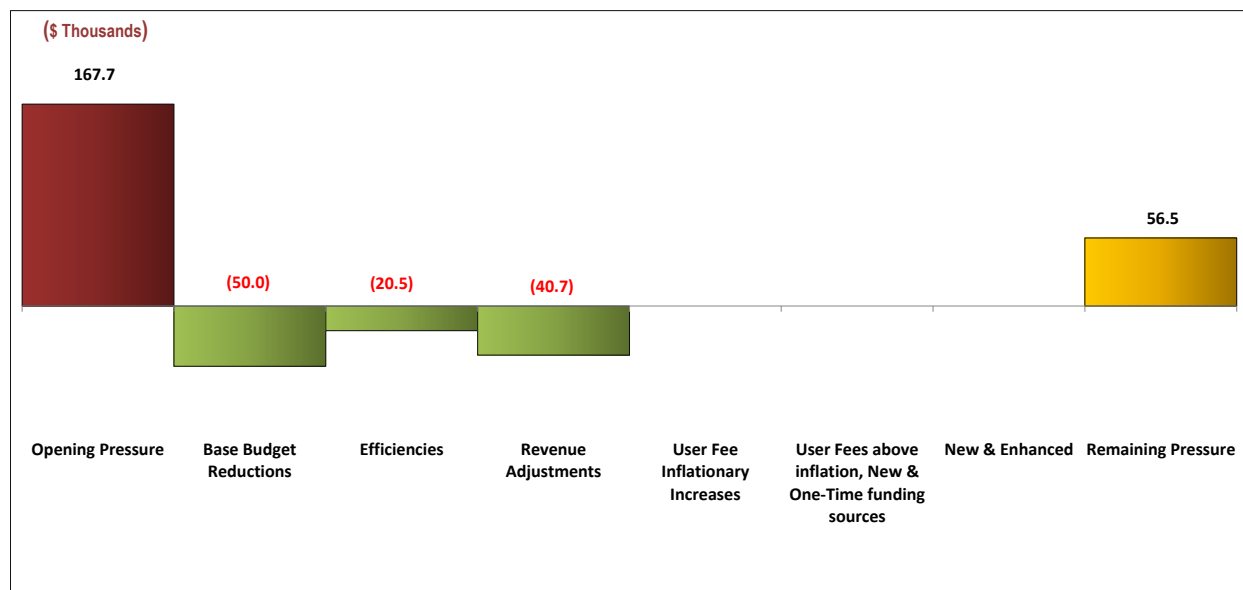


Table 2
Key Cost Drivers

(In \$000s)	2017 Base Operating Budget								Total	
	Toronto Centre for the Arts		Sony Centre for the Performing Arts		St. Lawrence Centre for the Arts		Leadership Development			
	\$	Position	\$	Position	\$	Position	\$	Position	\$	Position
Gross Expenditure Changes										
Prior Year Impacts										
Reversal of Management Consultant & Furniture Costs							(300.0)		(300.0)	
Salaries and Benefits										
Base Salaries & Benefits Changes	225.6		(10.0)		63.6				279.2	
Economic Factors										
Corporate Economic Factors	26.0		32.0		28.2				86.2	
Other Base Changes										
Volume Driven Expenditures - Programming	30.6	0.6	1,471.4	9.6	279.6	4.6			1,781.6	14.8
Advertising and Promotion			807.6						807.6	
Contracted Services - Programming			2,606.4						2,606.4	
Alignment of Expenditures to Actual Experience	83.7				74.5				158.2	
Total Gross Expenditure Changes	365.9	0.6	4,907.2	9.6	446.0	4.6	(300.0)		5,419.0	14.8
Revenue Changes										
User Fees Revenue - Volume Driven	(168.5)		(4,904.9)		(441.0)				(5,514.4)	
One-Time Increased Contributions from Toronto Centre for the Arts Improvement Reserve Fund	(50.0)								(50.0)	
Sundry Revenue			(48.4)		11.4				(37.0)	
Total Revenue Changes	(218.5)		(4,953.3)		(429.6)				(5,601.4)	
Net Expenditure Changes	147.4	0.6	(46.1)	9.6	16.4	4.6	(300.0)		(182.3)	14.8

Key cost drivers for Civic Theatres Toronto are discussed below:

- **Salaries and Benefits**
 - Base salaries and benefits changes reflect cost of living adjustments and increased volume of activities at all three Theatres of \$0.279 million.
- **Economic Factors:**
 - Inflationary increases for utility costs at all three Theatres for hydro, natural gas and water for \$0.086 million.
- **Other Base Changes:**
 - Sony Centre will significantly increase the number of 'Sony Centre Presents' events which will require additional funds to increase staff complement by 9.6 positions, increased promotion and advertising, and contracted service costs for events programming.
 - Toronto Centre for the Arts lost a long-term resident licensee in the last quarter of 2016. The loss of revenue of \$0.200 million is reflected in the 2017 Operating Budget which is partially offset by an increased contribution from TCA Stabilization Reserve.
 - St. Lawrence Centre for the Arts has aligned its base budget expenses to its 2016 actual experience for food costs, and service and rental expenses which results in a need for additional funding of \$0.075 million in 2017.
- **Revenue Changes:**
 - St. Lawrence Centre experienced increased bookings for the Bluma Appel Theatre in 2016 and expects the same level of demand will continue into 2017, which will increase user fee revenue by \$0.441 million in 2017.
 - Sony Centre's "Sony Centre Presents" events will generate additional revenue of \$0.068 million.

In order to achieve the budget reduction target, the 2017 service changes for the three Civic Theatres consists of base revenue changes of \$0.050 million, service efficiency savings of \$0.021 million net and revenue adjustments of \$0.109 million net, for a total of \$0.179 million net as detailed below.

Table 3
Actions to Achieve Budget Reduction Target
2017 Service Change Summary

Description (\$000s)	Service Changes						Total Service Changes			Incremental Change			
	Toronto Centre for the Arts		Sony Centre for the Performing Arts		St. Lawrence Centre for the Arts		\$	\$	#	2018 Plan		2019 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
Base Revenue Changes													
One-Time Increased Contributions from Toronto Centre for the Arts Improvement Reserve Fund		(50.0)								50.0		50.0	
Sub-Total		(50.0)						(50.0)		50.0		50.0	
Service Efficiencies													
Savings in Contracted Services					(20.5)	(20.5)	(20.5)	(20.5)		(0.4)		(0.4)	
Sub-Total					(20.5)	(20.5)	(20.5)	(20.5)		(0.4)		(0.4)	
Revenue Adjustments													
Box Office, Handling and Ticket Service Surcharge Adj.						(40.7)		(40.7)		(0.8)		(0.8)	
Sony Centre Presents				(68.0)				(68.0)	9.6				
Sub-Total				(68.0)		(40.7)		(108.7)	9.6	(0.8)		(0.8)	
Total Changes		(50.0)		(68.0)	(20.5)	(61.2)	(20.5)	(179.2)	9.6	48.8		48.8	

Base Revenue Changes (Savings of \$0.050 million gross & net)

Bridging Strategy – TCA Arts Improvement Reserve

- Toronto Centre for the Arts will temporarily increase contributions from the Toronto Centre for the Arts Reserve Fund by \$0.050 million in 2017 to partially offset its base budget pressures and revenue loss.

Service Efficiencies (Savings of \$0.021 million gross & net)

Savings in Contracted Services

- St. Lawrence Centre will leverage newly tendered agreement to retain contractors for minor repair work at the Theatre. As a result, the Theatre will realize savings of \$0.021 million in 2017.

Revenue Adjustments (Savings of \$0.109 million net)

Surcharge Adjustments at St. Lawrence Centre

- Based on actual experience, St. Lawrence Centre anticipates additional labour recoveries of \$0.030 million and \$0.011 million in ticket services surcharges through the increased programming activities.

Sony Centre Presents

- In 2017, Sony Centre will produce approximately 28 "Sony Centre Presents" events which will require additional programming expenditures of \$4.885 million, fully offset by increased revenue of \$4.953 million resulting in a net expenditure savings of \$0.068 million.
- In the conventional bookings system, Sony Centre will lose revenues if a promotor/renter of the Theatre cancels. When Sony Centre produces its own events, the Theatre is able to minimize the last minute

cancellation risks and stabilize the Theatre usage and revenue. However, Sony will assume the risk of maintaining the booking levels at its Theatre.

Table 5
2018 and 2019 Plan by Program

Description (\$000s)	2018 - Incremental Increase					2019 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	Position	Gross Expense	Revenue	Net Expense	% Change	Position
Known Impacts:										
Prior Year Bridging Approval Impacts										
Reversal of One-Time Increased Contributions from TCA Improvement Reserve Fund		(50.0)	50.0							
Salaries and Benefits										
Base Salaries and Benefits	175.0		175.0	1.5%		177.3		177.3	1.5%	
Base Changes										
Savings in Contracted Services	(0.4)		(0.4)	(2.0%)		(0.4)		(0.4)	(2.0%)	
Sub-Total	174.6	(50.0)	224.6			176.9		176.9		
Anticipated Impacts:										
Base Changes										
User Fee Revenues		69.7	(69.7)	0.4%			70.9	(70.9)	0.4%	
Programming Driven Expenditures	55.4		55.4	0.0%		62.8		62.8	0.0%	
Sundry Revenue		0.7	(0.7)	0.0%			0.7	(0.7)	0.0%	
Sub-Total	55.4	70.4	(15.0)			62.8	71.6	(8.8)		
Total Incremental Impact	230.0	20.4	209.6			239.7	71.6	168.0		

Future year incremental costs are primarily attributable to the following:

Prior Year Bridging Approval Impacts:

- Reversal of a one-time increased contribution from the TCA Improvement Reserve Fund in 2018 will result in a \$0.050 million pressure.

Known Impacts:

- Cost of living adjustments are reflected in all three Theatres' 2018 and 2019 Plans.
- St. Lawrence Centre will continue to realize the savings through the procurement for its repair work contractors.

Anticipated Impacts:

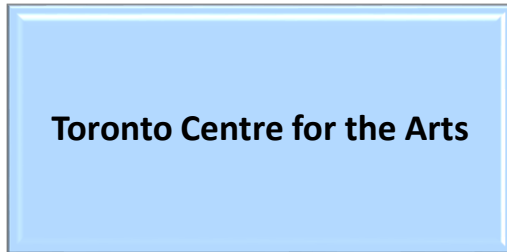
- St. Lawrence Centre and Toronto Centre for the Arts anticipate steady growth in user fee revenue, resulting in combined revenue increase of \$0.070 million and \$0.071 million in 2018 and 2019, respectively.
- Increased programming expenditures will affect all three Theatres, resulting in an increased base pressures of \$0.055 million in 2018, and \$0.062 million in 2019, offset by increased user fee revenues driven by volume of activities.



Part 2:

2017 Operating Budget by Service

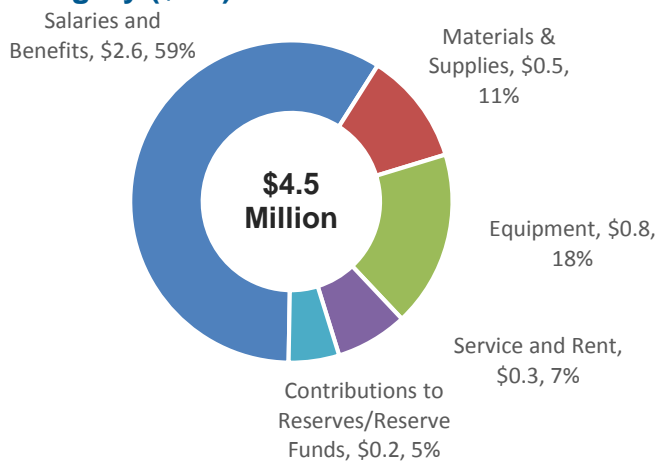
Toronto Centre for the Arts



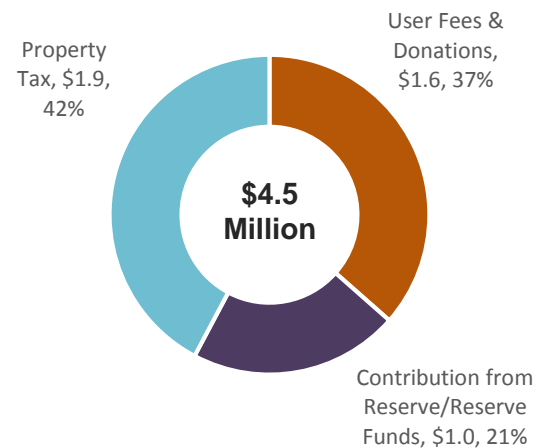
What We Do

- Toronto Centre for the Arts plays an important role as an incubator and partner in promoting the arts and presents a full range of performing arts within its programming. The Centre takes a leading role in attracting audiences that reflect the full ethnic and social diversity of Toronto's citizens.
- Toronto Centre for the Arts builds strategic links with the local business and arts communities and seeks educational and programming partners that will strengthen its reach into the community.
- A community cultural asset that provides venues for programming comprised largely of not-for-profit cultural sector productions.

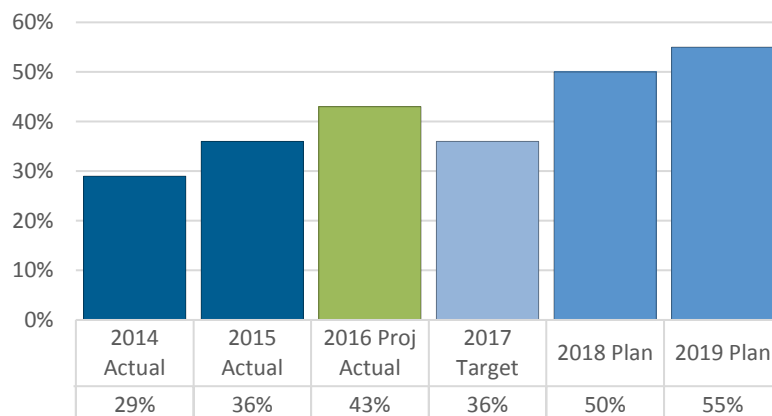
2017 Service Budget by Expenditure Category (\$Ms)



Service by Funding Source (\$Ms)



Efficiency Measure – George Weston Recital Hall Theatre Utilization %



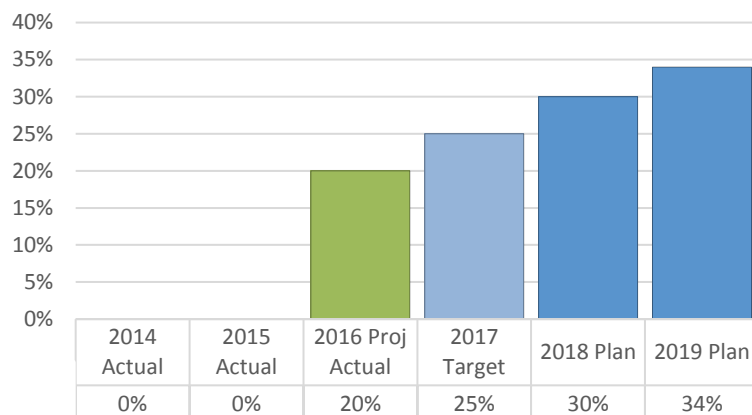
- The percentage of days used as a proportion of days available in the George Weston Recital Hall has been gradually increasing in 2014, 2015 and 2016 partly due to reduced labour costs.
- Toronto Centre will increase its marketing efforts to increase the utilization rate in 2017.

2017 Service Levels Toronto Centre for the Arts

Sub-Activity/Type	Status	2015	2016	2017
George Weston Theatre Corporate Events (TCA)	Approved	100% utilization of the 20 day minimum booking target for corporate events	100% utilization of the 20 day minimum booking target for corporate events	100% utilization of the 20 day minimum booking target for corporate events
George Weston Theatre Not-for-Profit / multi-cultural Events (TCA)	Approved	131% utilization of the 80 day minimum booking target for not-for-profit / multicultural events	131% utilization of the 80 day minimum booking target for not-for-profit / multicultural events	173% utilization of the 80 day minimum booking target for not-for-profit / multicultural events
The Studio Theatre Not-for-Profit / multi-cultural Events (TCA)	Approved	100% utilization of the 200 day minimum booking target for not-for-profit / multicultural events	100% utilization of the 200 day minimum booking target for not-for-profit / multicultural events	67% utilization of the 200 day minimum booking target for not-for-profit / multicultural events
Greenwin Theatre Corporate Events (TCA)	Approved	100% utilization of the 11 day minimum booking target for corporate events	100% utilization of the 11 day minimum booking target for corporate events	100% utilization of the 17 day minimum booking target for corporate events
Greenwin Theatre Not-for-Profit Events (TCA)	Approved	100% utilization of the 94 day minimum booking target for not-for-profit / multicultural events	100% utilization of the 94 day minimum booking target for not-for-profit / multicultural events	95% utilization of the 98 day minimum booking target for not-for-profit / multicultural events
Lyric Theatre Corporate Events (TCA)	New	N/A	N/A	100% utilization of the 6 day minimum booking target for corporate events
Lyric Theatre Not-for-Profit Events (TCA)	New	N/A	N/A	56% utilization of the 84 day minimum booking target for not-for-profit / multicultural events

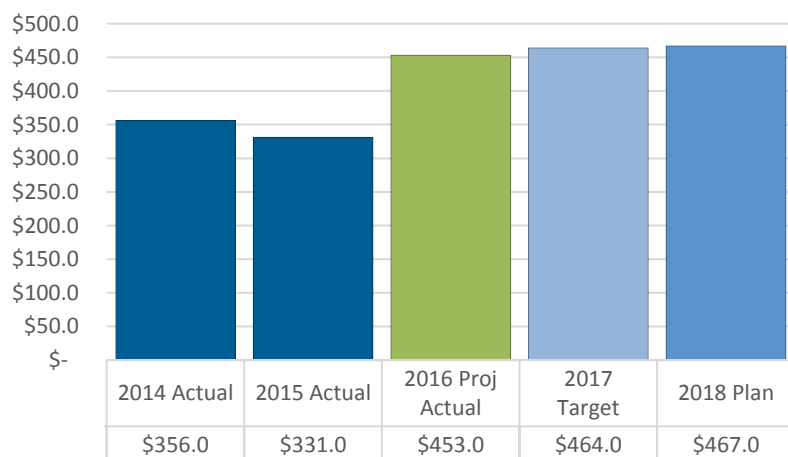
Overall, the 2017 Service Levels are consistent with the approved 2016 Service Levels for Toronto Centre for the Arts, with a minor increase to the George Weston Theatre's utilization from 131% to 173% of the 80 day minimum booking target for not-for-profit and multicultural events. The new Lyric Theatre has been added to be included in 2017 service levels.

Effectiveness Measure – Lyric Theatre Days Used/Available (%)



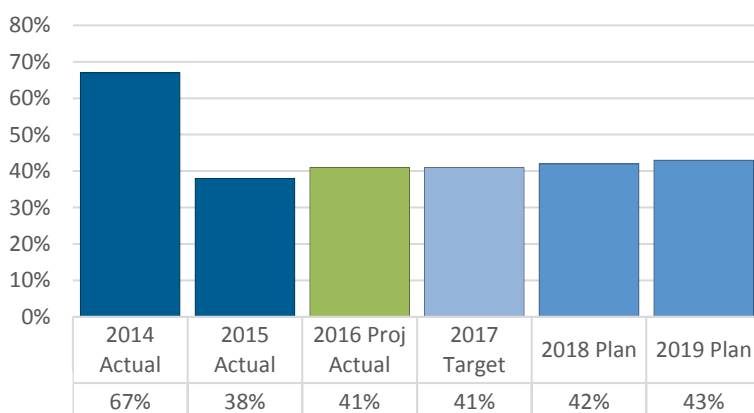
- The Lyric Theatre held its grand opening in November 2016. The 2016 projected availability of the Theatre is low as it was available only for the last two months of the year.
- As a new facility, Toronto Centre for the Arts will work towards branding and advertising the Theatre to improve its usage levels.
- A gradual increase over 3 year period is expected as a result of planned marketing efforts.

Facility Cost per Seat



- Cost per seat at TCA remains constant in 2016 and 2017. Re-configuration of the Main Stage theatre was completed in 2016, and future increases in the cost per seat are expected to correspond to usage and inflation factors.
- The Centre recently experienced a departure of one of its long-term client which will affect the Recital Hall's usage in 2017. The efforts are underway to restore its performance levels equivalent to, or higher than 2016.

Effectiveness Measure – Studio Theatre - % Days Used/Available



- In 2015, the move of the Harold Green Theatre Company to the Greenwin Theatre impacted its utilization rate.
- The 2016 and future years' utilization rate is expected to recover based on historically high demands for this versatile space.
- The Centre projects no foreseeable disruption to the utilization of the Studio Theatre in 2017 and beyond.

Table 6
2017 Service Budget by Activity

(\$000s)	2016	2017 Operating Budget							Incremental Change					
	Budget	Base Budget	Service Changes	2017 Base	Base Budget vs. 2016 Budget	% Change	New/Enhanced	2017 Budget	2017 Budget vs. 2016 Budget		2018 Plan		2019 Plan	
	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
Toronto Centre for the Arts														
Gross Exp.	3,952.8	4,468.7		4,468.7	515.9	13.1%		4,468.7	515.9	13.1%	70.9	1.6%	70.5	1.6%
Revenues	2,212.8	2,581.3		2,581.3	368.5	16.7%		2,581.3	368.5	16.7%	27.5	1.1%	27.9	1.1%
Total Net Exp.	1,740.0	1,887.4		1,887.4	147.4	8.5%		1,887.4	147.4	8.5%	43.5	2.3%	42.6	2.2%
Approved Positions	58.8	59.4		59.4	0.6	1.0%		59.4	0.6	1.0%				

The **Toronto Centre for the Arts (TCA)** primarily functions as a community cultural asset to provide venues for programming comprised largely of work, created and produced by the not-for-profit cultural sector.

The Toronto Centre for the Arts' 2017 Operating Budget of \$4.469 million gross and \$1.887 million net is \$0.147 million or 8.5% over the 2016 Approved Net Operating Budget, and \$0.192 million or 11.1% higher than the 2.6% reduction target.

- In addition to the base budget pressures common to all services, Toronto Centre is experiencing a loss of a major client at its Classical Theatre, resulting in an approximate revenue loss of \$0.200 million in 2017.
- Although the Toronto Centre for the Arts has provided information about possible actions to be taken to bring its 2017 Gross Expenditures down by \$0.192 million, they are not included in the 2017 Budget, as they would negatively impact services to users and efforts to market to new users.

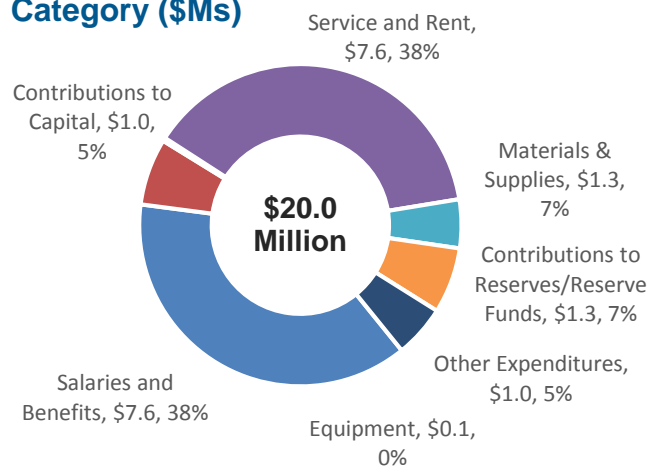
Sony Centre for the Performing Arts

Sony Centre for the Performing Arts

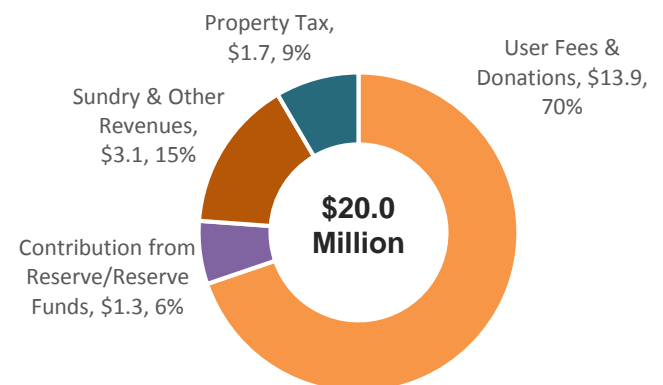
What We Do

- Sony Centre presents and produces artistic programming of the highest quality from around the world to serve and educate audiences from Toronto's diverse cultures.
- The Centre provides a unique performance and meeting venue, complete with state-of-the-art technology and first class catering services.
- Sony Centre strengthens Toronto's youth by partnering and collaborating with educational institutions to promote the artistic achievements of students.

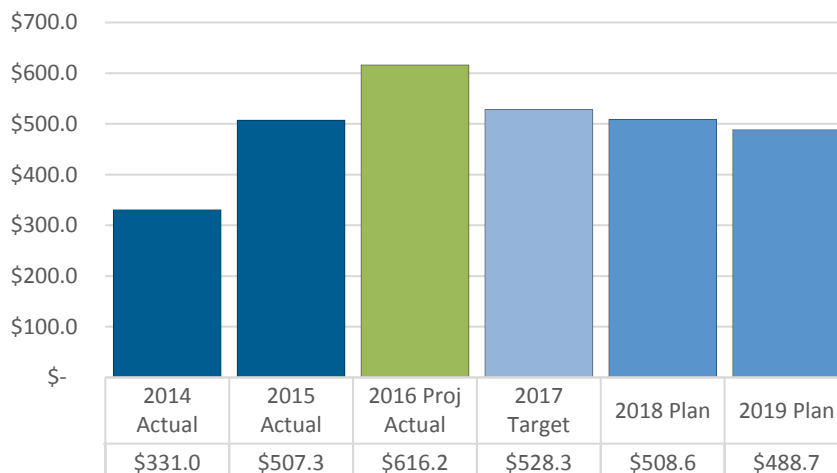
2017 Service Budget by Expenditure Category (\$Ms)



Service by Funding Source (\$Ms)



Efficiency Measure – Facility Cost per Seat



- The 2015 and 2016 cost per seat includes the increased provision for utilities, as well as the operational costs for the expanded and renovated backstage area.
- In 2017, Sony Centre anticipates a decrease to the facility cost per seat driven by the increased "Sony Presents" programming activities.

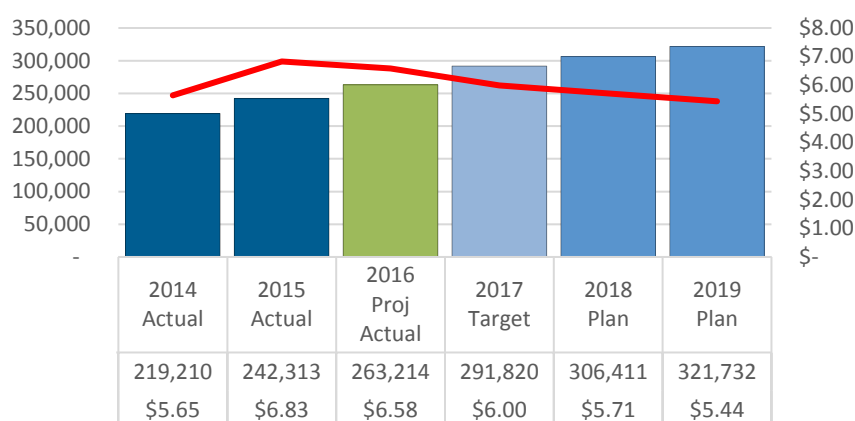
2017 Service Levels

Sony Centre for the Performing Arts

Sub-Activity/Type	Status	2015	2016	2017
Sony Centre Theatre Corporate Events	Approved	95% utilization of the 36 day minimum booking target for corporate events	95% utilization of the 36 day minimum booking target for corporate events	95% utilization of the 36 day minimum booking target for corporate events
Sony Centre Theatre Not-for-Profit / multi-cultural Events	Approved	95% utilization for the 98 day minimum booking target for not-for-profit / multi-cultural events	95% utilization for the 98 day minimum booking target for not-for-profit / multi-cultural events	95% utilization for the 98 day minimum booking target for not-for-profit / multi-cultural events

Overall, the 2017 Service Levels are consistent with the approved 2016 Service Levels for Sony Centre for the Performing Arts.

Efficiency Measure – Audience and Subsidy Per Capita



- Sony Centre projects a steady increase in the number of visitors, driven by "Sony Centre Presents" productions.
- Although the number of visitors are expected to increase, the 'subsidy per capita' is projected to decline as the Sony Centre continues to maintain and improve financial sustainability.

Table 6
2017 Service Budget by Activity

(\$000s)	2016	2017 Operating Budget							Incremental Change			
	Budget	Base Budget	Service Changes	Base Budget vs. 2016 Budget			New/Enhanced	2017 Budget	2017 Budget vs. 2016 Budget		2018 Plan	
				2017 Base	% Change	%			\$	%	\$	%
Sony Centre for the Performing Arts												
Gross Exp.	15,312.1	19,973.0		19,973.0	4,660.8	30.4%		19,973.0	4,660.8	30.4%	0.0%	
Revenues	13,580.0	18,286.9		18,286.9	4,706.9	34.7%		18,286.9	4,706.9	34.7%	0.0%	
Total Net Exp.	1,732.1	1,686.0		1,686.0	(46.1)	(2.7%)		1,686.0	(46.1)	(2.7%)	0.0%	
Approved Positions	80.3	89.9		89.9	9.6	12.0%		89.9	9.6	12.0%	0.0%	

The **Sony Centre for the Performing Arts** serves the citizens of Toronto by providing leadership in entertainment, education and inspiration through the highest quality of national and international performing arts as an essential component to the fabric of society.

The Sony Centre for the Performing Arts' 2017 Operating Budget of \$19.973 million gross and \$1.686 million net is \$0.046 million or 2.7% below the 2016 Approved Net Operating Budget.

- In addition to the base budget pressures common to all services, Sony Centre will increase to production of "Sony Centre Presents" events, from 12 shows per year, to 28 shows in 2017 which is anticipated to generate net revenue of \$0.046 million.

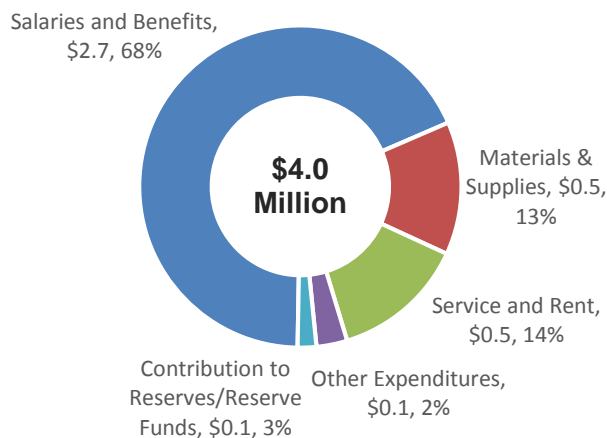
St. Lawrence for the Arts

St. Lawrence for the Arts

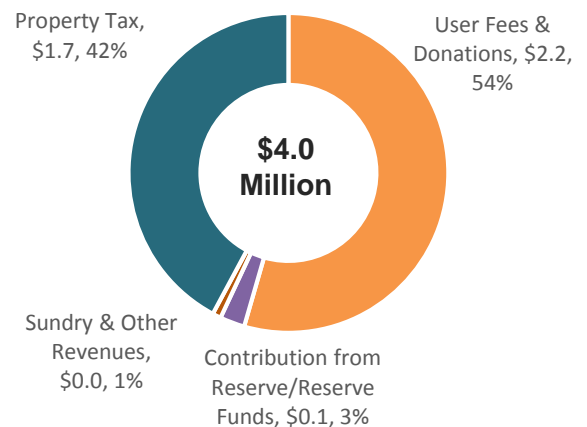
What We Do

- St. Lawrence Centre serves as home to some of the best not-for-profit theatre and music companies that reside in and produce work in the City of Toronto.
- The Centre acts as a cultural hub for the City and its residents by maintaining a clean, modern and service-oriented theatrical and entertainment facility.
- St. Lawrence Centre continually attracts diverse, high quality, cultural, artistic and public events.

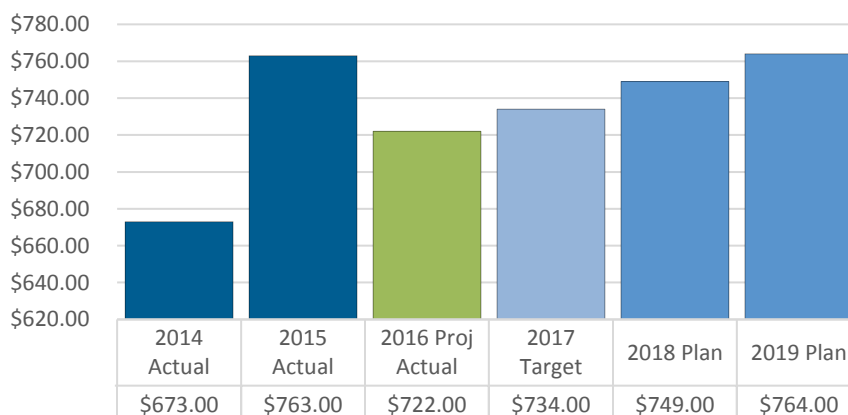
2017 Service Budget by Expenditure Category (\$Ms)



Service by Funding Source (\$Ms)



Efficiency Measure – Facility Cost per Seat



- The steady increase in the cost per seat at St. Lawrence Centre is due to rising City building and maintenance charges, and utility rate increases.
- Future year increases in cost per seat are estimated at the rate of inflation

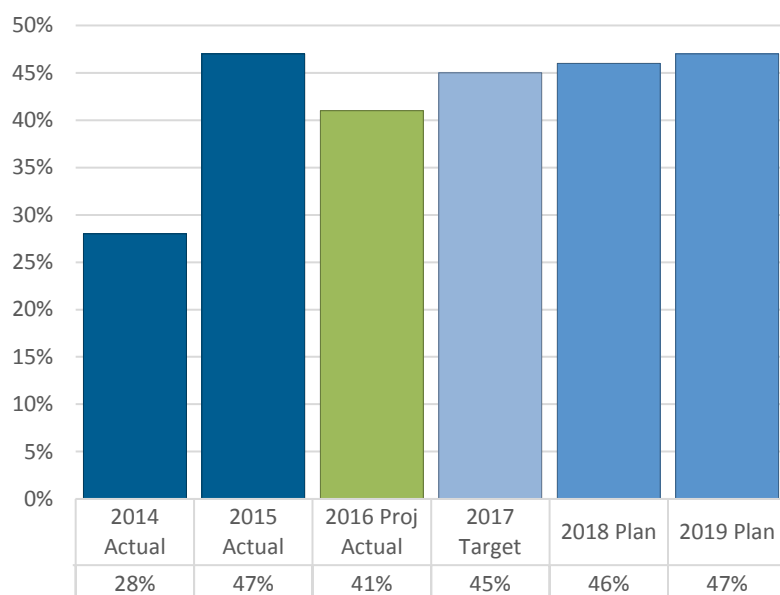
2017 Service Levels

St. Lawrence Centre for the Arts

Sub-Activity/Type	Status	2015	2016	2017
Bluma Appel Theatre Corporate Events (STLCA)	Approved	60% utilization of the 20 day minimum booking target for corporate events	60% utilization of the 20 day minimum booking target for corporate events	100% utilization of the 20 day minimum booking target for corporate events
Bluma Appel Theatre Not-for-Profit / multi-cultural Events (STLCA)	Approved	88% utilization of the 126 day minimum booking target for not-for-profit / multicultural events	88% utilization of the 126 day minimum booking target for not-for-profit / multicultural events	116% utilization of the 126 day minimum booking target for not-for-profit / multicultural events
Jane Mallett Theatre Corporate Events (STLCA)	Approved	113% utilization of the 15 day minimum booking target for corporate events	113% utilization of the 15 day minimum booking target for corporate events	100% utilization of the 15 day minimum booking target for corporate events
Jane Mallett Theatre Not-for-Profit / multi-cultural Events (STLCA)	Approved	125% utilization of the 64 day minimum booking target for not-for-profit / multicultural events	125% utilization of the 64 day minimum booking target for not-for-profit / multicultural events	137% utilization of the 65 day minimum booking target for not-for-profit / multicultural events
Rehearsal Hall Corporate Events (STLCA)	Approved	35% utilization of the 15 day minimum booking target for corporate events	35% utilization of the 15 day minimum booking target for corporate events	35% utilization of the 15 day minimum booking target for corporate events
Rehearsal Hall Theatre Not-for-Profit / multicultural Events (STLCA)	Approved	147% utilization of the 35 day minimum booking target for not-for-profit / multicultural events	147% utilization of the 35 day minimum booking target for not-for-profit / multicultural events	147% utilization of the 35 day minimum booking target for not-for-profit / multicultural events

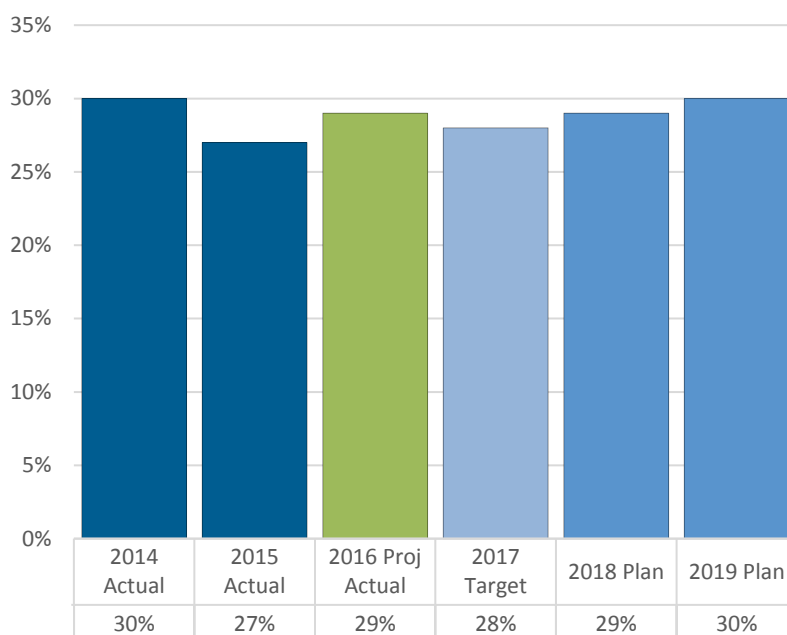
Overall, the 2017 Service Levels will be enhanced for its Bluma Appel Theatre and Jane Mallet Theatre's not-for-profit and multicultural events. St. Lawrence Centre experienced great success with the Bluma Appel Theatre and anticipates that the trend to continue in 2017 and beyond, for both Corporate and Non-for-Profit events.

Effectiveness Measure – Bluma Appel Theatre Days Used/Available (%)



- The percentage of days used-to-days available (365 days) in the Bluma Appel Theatre declined in 2014 primarily because of lower Canadian Stage presentations and bookings.
- Bluma Appel theatre usage will rise in 2017 - 2019 due to higher number of weeks contributed in part by Canadian Stage and Soulpepper shows.
- Percentage of days used is based on known bookings by resident licensees and one-off events confirmed.

Effectiveness Measure – Jane Mallet Theatre % Days Used/Available



- Jane Mallet Theatre remains stable with no significant changes in usage with main resident licensees
- Percentage of days used is based on known bookings by resident licensees and one-off events confirmed

Table 6
2017 Service Budget by Activity

(\$000s)	2016	2017 Operating Budget							Incremental Change					
	Budget	Base Budget	Service Changes	2017 Base	Base Budget vs. 2016 Budget		New/Enhanced	2017 Budget	2017 Budget vs. 2016 Budget		2018 Plan		2019 Plan	
						%				%		%		%
St. Lawrence Centre for the Arts														
Gross Exp.	3,558.4	4,004.3	(20.5)	3,983.8	425.5	12.0%		3,983.8	425.5	12.0%	64.4	1.6%	73.4	1.8%
Revenues	1,834.0	2,263.6	40.7	2,304.3	470.3	25.6%		2,304.3	470.3	25.6%	42.9	1.9%	43.7	1.9%
Total Net Exp.	1,724.4	1,740.8	(61.2)	1,679.6	(44.8)	(2.6%)		1,679.6	(44.8)	(2.6%)	21.6	1.3%	29.6	1.7%
Approved Positions	32.8	37.4		37.4	4.6	14.1%		37.4	4.6	14.1%				

The **St. Lawrence Centre for the Arts** provide state-of-the-art facilities to Toronto's not-for-profit performing arts companies and local communities at an affordable cost, attracting a wide range of cultural and artistic events with select corporate and not-for-profit presenters.

The St. Lawrence Centre for the Arts' 2017 Operating Budget of \$3.984 million gross and \$2.304 million net is \$0.045 million or 2.6% under the 2016 Approved Net Operating Budget.

- In addition to the base budget pressures common to all services, this service is experiencing higher than planned demands for the use of its Bluma Appel Theatre and expects the level of programming activities to grow in 2017.
- The 2017 Operating Budget also includes a savings of \$0.021 million net, as St. Lawrence Centre will leverage newly tendered agreement for retaining contractors for repair work.



Part 3:

Issues for Discussion

Issues Impacting the 2017 Budget

Budget Reduction Target

- At its meeting on July 12, 2016, the "2017 Budget Process: Budget Directions and Schedule" staff report (EX16.37) was submitted for consideration and adopted by City Council regarding the establishment of the 2017 Budget Process and the scheduling of the review and approval of the Tax and Rate Supported 2017 Operating Budget and 2017-2026 Capital Budget and Plan for the City of Toronto.

<http://www.toronto.ca/legdocs/mmis/2016/ex/bgrd/backgroundfile-94519.pdf>

- City Council adopted an across the board budget reduction target of -2.6% net below the 2016 Approved Net Operating Budgets for all City Programs and Agencies utilizing strategies including but not limited to controlling expenditures through cost saving measures, and exploring all services for efficiency savings including opportunities from business process reengineering, streamlining, transformation and innovation to service delivery.
- The Civic Theatres Toronto's 2017 Operating Budget is \$28.425 million gross and \$5.253 million net, representing a 1.1% decrease from the 2016 Approved Net Operating Budget. Collectively, this budget is \$0.192 million or 3.7% above the budget reduction target, as set out in the 2017 Operating Budget Directions approved by Council for all City Programs, Agencies and Accountability Offices.
 - Toronto Centre for the Arts' 2017 Operating Budget is \$0.147 million, or 8.5% over the 2016 Approved Net Operating Budget.
 - A major client has ended its licensing contract with the Toronto Centre in September of 2016. To offset the above pressure and meet the 2.6% reduction target, Toronto Centre provided information about possible actions to be taken to bring its 2017 Gross Expenditures down by \$0.192 million inclusive of 1 staff complement reduction. However, it is not included in the 2017 Operating Budget, as it would negatively impact services to users and efforts to market to new users.
 - The above action would bring Toronto Centre's net budget down from \$1.887 million net, to \$1.695 million net, representing a decrease of 2.6% below its 2016 Approved Net Operating Budget.
 - Sony Centre for the Performing Arts has met the 2.6% reduction target via the following actions:
 - The 2017 calendar has more "Sony Centre Presents" events than in 2016 (28 in 2017 vs 12 in 2016) representing an increase of 133% which will generate higher revenue for the Theatre. See page 11 for details.
 - St. Lawrence Centre for the Art has met the 2.6% reduction target via the following:
 - In 2016, St. Lawrence Centre experienced higher than budgeted demand for its Bluma Appel Theatre. The Soulpepper Theatre Company booked the theatre for four weeks of December as well as into the first half of 2017 to produce shows.
 - With the confirmed bookings, St. Lawrence Centre is able to increase its revenue estimates in 2017 by \$0.482 million, which is further supported by other new bookings with non-profit organizations.

Issues Impacting Future Years

Future of the Three Major Civic Theatres – Progress Update

- A Theatres Working Group was established in 2013 and engaged a consultant to review the operating model and the governance structure with the objective of enhancing the relevance of theatres to the communities they serve, increasing theatre usage and improving the financial viability of the theatres.
- A report entitled "*Report on the Future of the Civic Theatres*" (EX7.15) was approved by Council on July 7, 2015 and recommended consolidating the operations of the St. Lawrence Centre, Sony Centre, and TCA into one new organization under the direction of a single Civic Theatres Toronto (CTT) Board, with a new inaugural Chief Executive Officer, and to commence the governance and operational transition process (<http://www.toronto.ca/legdocs/mmis/2015/ex/bgrd/backgroundfile-81752.pdf>).
- In 2016, one-time funding of \$0.300 million for Leadership Development was approved in the 2016 Net Operating Budget which was allocated for the CEO search process.
- The CEO search process began in July 2016. It is expected that the recruitment process will be finalized by the end of 2016 and the new CEO office will be in place by the first quarter of 2017. The inaugural CEO will be tasked with leading the consolidation process.
- One-time funding of \$0.633 million was approved by City Council to support the transition process by covering such expenses as
 - Final disbursements required for the CEO search process for interviewing the final candidates (i.e., travel, accommodations, per diems),
 - City Clerk's support costs for the first year of Board and Committee management,
 - The compensation package for CEO and support for CEO and Board work in the 2017 transition year.
- Civic Theatres Toronto is expected to realize efficiencies as a result of the merger of the three civic theatres. The one-time allocation of \$0.633 million will bridge the transitional period for the organization as it consolidates the three performing arts venues and future expenses will be absorbed into the global budget of CTT.



Appendices

Appendix 1

2016 Service Performance

Key Service Accomplishments

In 2016, Toronto Centre for the Arts accomplished the following:

- ✓ Completed phase two of the Main Stage Reconfiguration Project that converted the 1,800 seat Main Stage Theatre into two smaller venues, the 296 seat Greenwin Theatre and the 578 seat Lyric Theatre with the grand opening in the fall of 2016.
- ✓ Achieved the utilization targets for the Studio, Greenwin Theatre and George Weston Recital Hall.
- ✓ Achieved the sharing of the St Lawrence Centre CFO with the TCA, an important step towards the implementation of shared efficiencies between the City owned theatres.

In 2016, Sony Centre for the Performing Arts accomplished the following:

- ✓ Achieved the highest # of performances since the re-opening in 2010 at 91.
- ✓ Achieved the highest level of programming sponsorship – private and public valued at \$1.549 million.
- ✓ Increased community outreach initiatives – over 5,000 attendees in 2016.
- ✓ Completed new website design ready for the new consolidated theatres' operations.
- ✓ Successful programming activities such as the Just For Laughs and Fall For Dance North festivals, Doors Open!, and Classic Film/Orchestra events.

In 2016, St. Lawrence for the Arts accomplished the following:

- ✓ Maintained a strong customer relationship with Soulpepper Theatre Company to become a resident licensee.
- ✓ Participated in the three-way MOU alongside Canadian Stage and Ryerson University to examine future possibilities for the Centre, a complete tear down and re-build.
- ✓ Worked with City Staff and Consultants in new strategic direction for the three theatres.
- ✓ Hosted the Miss Universe Canada and Toronto Jazz Festival presentations.
- ✓ Booked Soulpepper for four weeks of December shows in the Bluma Appel Theatre.
- ✓ Installed new Point of Sale System and video wall in the Jane Mallet Theatre.

Appendix 2

2017 Operating Budget by Expenditure Category

Program Summary by Expenditure Category

Category of Expense (\$000's)	2014	2015	2016	2016	2017	2017 Change from 2016		Plan	
	Actual	Actual	Budget	Actual *	Budget	Budget	%	2018	2019
	\$	\$	\$	\$	\$			\$	\$
Salaries and Benefits	4,910.9	11,299.4	11,725.5	12,517.1	13,287.7	1,562.2	13.3%	12,811.0	12,892.5
Materials and Supplies	883.8	2,135.9	2,189.0	2,340.8	2,378.7	189.7	8.7%	2,396.8	2,444.5
Equipment	30.7	101.6	826.1	95.9	857.1	31.0	3.7%	827.9	828.7
Services & Rents	924.3	6,401.7	4,506.6	5,103.7	8,764.4	4,257.8	94.5%	8,468.7	8,481.2
Contributions to Capital		1,349.8	1,074.4	999.0	976.9	(97.4)	(9.1%)	976.9	976.9
Contributions to Reserve/Res Funds	30.3	1,971.3	1,766.7	2,470.7	1,670.2	(96.5)	(5.5%)	1,670.2	1,670.2
Other Expenditures	96.3	703.2	735.2	918.0	1,123.5	388.3	52.8%	1,124.8	1,126.1
Interdivisional Charges									
Total Gross Expenditures	6,876.3	23,962.9	22,823.3	24,445.2	29,058.5	6,235.1	27.3%	28,276.3	28,420.1
Interdivisional Recoveries									
Provincial Subsidies									
Federal Subsidies									
Other Subsidies									
User Fees & Donations	3,350.5	13,468.2	12,182.2	12,478.2	17,737.3	5,555.1	45.6%	17,715.0	17,785.9
Transfers from Capital Fund									
Contribution from Reserve/Reserve Funds		2,249.8	2,370.9	2,420.8	2,324.5	(46.4)	(2.0%)	2,324.5	2,324.5
Sundry Revenues	46.4	3,024.2	3,073.7	3,509.3	3,110.7	37.0	1.2%	3,111.4	3,112.1
Total Revenues	3,396.9	18,742.3	17,626.8	18,408.3	23,172.5	5,545.7	31.5%	23,150.8	23,222.5
Total Net Expenditures	3,479.4	5,220.6	5,196.6	6,036.9	5,886.0	689.5	13.3%	5,125.4	5,197.6
Approved Positions	89.1	167.7	171.9	179.5	187.7	15.8	9.2%	1,007.5	1,007.5

* Based on the 2016 9-month Operating Variance Report

The Civic Theatres Toronto reported a small year-to-date unfavourable variance of \$0.067 million as of September 30, 2016, primarily driven by higher utility costs and programming expenditures partially offset by increased programming activities. Unfavourable year-end net variance of \$0.541 million or 9.8% over the 2016 Approved Net Budget is forecasted primarily driven by the loss of revenue at Toronto Centre for the Arts.

For additional information regarding the 2016 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, 2016" considered by City Council at its meeting on December 13, 2016.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2016.BU26.4>

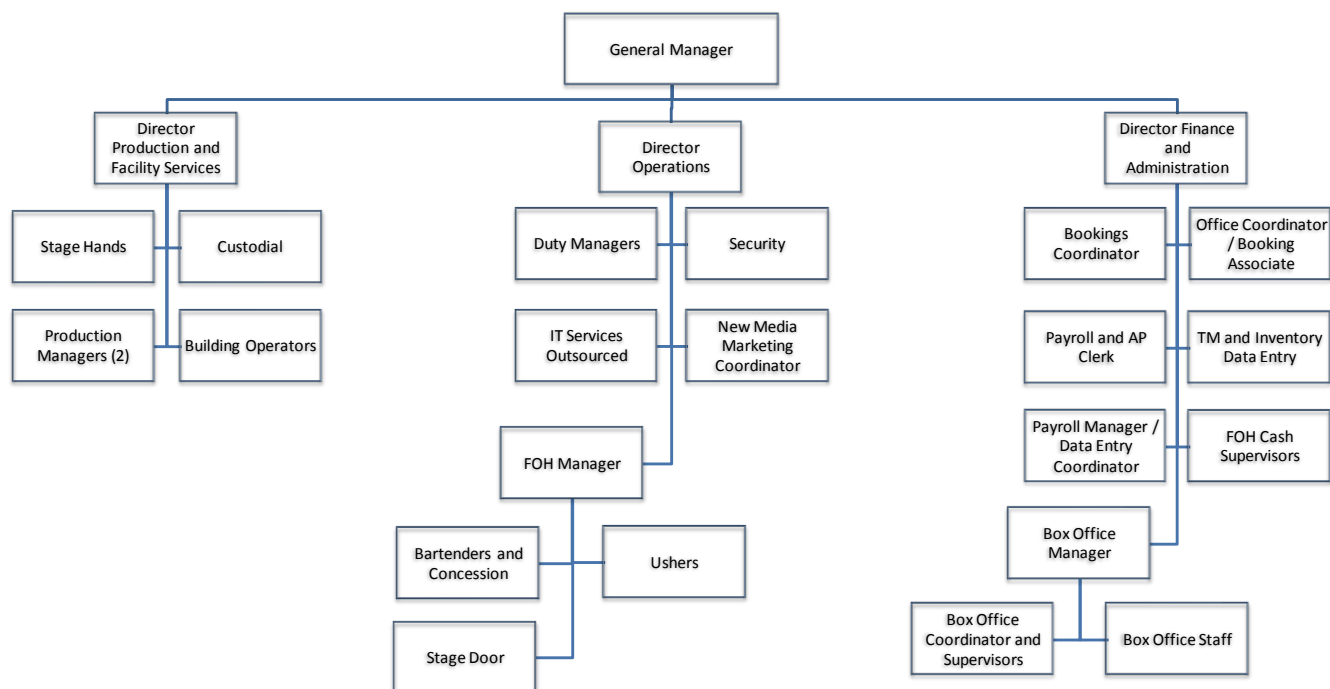
Impact of 2016 Operating Variance on the 2017 Operating Budget

- St. Lawrence Centre for the Arts adjusted its 2017 Operating Budget by \$0.446 million gross and \$0.016 million net, to align with its actual experience in 2016 at its Bluma Appel Theatre.
- Toronto Centre for the Arts adjusted its 2017 Operating Budget by reducing revenue of \$0.200 million to reflect the recent departure of one of its large client at its Classical Theatre. Recovery efforts will be made to ensure minimal impact to its fiscal sustainability in 2017 and beyond.

Appendix 3a

Toronto Centre for the Arts

2017 Organization Chart



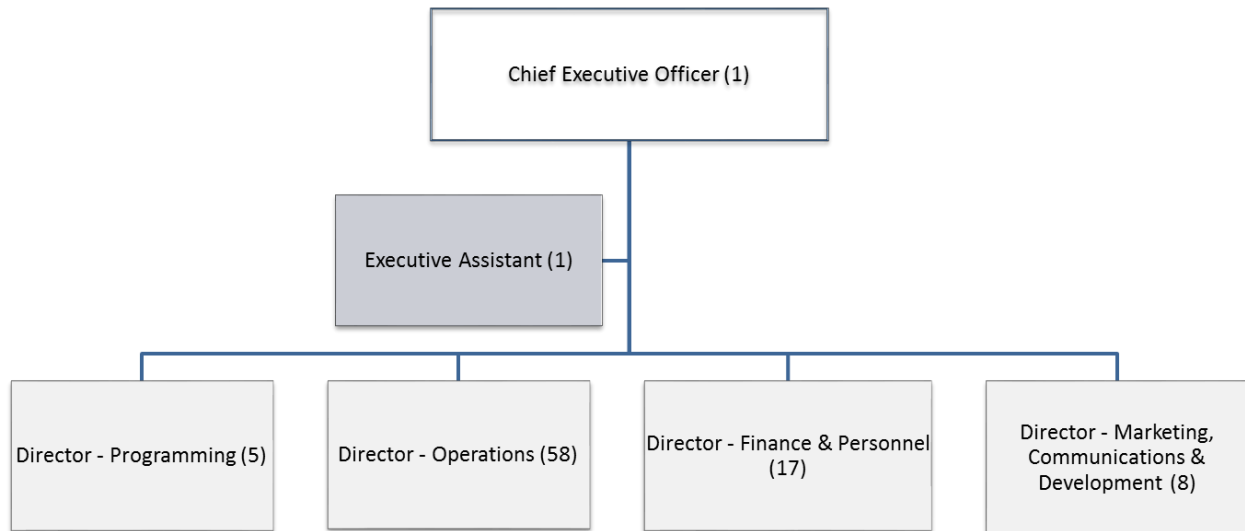
2017 Total Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	1.0	2.0	10.0		13.0
Temporary			46.4		46.4
Total	1.0	2.0	56.4		59.4

Appendix 3b

Sony Centre for the Performing Arts

2017 Organization Chart

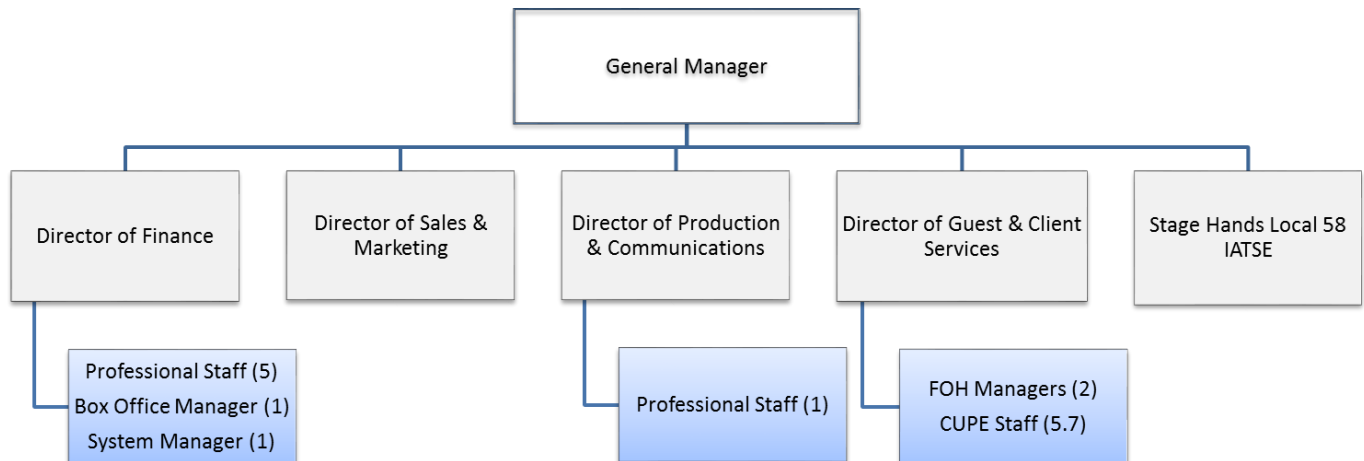


2017 Total Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	7.0	11.7	14.2	16.8	49.7
Temporary			4.0	36.2	40.2
Total	7.0	11.7	18.2	53.0	89.9

Appendix 3c St. Lawrence for the Arts

2017 Organization Chart



2017 Total Complement

Category	Senior Management	Management	Exempt Professional & Clerical	Union	Total
Permanent	1.0	8.0	5.0		14.0
Temporary				23.4	23.4
Total	1.0	8.0	5.0	23.4	37.4

Appendix 4

Summary of 2017 Service Changes

2017 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
2017 Council Approved Base Budget Before Service Change:			28,446.0	23,131.8	5,314.2	186.74	210.8	169.2
11319		St. Lawrence Centre's use of City's procurement.						
51	0	Description: St. Lawrence Centre will utilize City's procurement process for retaining repair work contractors. This will result in a cost savings of \$0.021 million in 2017, 2018 and 2019. Service Level Impact: There is no service level impact as this is a cost savings strategy. Service: Theatrical & Other Cultural Events						
Preliminary Service Changes:			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)
BC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
EC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Recommended			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)
Total Preliminary Service Changes::			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)
Budget Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
Executive Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved Service Changes:			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)

11320	StLC - Box office, handling & ticket service surcharge
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52	0	Description:
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The box office surcharges for handling revenue and ticket services, labour recoveries will be adjusted.

Service Level Impact:

There is no service level impact.

2017 Operating Budget - Council Approved Service Changes Summary by Service (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
Service: Theatrical & Other Cultural Events								
Preliminary Service Changes:			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
BC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
EC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Recommended			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
Total Preliminary Service Changes::			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
Budget Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
Executive Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved Service Changes:			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
Summary:								
Preliminary Service Changes:			(20.5)	40.7	(61.2)	0.00	(1.2)	(1.2)
Budget Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
Executive Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Council Approved Service Changes:			(20.5)	40.7	(61.2)	0.00	(1.2)	(1.2)
Total Council Approved Base Budget:			28,425.5	23,172.5	5,253.0	186.74	209.6	168.0

2017 Operating Budget - Council Approved Service Changes Summary by Activity (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
2017 Council Approved Base Budget Before Service Change:			28,446.0	23,131.8	5,314.2	186.74	210.8	169.2
11319		St. Lawrence Centre's use of City's procurement.						
51	0	Description: St. Lawrence Centre will utilize City's procurement process for retaining repair work contractors. This will result in a cost savings of \$0.021 million in 2017, 2018 and 2019. Service Level Impact: There is no service level impact as this is a cost savings strategy. Service/Activity: Theatrical & Other Cultural Events / NA						
Preliminary Service Changes:			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)
BC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
EC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Recommended			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)
Total Preliminary Service Changes:			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)
Budget Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
Executive Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved Service Changes:			(20.5)	0.0	(20.5)	0.00	(0.4)	(0.4)

11320	StLC - Box office, handling & ticket service surcharge
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52	0	Description:
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The box office surcharges for handling revenue and ticket services, labour recoveries will be adjusted.

Service Level Impact:

There is no service level impact.

2017 Operating Budget - Council Approved Service Changes Summary by Activity (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
Service/Activity: Theatrical & Other Cultural Events / NA								
Preliminary Service Changes:			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
BC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
EC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Recommended			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
Total Preliminary Service Changes:			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
Budget Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
Executive Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved Service Changes:			0.0	40.7	(40.7)	0.00	(0.8)	(0.8)
Summary:								
Preliminary Service Changes:			(20.5)	40.7	(61.2)	0.00	(1.2)	(1.2)
Budget Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
Executive Committee Recommended:			0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:			0.0	0.0	0.0	0.00	0.0	0.0
Council Approved Service Changes:			(20.5)	40.7	(61.2)	0.00	(1.2)	(1.2)
Total Council Approved Base Budget:			28,425.5	23,172.5	5,253.0	186.74	209.6	168.0

Appendix 5

Summary of 2017 New & Enhanced Service Priorities

2017 Operating Budget - Council Approved New and Enhanced Services

Summary by Service (\$000's)

Form ID		Agencies - Cluster	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
11474		Bring in New Leadership for Civic Theatres						
74	0	Description:						

This business case includes a one-time final expenses related to the CEO search process, the new salaries and benefits for the inaugural CEO, and strategic initiatives such as marketing and membership fees.

Service Level Impact:

This funding is pivotal in finalizing the consolidation process of the three Civic Theatres Toronto, which will realize operating efficiencies upon completion.

Service: Theatrical & Other Cultural Events

Preliminary:	0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Change:	633.0	0.0	633.0	1.00	(633.0)	0.0
EC Recommended Change:	0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved:	633.0	0.0	633.0	1.00	(633.0)	0.0
Total Preliminary New / Enhanced Services:	0.0	0.0	0.0	0.00	0.0	0.0
Budget Committee Recommended:	633.0	0.0	633.0	1.00	(633.0)	0.0
Executive Committee Recommended:	0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved New / Enhanced Service	633.0	0.0	633.0	1.00	(633.0)	0.0

Summary:

Preliminary New / Enhanced Services:	0.0	0.0	0.0	0.00	0.0	0.0
Budget Committee Recommended:	633.0	0.0	633.0	1.00	(633.0)	0.0
Executive Committee Recommended:	0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:	0.0	0.0	0.0	0.00	0.0	0.0

Category:

71 - Operating Impact of New Capital Projects 74 - New Services
72 - Enhanced Services-Service Expansion 75 - New Revenues

2017 Operating Budget - Council Approved New and Enhanced Services Summary by Service (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
Council Approved New/Enhanced Services:			633.0	0.0	633.0	1.00	(633.0)	0.0

Category:

71 - Operating Impact of New Capital Projects

74 - New Services

72 - Enhanced Services-Service Expansion

75 - New Revenues

2017 Operating Budget - Council Approved New and Enhanced Services Summary by Activity (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
11474		Bring in New Leadership for Civic Theatres						
74	0	Description:						

This business case includes a one-time final expenses related to the CEO search process, the new salaries and benefits for the inaugural CEO, and strategic initiatives such as marketing and membership fees.

Service Level Impact:

This funding is pivotal in finalizing the consolidation process of the three Civic Theatres Toronto, which will realize operating efficiencies upon completion.

Service/Activity: Theatrical & Other Cultural Events / NA

Preliminary New/Enhanced Services:	0.0	0.0	0.0	0.00	0.0	0.0
BC Recommended Change:	633.0	0.0	633.0	1.00	(633.0)	0.0
EC Recommended Change:	0.0	0.0	0.0	0.00	0.0	0.0
CC Recommended Change:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved:	633.0	0.0	633.0	1.00	(633.0)	0.0
Total Preliminary New/Enhanced Services:	0.0	0.0	0.0	0.00	0.0	0.0
Budget Committee Recommended:	633.0	0.0	633.0	1.00	(633.0)	0.0
Executive Committee Recommended:	0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:	0.0	0.0	0.0	0.00	0.0	0.0
Total Council Approved New / Enhanced Service	633.0	0.0	633.0	1.00	(633.0)	0.0

Summary:

Preliminary New / Enhanced Services:	0.0	0.0	0.0	0.00	0.0	0.0
Budget Committee Recommended:	633.0	0.0	633.0	1.00	(633.0)	0.0
Executive Committee Recommended:	0.0	0.0	0.0	0.00	0.0	0.0
City Council Approved:	0.0	0.0	0.0	0.00	0.0	0.0

Category:

71 - Operating Impact of New Capital Projects 74 - New Services
72 - Enhanced Services-Service Expansion 75 - New Revenues

2017 Operating Budget - Council Approved New and Enhanced Services Summary by Activity (\$000's)

Form ID		Agencies - Cluster Program - Theatres	Adjustments				2018 Plan Net Change	2019 Plan Net Change
Category	Priority		Gross Expenditure	Revenue	Net	Approved Positions		
Council Approved New/Enhanced Services:			633.0	0.0	633.0	1.00	(633.0)	0.0

Category:

71 - Operating Impact of New Capital Projects
72 - Enhanced Services-Service Expansion

74 - New Services
75 - New Revenues

Appendix 6

Inflows/Outflows to/from Reserves & Reserve Funds

Program Specific Reserve / Reserve Funds

Toronto Centre for the Arts

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016 *	Withdrawals (-) / Contributions (+)		
			2017	2018	2019
		\$	\$	\$	\$
Projected Beginning Balance		3,834.4	2,450.4	1,550.4	800.4
Toronto Centre for the Arts Improvement Reserve Fund	XR3007				
<i>Proposed Withdrawals (-)</i>		(1,400.0)	(950.0)	(800.0)	(800.0)
<i>Contributions (+)</i>		15.9	50.0	50.0	50.0
Total Reserve / Reserve Fund Draws / Contributions		2,450.4	1,550.4	800.4	50.4
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		2,450.4	1,550.4	800.4	50.4

* Based on 9-month 2016 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016 *	Withdrawals (-) / Contributions (+)		
			2017	2018	2019
		\$	\$	\$	\$
Projected Beginning Balance		766.6	616.6	616.6	616.6
Toronto Centre for the Arts Stabilization Reserve	XQ1060				
<i>Proposed Withdrawals (-)</i>		(150.0)	(150.0)	(150.0)	(150.0)
<i>Contributions (+)</i>			150.0	150.0	150.0
Total Reserve / Reserve Fund Draws / Contributions		616.6	616.6	616.6	616.6
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		616.6	616.6	616.6	616.6

* Based on 9-month 2016 Reserve Fund Variance Report

Sony Centre for the Performing Arts

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016 *	Withdrawals (-) / Contributions (+)		
			2017	2018	2019
		\$	\$	\$	\$
Projected Beginning Balance		846.3	1,525.2	1,525.2	1,525.2
Sony Centre Facility Fee Reserve Fund	XR3030				
<i>Proposed Withdrawals (-)</i>			(1,408.1)	(1,408.1)	(1,408.1)
<i>Contributions (+)</i>		678.9	1,408.1	1,408.1	1,408.1
Total Reserve / Reserve Fund Draws / Contributions		1,525.2	1,525.2	1,525.2	1,525.2
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		1,525.2	1,525.2	1,525.2	1,525.2

* Based on 9-month 2016 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016 *	Withdrawals (-) / Contributions (+)		
			2017	2018	2019
		\$	\$	\$	\$
Projected Beginning Balance		166.7	166.7	166.7	166.7
Sony Centre Stabilization Reserve	XQ2031				
<i>Proposed Withdrawals (-)</i>			(15.4)	(15.4)	(15.4)
<i>Contributions (+)</i>			15.4	15.4	15.4
Total Reserve / Reserve Fund Draws / Contributions		166.7	166.7	166.7	166.7
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		166.7	166.7	166.7	166.7

* Based on 9-month 2016 Reserve Fund Variance Report

St. Lawrence Centre for the Arts

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016 *	Withdrawals (-) / Contributions (+)		
			2017	2018	2019
		\$	\$	\$	\$
Projected Beginning Balance		1.1	1.1	1.1	1.1
St. Lawrence Centre for the Arts Capital Reserve Fund	XR1046				
<i>Proposed Withdrawals (-)</i>			(100.0)	(100.0)	(100.0)
<i>Contributions (+)</i>			100.0	100.0	100.0
Total Reserve / Reserve Fund Draws / Contributions		1.1	1.1	1.1	1.1
Other Program / Agency Net Withdrawals & Contributions					
Balance at Year-End		1.1	1.1	1.1	1.1

* Based on 9-month 2016 Reserve Fund Variance Report

Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2016	Withdrawals (-) / Contributions (+)		
			2017	2018	2019
		\$	\$	\$	\$
Projected Beginning Balance		19,645.5	19,645.5	8,142.1	2,319.0
Insurance Reserve Fund	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>					
Sony Centre			45.8	45.8	45.8
St. Lawrence Centre			23.2	23.2	23.2
Toronto Centre			26.7	26.7	26.7
Total Reserve / Reserve Fund Draws / Contributions		19,645.5	19,741.2	8,237.8	2,414.7
Other Program / Agency Net Withdrawals & Contributions			(11,599.1)	(5,918.8)	(6,188.5)
Balance at Year-End		19,645.5	8,142.1	2,319.0	(3,773.8)

* Based on 9-month 2016 Reserve Fund Variance Report