

# Toronto 2018 BUDGET



## OPERATING PROGRAM SUMMARY



## Exhibition Place

### 2018 OPERATING BUDGET OVERVIEW

Exhibition Place is a diverse venue for major trade and public exhibitions, meetings, conventions, professional sports, entertainment, green technologies, and public celebrations. It hosts more than 350 events annually and attracts over 5.3 million visitors a year.

### 2018 Budget Summary

The total cost to deliver these services to Toronto residents is \$55.110 million gross and \$0.150 million net as shown below:

(in \$000's)	2017 Budget	2018 Budget	Change	
			\$	%
Gross Expenditures	50,542.0	55,110.6	4,568.6	9.0%
Revenues	50,666.4	55,260.6	4,594.2	9.1%
<b>Net Expenditures</b>	<b>(124.4)</b>	<b>(150.0)</b>	<b>(25.6)</b>	<b>(20.6%)</b>

Through operational efficiencies and increased revenues, the Agency is able to fully offset its operating costs.

### CONTENTS

#### Overview

1. 2018-2020 Service Overview and Plan [5](#)
2. 2018 Operating Budget by Service [12](#)
3. Issues for Discussion [22](#)

#### Appendices

1. 2017 Service Performance [25](#)
2. 2018 Operating Budget by Expenditure Category [26](#)
3. 2018 Organization Chart [27](#)
4. Summary of 2018 Service Changes [28](#)
5. Summary of 2018 New / Enhanced Service Priorities N/A
6. Inflows/Outflows to/from Reserves & Reserve Funds [33](#)
7. 2018 User Fee Rate Changes [35](#)

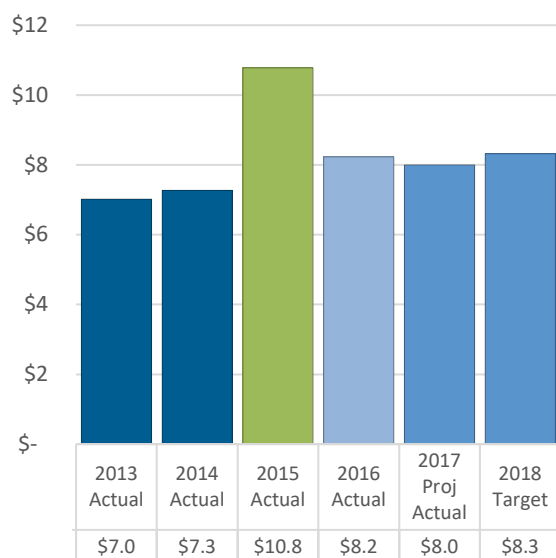
## FAST FACTS

- Exhibition Place is Canada's largest entertainment venue and attracts over 5.5 million visitors a year.
- 192-acre parkland with 3,002 trees.
- Host to 6 of the 10 consumer exhibitions in Canada including the Canadian National Exhibition, Royal Agricultural Winter Fair, Toronto International Boat Show, National Home Show/Canada Blooms, and One-of-a-Kind Craft Show.
- The Enercare Centre is the largest trade and consumer show facility in Canada and the sixth (6th) largest in North America with over 1.1 million square feet of contiguous space
- A leader and world-class site for advanced "green" energy technology that was recently awarded a LEED® EB:O&M Gold designation

## TRENDS

- 95% of meetings and events at Exhibition Place occur between September and June each year.
- Over 88% of waste collected at Exhibition Place is recycled or reused and diverted from landfills.

**Building Rental - Enercare Centre  
(Million)**



## KEY SERVICE DELIVERABLES FOR 2018

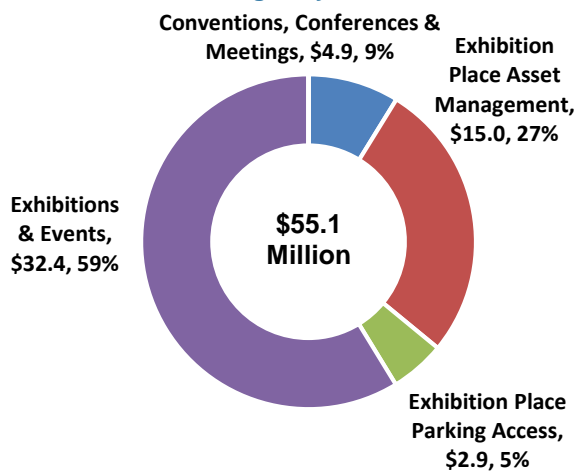
Exhibition Place is Canada's largest entertainment venue, responsible for managing 192-acre site, for providing inclusive and accessible parkland, and for serving as a destination for entertainment, recreation and sporting events, and public celebrations, while operating as a self-sustaining and environmentally responsible entity.

The 2018 Operating Budget will fund:

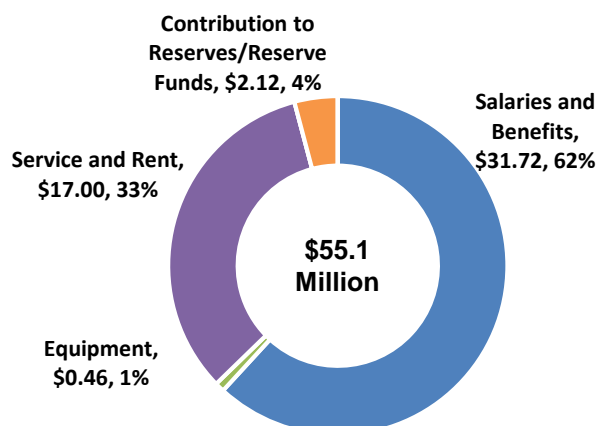
- The Enercare Centre which hosts national and community events, and shows such as the Royal Agricultural Winter Fair, Toronto International Boat Show, the National Home Show/Canada Blooms and the One of a Kind Craft Shows.
- The Beanfield Centre which hosts conventions, conferences and meetings, complementing the event activities at the Enercare Centre by attracting more international conferences, consumer and trade shows, exhibits, and festivals.
- The development of a 'green' promotion strategy both externally and internally; achievement of net energy self-sufficiency; and reduction of the impact of Exhibition operations on all aspects of the environment
- The sustainment and enhancement of public assets; integration with the surrounding urban fabric; improvement of all forms of transportation needed for the grounds; and the integration between Exhibition Place and Ontario Place.

## Where the money goes:

### 2018 Budget by Service

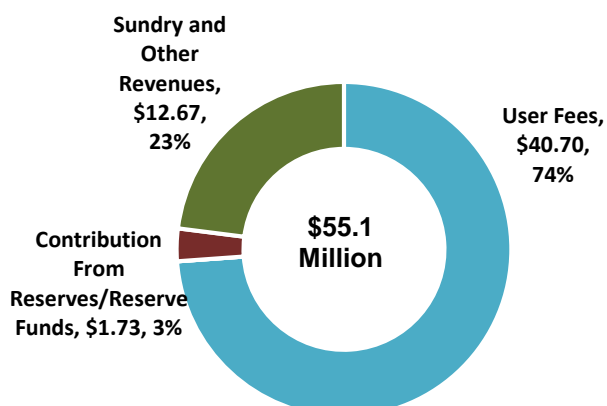


### 2018 Budget by Expenditure Category



## Where the money comes from:

### 2018 Budget By Funding Source



## OUR KEY ISSUES & PRIORITY ACTIONS

- **Maintaining Positive Financial Performance:**  
Exhibition Place exists in a competitive market requiring it to operate efficiently and generate new business to maintain positive financial performance
  - ✓ The 2018 Operating Budget aims to address budget pressures such as increasing labour costs and utility rates by pursuing the redevelopment and rental of the underutilized buildings and other business opportunities, various service efficiencies and utility savings initiatives.
- **Pursuing Green initiatives** to maintain Exhibition Place's status as a leader in environmentally friendly facilities.
  - ✓ Exhibition Place will be introducing and activating a plan to target Net "0" grid supplied electricity use.
- **Maintaining Trade and Consumer Show Business** by creating a "self-contained" conference and accommodation space.
  - ✓ Facilitating the completion of the sky-bridge from Hotel X to Beanfield Centre.
  - ✓ Competing for a whole new segment of conference, meeting and convention business.

## 2018 OPERATING BUDGET HIGHLIGHTS

- The 2018 Operating Budget for Exhibition Place of \$55.1106 million in gross expenditures provides funding for:
  - ✓ Conventions, Conferences & Meetings (\$4.852 million).
  - ✓ Exhibitions & Events (\$29.030 million).
  - ✓ Exhibition Place Asset Management (\$14.962 million).
  - ✓ Exhibition Place Parking Access (\$2.928 million).
- The Agency will achieve the budget target of 0% by:
  - ✓ Sharing its Corporate Secretary function with the City of Toronto (\$0.102 million)
  - ✓ Outsourcing Exhibitor Service (\$0.235 million)
  - ✓ Increasing revenue from Canadian National Exhibition Association (\$0.483 million)

## Council Approved Budget

City Council approved the following recommendations:

1. City Council approve the 2018 Operating Budget for Exhibition Place of \$55.110 million gross, \$0.150 million net revenue for the following services:

<u>Service</u>	<u>Gross (\$000s)</u>	<u>Net (\$000s)</u>
Exhibitions & Events	32,366.9	(7,681.0)
Conventions, Conferences & Meetings	4,852.2	294.6
Exhibition Place Asset Management	14,962.8	12,131.0
Exhibition Place Parking Access	2,928.8	(4,894.5)
	<hr/>	<hr/>
Total Program Budget	<u>55,110.6</u>	<u>(150.0)</u>

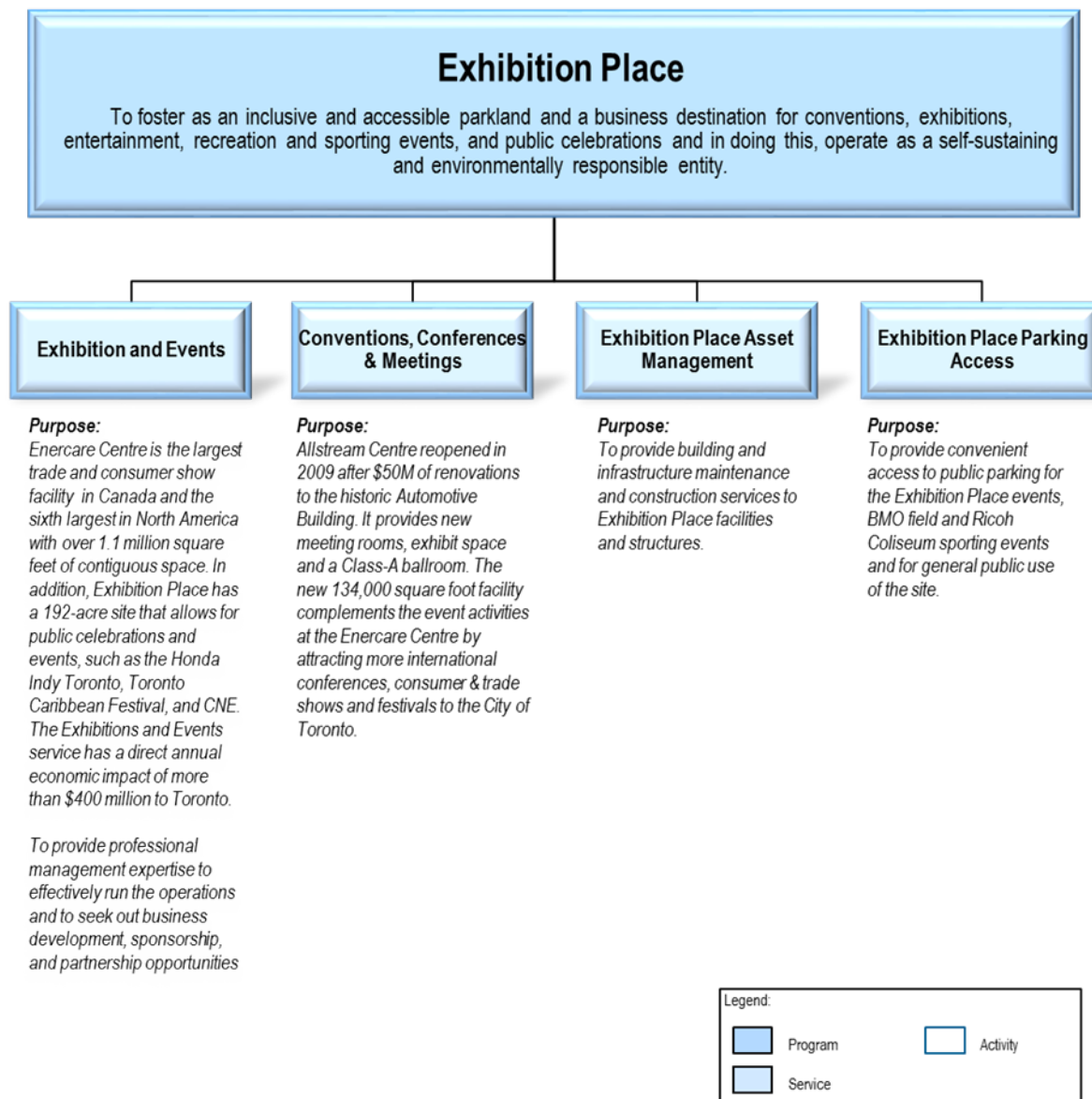
2. City Council approve the 2018 service levels for Exhibition Place as outlined on pages 15, 17, 19, and 21 of this report, and associated staff complement of 351.0 operating service delivery positions and 5.0 capital project delivery positions.
3. City Council approve the 2018 market rate user fee changes for Exhibition Place identified in Appendix 7, for inclusion in the Municipal Code Chapter 441 "Fees and Charges".



# Part 1

## 2018-2020 Service Overview and Plan

## Program Map



### Service Customer

#### Exhibitions and Events

- Event Organizers
- Exhibitors
- Leased Tenants (10 Long-term Tenants)
- Parking Patrons
- Sporting Event Attendees
- Indirect (Beneficial)
  - Event Participants
  - Local Hotels and Restaurants
  - Local Business Community

#### Conventions, Conferences & Meetings

- Associations
- Corporations
- Local and International Businesses
- Local and International Organizations
- Not-For-Profits and Community Organizations
- Conference Attendees
- Indirect (Beneficial)
  - Local Hotels and Restaurants
  - Local Business Community

#### Exhibition Place Asset Management

- Exhibition Place Services
- Indirect (Beneficial)
  - Event Organizers
  - Exhibitors
  - Leased Tenants
  - Parking Patrons
  - Visitors / Walking Tours
  - Shows and Events Attendees
  - General Public

#### Exhibition Place Parking Access

- Exhibition Place Event Attendees
- BMO Field Sporting Event Attendees
- Long-term Tenants
- Commuters
- Indirect (Beneficial)
  - Event Hosts



**Table 1**  
**2018 Operating Budget and Plan by Service**

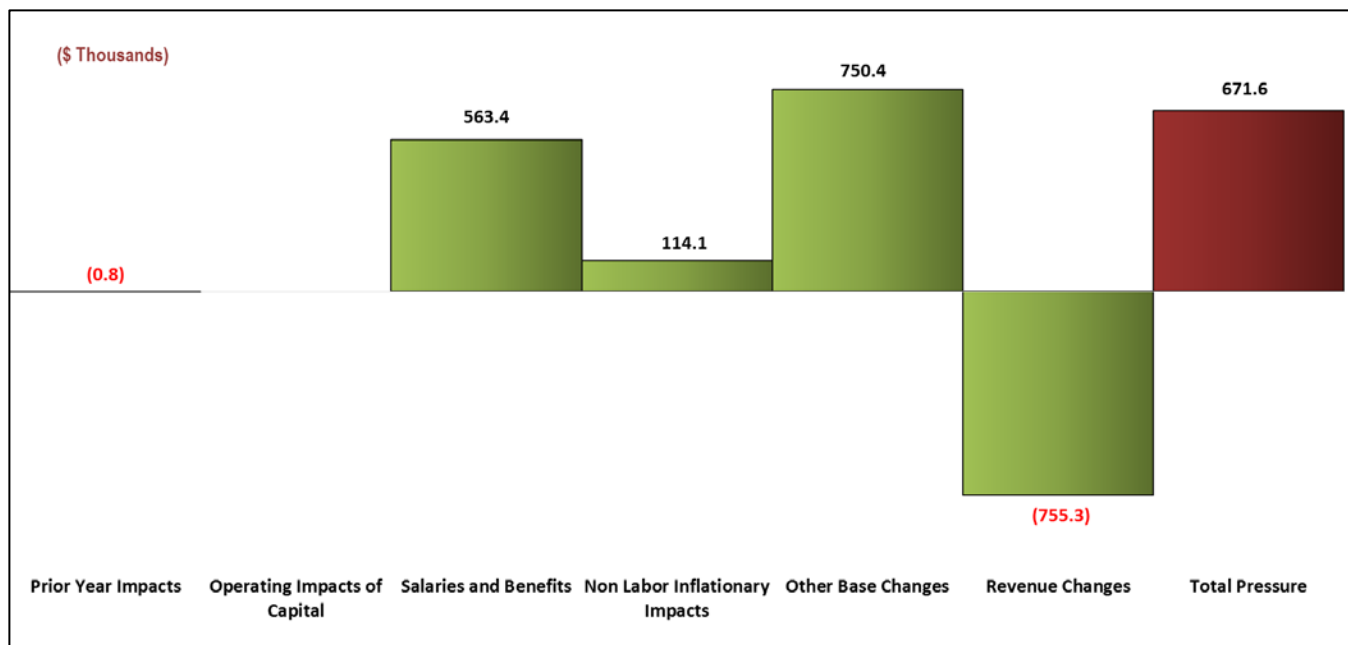
(In \$000s)	2017		2018 Operating Budget			2018 vs. 2017 Budget Change		Incremental Change			
	Budget	Projected Actual	Base	New/ Enhanced	Total Budget			2019 Plan		2020 Plan	
By Service	\$	\$	\$	\$	\$	\$	%	\$	%	\$	%
<b>Exhibitions &amp; Events</b>											
Gross Expenditures	27,747.8		32,366.9	0.0	32,366.9	4,619.1	16.6%	647.8	2.0%	665.5	2.0%
Revenue	35,604.6		40,047.9	0.0	40,047.9	4,443.3	12.5%	761.0	1.9%	801.9	2.0%
<b>Net Expenditures</b>	(7,856.9)	0.0	(7,681.0)	0.0	(7,681.0)	175.8	(2.2%)	(113.3)	1.5%	(136.4)	1.7%
<b>Conventions, Conferences &amp; Meetings</b>											
Gross Expenditures	4,988.4		4,852.2	0.0	4,852.2	(136.3)	(2.7%)	92.7	1.9%	95.0	1.9%
Revenue	4,638.4		4,557.5	0.0	4,557.5	(80.9)	(1.7%)	101.7	2.2%	104.8	2.2%
<b>Net Expenditures</b>	350.0	0.0	294.6	0.0	294.6	(55.4)	(15.8%)	(9.0)	(3.1%)	(9.7)	(3.4%)
<b>Exhibition Place Asset Management</b>											
Gross Expenditures	15,106.2		14,962.8	0.0	14,962.8	(143.4)	(0.9%)	283.5	1.9%	901.1	5.9%
Revenue	2,635.7		2,831.8	0.0	2,831.8	196.1	7.4%	112.5	4.0%	654.8	22.2%
<b>Net Expenditures</b>	12,470.5	0.0	12,131.0	0.0	12,131.0	(339.6)	(2.7%)	171.0	1.4%	246.3	2.0%
<b>Exhibition Place Parking Access</b>											
Gross Expenditures	2,699.6		2,928.8	0.0	2,928.8	229.2	8.5%	58.6	2.0%	60.2	2.0%
Revenue	7,787.6		7,823.3	0.0	7,823.3	35.7	0.5%	157.3	2.0%	160.5	2.0%
<b>Net Expenditures</b>	(5,088.0)	0.0	(4,894.5)	0.0	(4,894.5)	193.5	(3.8%)	(98.7)	2.0%	(100.2)	2.0%
<b>Total</b>											
Gross Expenditures	50,542.0	0.0	55,110.6	0.0	55,110.6	4,568.6	9.0%	1,082.5	2.0%	1,721.9	3.1%
Revenue	50,666.4	0.0	55,260.6	0.0	55,260.6	4,594.2	9.1%	1,132.5	2.0%	1,721.9	3.1%
<b>Total Net Expenditures</b>	(124.4)	0.0	(150.0)	0.0	(150.0)	(25.6)	20.6%	(50.0)	33.3%	(0.0)	0.0%
<b>Approved Positions</b>	359.0		356.0	0.0	356.0	(3.0)	(0.8%)	0.0		0.0	

The Exhibition Place's 2018 Operating Budget is \$55.110 million gross and \$55.260 million net, representing a 20.6% increase in net revenue above the 2017 Approved Net Operating Budget and exceeds the reduction target of 0% as set out in the 2018 Operating Budget Directions approved by Council.

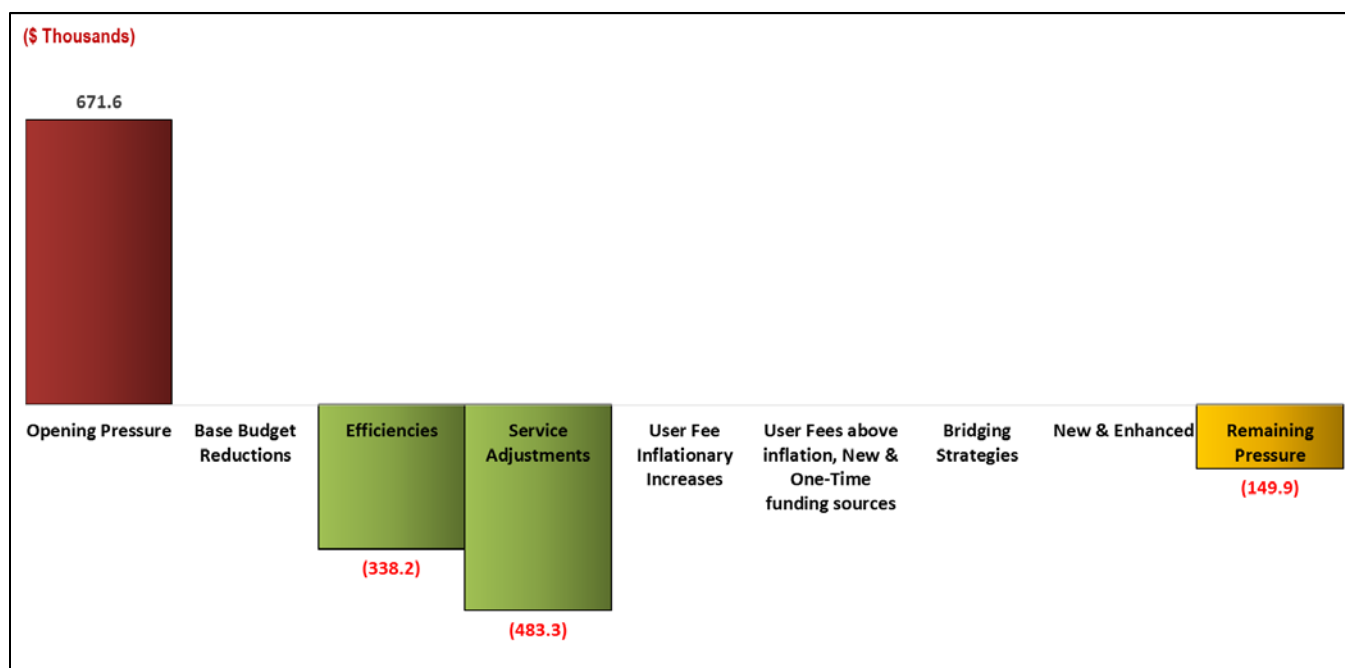
- Base pressures are mainly attributable to salaries and benefits, inflationary cost increases, and one-time equipment expense.
- To offset the above pressures, the Program was able to achieve service efficiency savings through sharing of its corporate secretary service with the City of Toronto, outsourcing of Exhibitor service and additional revenue from the Canadian National Exhibition Association.
- The 2018 Operating Budget will result in Exhibition Place reducing its total staff complement by 3.0 positions from 359.0 to 356.0.
- The 2019 and 2020 Plan increases are attributable to increases in salaries and benefits, event support costs and various other expenditures offset by increases in revenues from volume increases for events and conferences maintaining small net surpluses going forward.

The following graphs summarize the operating budget pressures for Exhibition Place and the actions taken to offset/reduce these pressures to meet the budget reduction target.

### Key Cost Drivers



### Actions to Achieve Budget Reduction Target





**Table 2  
Key Cost Drivers**

(In \$000s)	2018 Base Operating Budget				Total	
	Exhibitions & Events	Conventions, Conferences & Meetings	Exhibition Place Asset Management	Exhibition Place Parking Access		
	\$	\$	\$	\$	\$	Position
<b>Gross Expenditure Changes</b>						
<b>Prior Year Impacts</b>						
PBF Correction			0.8		0.8	
<b>Salaries and Benefits</b>						
COLA	88.4	(24.3)	55.3	48.6	167.9	
Progression Pay	165.2	37.9	64.6	19.6	287.3	
Salary Adjustments (Overtime Trades & Others)	1.7		0.2		1.8	
Benefit Adjustments	77.5	0.5	9.8	18.5	106.3	
<b>Economic Factors</b>						
Additional Utilities						
Utilities Increase (Volume and Inflationary based)	168.2	71.6	68.2		308.1	
<b>Other Base Expenditure Changes</b>						
Utilities Increase- Volume Based	134.5	59.4				
Reduction in Project Management reimbursement	43.8		(93.8)		(50.0)	
Third Party Services - Increase	414.2	147.8	294.1	120.0	976.1	
Extend Amortization of Conference Centre Loan		(369.7)			(369.7)	
<b>Total Gross Expenditure Changes</b>	<b>1,093.6</b>	<b>(76.8)</b>	<b>399.2</b>	<b>206.7</b>	<b>1,427.0</b>	
<b>Revenue Changes</b>						
<b>Base Revenue Changes</b>						
User Fees	(506.8)	(232.0)	(329.5)	(34.0)	(1,102.3)	
Cost Recoveries	(103.5)		(20.8)	(1.7)	(126.0)	
Contributions to/from Reserves	135.0	312.9	25.0		472.9	
<b>Total Revenue Changes</b>	<b>(475.2)</b>	<b>80.9</b>	<b>(325.3)</b>	<b>(35.7)</b>	<b>(755.3)</b>	
<b>Net Expenditure Changes</b>	<b>1,568.8</b>	<b>(157.7)</b>	<b>73.9</b>	<b>242.4</b>	<b>671.6</b>	

Major cost drivers for Exhibition Place are discussed below:

## Gross Expenditure Changes

- Salaries and Benefits:
  - Standard inflationary increases to salaries and benefits as well as increased overtime for trade persons for 2018, results in a gross expenditure increase of \$0.563 million.
- Utilities Increase:
  - Through the increase of events, conferences, conventions and meetings hosted by the Exhibition Place utility costs are anticipated to increase by \$0.308 million.
- Loan Repayment:
  - In December of 2016, Council approved an extended repayment term and amortization schedule for the Conference Centre Loan by five years ending in 2040, reducing annual payments by \$0.370 million.
- Third Party Services:
  - Increased third party services due to increased parking costs, paid duty police officers and services provided through third parties will result in a gross expenditure increase of \$0.999 million.

## Revenue Changes

### ▪ User Fees Increases:

- Exhibitions and Events: Inflationary increases and additional rental income from the anticipated event mix for 2018 are expected to result in a user fee revenue increase of \$0.507 million.
- Conventions, Conferences and Meetings: There is an anticipated increase in the number of events that will be booked at the Beanfield Centre and a consequent increase in parking revenues from the increased bookings resulting in a user fee revenue increase of \$0.232 million.
- Exhibition Place Parking Access: Additional parking revenues (net of parking rebate) are expected from Argos games being hosted in 2018 at the BMO Field as well as a general increase in anticipated volumes for Toronto FC resulting in user fee revenue increase of \$0.330 million.

In order to achieve the budget reduction target, Exhibition Place achieved service efficiency savings of \$0.338 million net, for a total of \$0.150 million net and a revenue increase of \$0.483 million for a total of \$0.822 million net as detailed below.

**Table 3**  
**Actions to Achieve Budget Reduction Target**

Description (\$000s)	Service Changes								Total Service Changes			Incremental Change			
	Exhibitions & Events		Conventions, Conferences & Meetings		Exhibition Place Asset Management		Exhibition Place Parking Access		\$	\$	#	2019 Plan		2020 Plan	
	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Gross	Net	Pos.	Net	Pos.	Net	Pos.
<b>Service Efficiencies</b>															
Outsourced Exhibitor Service					(235.9)	(235.9)			(235.9)	(235.9)	(2.0)	(2.9)		(3.0)	
Shares Corporate Secretary with City	(102.3)	(102.3)							(102.3)	(102.3)	(1.0)	(4.0)		(4.1)	
<b>Sub-Total</b>	(102.3)	(102.3)			(235.9)	(235.9)			(338.2)	(338.2)	(3.0)	(6.9)		(7.1)	
<b>Revenue Adjustments</b>															
Additional Leases & Service Revenue from CNEA	3,336.0	(483.3)							3,336.0	(483.3)		(6.0)		(6.1)	
<b>Sub-Total</b>	3,336.0	(483.3)							3,336.0	(483.3)		(6.0)		(6.1)	
<b>Total Changes</b>	3,233.7	(585.6)			(235.9)	(235.9)			2,997.8	(821.5)	(3.0)	(13.0)		(13.2)	

## Service Efficiencies (Savings of \$0.338 million gross and \$0.338 million net)

### Outsourced Exhibitor Service

- In 2017, the electrical and mechanical services to exhibitors were outsourced.
- With these services provided by a third party, 2 positions were eliminated and savings of \$0.236 million will be realized in 2018.

### Shares Corporate Secretary with City

- Corporate Secretary functions will be shared with the City to provide savings of \$0.102 million in 2018 as well as the elimination of 1 position.
- Services will be provided by the City Clerk on a cost recovery basis with some remaining duties delivered by Exhibition staff.

**Revenue Adjustments (\$3.336 gross & \$0.483 million net)****Additional Leases & Service Revenue from Canadian National Exhibition Association**

- Additional Lease Revenue of \$3.336 million gross, \$0.483 million net will be received in 2018 as the CNEA will pay additional costs on the use of the Press and Food Buildings according to its agreement with Exhibition Place.

The 2018 Operating Budget for Exhibition Place will result in 2019 incremental net cost of \$0.0001 million and a 2020 incremental net cost of \$0.004 million to maintain 2018 service levels, as discussed in the following section.

**Table 5**  
**2019 and 2020 Plan by Program**

Description (\$000s)	2019 - Incremental Increase					2020 - Incremental Increase				
	Gross Expense	Revenue	Net Expense	% Change	Position	Gross Expense	Revenue	Net Expense	% Change	Position
<b>Known Impacts:</b>										
<b>Salaries and Benefits</b>										
COLA	(11.33)		(11.3)	0.1		1.96		2.0		
Progression Pay	123.39		123.4	(0.6)		16.02		16.0		
Salary Adjustments (Overtime Trades & Others)	455.99		456.0	(2.3)		568.02		568.0		
Benefit Adjustments	193.65		193.7	(1.0)		199.18		199.2		
<b>Other Base Expenditure Changes</b>										
Utilities Increase- Volume Based	103.49		103.5	(0.5)		106.57		106.6		
Third Party Services - Increase	190.10		190.1	(1.0)		193.17		193.2		
Extend Amortization of Conference Centre Loan	(18.49)		(18.5)	0.1		(19.41)		(19.4)		
Sharing Corporate Secretary	(4.00)		(4.0)			(4.10)		(4.1)		
Outsource Exhibitor Service	(2.95)		(2.9)			(2.99)		(3.0)		
Reclassify districity energy system revenue	10.94	10.94				11.27	11.27			
<b>Revenue (specify)</b>										
User Fees		872.10	(872.1)	4.4			872.38	(872.4)		
Cost Recoveries		176.71	(176.7)	0.9			179.93	(179.9)		
Additional Leases & Service Revenue	41.70	47.74	(6.0)			42.22	48.34	(6.1)		
Reduction in project management		50.00	(50.0)			610.00	610.00			
Contributions to/from Reserves		(25.00)	25.0	(0.1)						
<b>Sub-Total</b>	<b>1,082.5</b>	<b>1,132.5</b>	<b>(50.0)</b>			<b>1,721.9</b>	<b>1,721.9</b>	<b>(0.0)</b>		
<b>Total Incremental Impact</b>	<b>1,082.5</b>	<b>1,132.5</b>	<b>(50.0)</b>			<b>1,721.9</b>	<b>1,721.9</b>	<b>(0.0)</b>		

Future year incremental costs are primarily attributable to the following:

**Known Impacts:**

- Salaries and Benefits from anticipated inflationary increases in 2019 and 2020 of \$0.772 million and \$1.554 million, respectively.
- Revenues from anticipated volume increases for events and conferences (including inflation) contribute to increased revenues of \$0.872 million. There is a corresponding increase in other expenditures relating to event support costs and third party services of \$0.293 million offset by increased cost recoveries of \$0.176 million.



## Part 2

### 2018 Operating Budget by Service

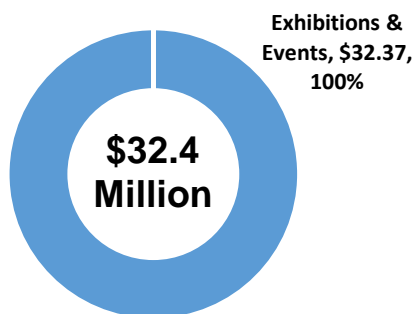
## Exhibitions & Events



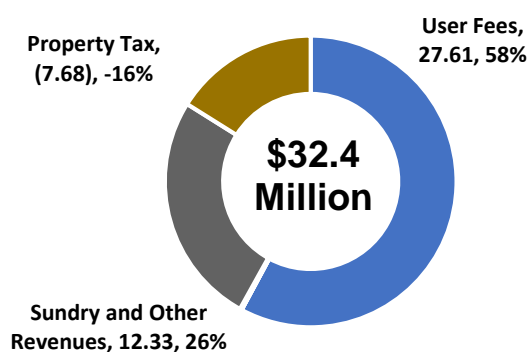
## What We Do

- Enercare Centre is the largest trade and consumer show facility in Canada and the sixth largest in North America with over 1.1 million square feet of continuous space.
- The Exhibition Place has a 192-acre site that allows for public celebrations and events, such as the Honda Indy Toronto, Toronto Caribbean Festival and the Canadian National Exhibition.
- The Exhibitions & Events Service has a direct annual economic impact of more than \$350 million to Toronto.

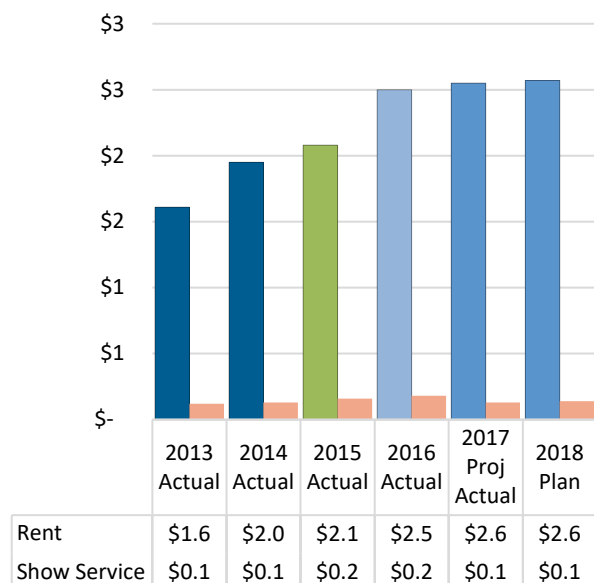
2018 Service Budget by Activity  
(\$Ms)



2018 Service by Funding Source  
(\$Ms)



## Effectiveness Measure – Tenants Rent & Net Show Services (\$Millions)



- Actual experience suggests that Enercare Centre is projected to grow its occupancy rates and number of events hosted.

**Table 6**  
**2018 Service Budget by Activity**

	2017	2018 Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Base	Base Budget vs. 2016 Budget		New/Enhanced	Budget	2018 Budget vs. 2017 Budget		2019 Plan		2020 Plan	
					% Change				\$	%	\$	%	\$	%
(\$000s)	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
<b>GROSS EXP.</b>														
Exhibitions & Events	27,747.8	29,133.2	3,233.7	32,366.9	4,619.1	16.6%		32,366.9	4,619.1	16.6%	647.8	2.0%	665.5	2.0%
<b>Total Gross Exp.</b>	27,747.8	29,133.2	3,233.7	32,366.9	4,619.1	16.6%		32,366.9	4,619.1	16.6%	647.8	2.0%	665.5	2.0%
<b>REVENUE</b>														
Exhibitions & Events	35,604.6	36,228.7	3,819.3	40,047.9	4,443.3	12.5%		40,047.9	4,443.3	12.5%	761.0	1.9%	801.9	2.0%
<b>Total Revenues</b>	35,604.6	36,228.7	3,819.3	40,047.9	4,443.3	12.5%		40,047.9	4,443.3	12.5%	761.0	1.9%	801.9	1.9%
<b>NET EXP.</b>														
Exhibitions & Events	(7,856.9)	(7,095.5)	(585.6)	(7,681.0)	175.8	(2.2%)		(7,681.0)	175.8	(2.2%)	(113.3)	1.5%	(136.4)	1.7%
<b>Total Net Exp.</b>	(7,856.9)	(7,095.5)	(585.6)	(7,681.0)	175.8	(2.2%)		(7,681.0)	175.8	(2.2%)	(113.3)	1.5%	(136.4)	1.7%
<b>Approved Positions</b>	248.0	248.0	(1.0)	247.0	(1.0)	(0.4%)		247.0	(1.0)	(0.4%)		0.0%		

The Exhibitions and Events provides a number of hosted events at the Enercare centre.

The Exhibitions and Events' 2018 Operating Budget of \$32.366 million gross and \$7.681 million net is \$0.175 million or 2.2% under or over the 2017 Approved Net Budget.

## 2018 Service Levels Exhibition & Events

Activity	Service Level Description	Status	2015	2016	2017	2018
Event - Trade & Consumer	% compliance with negotiated terms	Approved	100.00%	100.00%	100.00%	100.00%
		Actual				
Event - Meetings & Corporate	% compliance with negotiated terms	Approved	100.00%	100.00%	100.00%	100.00%
		Actual				
Event - Community / Festivals / City of Toronto / Sporting / Photo & Film	% compliance with negotiated terms	Approved	100.00%	100.00%	100.00%	100.00%
		Actual				
Event - Major Citywide celebrations & special events	% compliance with negotiated terms	Approved	100.00%	100.00%	100.00%	100.00%
		Actual				
Guest Services: Food & Beverage	\$X food & beverage sales per attendee	Approved	\$4.67	\$11.33	\$4.87	\$5.09
		Actual				
Guest Services: Facility Support	\$X of Service Revenue per \$1 of Rent Revenue	Approved	\$0.75	\$0.53	\$0.67	\$0.67
		Actual				
	Efficiencies	Approved			Closing creative sign service	Outsourcing Exhibitor Service
		Actual			Closing creative sign service	
	Outsourcing	Approved			Outsourcing Welding Service	Sharing Corporate Secretary Service with City
		Actual			Outsourcing Welding Service	
Long-term Tenant Support	\$X per Square foot of long-term tenant space supported	Approved	\$11.10	\$11.61	\$10.29	\$10.39
		Actual				

Overall, the 2018 Service Levels are largely consistent with the approved 2017 Service Levels for Exhibition & Events with the following exceptions:

- Guest Services: Food & Beverage activity has been adjusted to a level consistent with pre-2016 levels. Exhibition Place anticipates increased volumes for food and beverages in 2018 at the Allstream Centre given the anticipated event mix for the year.
- Guest Services: Facility Support and Long-term Tenant Support have been adjusted to align with the experience in 2017.



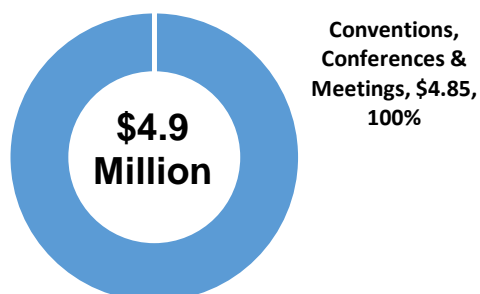
## Conventions, Conferences & Meetings



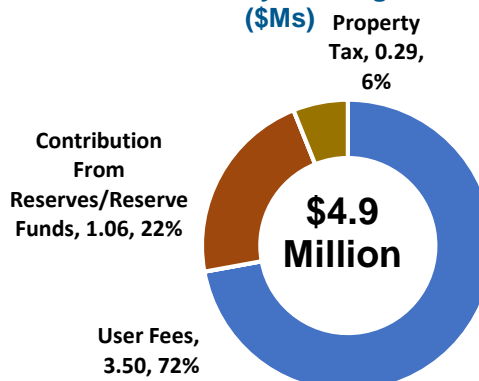
## What We Do

- Beanfield Centre is a 160,000 square foot, LEED Silver-certified conference facility which reopened in October 2009 after a \$50 million renovation to the historic Automotive Building.
- The Centre provides new meeting rooms, exhibit space as well as a Class A ballroom.
- The facility complements the exhibition and convention activities at the Enercare Centre and Exhibition Place by attracting more international conferences, consumer/trade shows, and festivals to the City of Toronto.

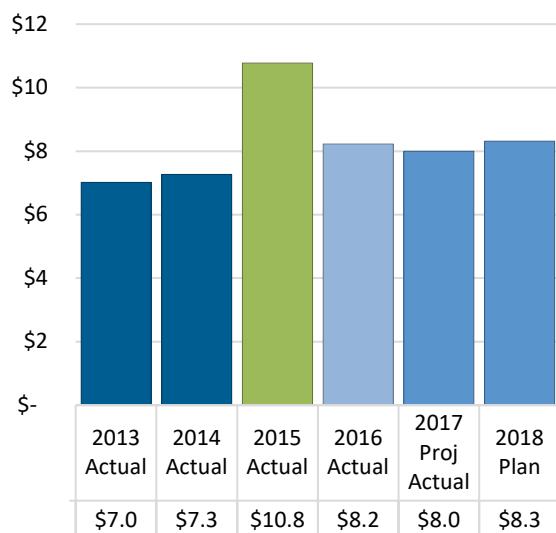
2018 Service Budget by Activity  
(\$Ms)



2018 Service by Funding Source  
(\$Ms)



## Efficiency Measure - Events Building Rent – Beanfield Centre (\$Millions)



- With the successful Pan Am Games events in 2015 and the NBA All Star Jam Session in 2016, Exhibition Place has solidified its leadership position in hosting a large variety of events, complemented with excellent facility support and amenities.
- 2015 and 2016 consist of one-time revenues from the Pan Am Games and the NBA All Star Jam Session respectively.

### 2018 Service Levels Conventions, Conferences and Meetings

Activity	Service Level Description	Status	2015	2016	2017	2018
Event Space	X% compliance with negotiated terms	Approved	100%	100%	100%	100%
		Actual				
Guest Services: Food & Beverage	\$X food and beverage sales per attendee	Approved	\$90.21	\$88.86	\$78.40	\$90.91
		Actual				
Guest Services: Facility Support	\$X of Net Service Revenue per \$1 of total rent	Approved	\$0.32	\$0.30	\$0.22	\$0.23
		Actual				
Guest Services: Parking	Labour cost ratio of X% of revenue	Approved	9.00%	8.20%	8.00%	8.00%
		Actual				

Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for Conventions, Conferences and Meetings with adjustments to align to the actual experience in 2017.

**Table 6**  
**2018 Service Budget by Activity**

	2017	2018 Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Base Budget vs. 2016 Budget			New/Enhanced	Budget	2018 Budget vs. 2017 Budget		2019 Plan		2020 Plan	
				Base	Budget	% Change								
(\$000s)	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
GROSS EXP.														
Conventions, Conferences & Meetings	4,988.4	4,852.2		4,852.2	(136.3)	(2.7%)		4,852.2	(136.3)	(2.7%)	92.7	1.9%	95.0	1.9%
<b>Total Gross Exp.</b>	<b>4,988.4</b>	<b>4,852.2</b>		<b>4,852.2</b>	<b>(136.3)</b>	<b>(2.7%)</b>		<b>4,852.2</b>	<b>(136.3)</b>	<b>(2.7%)</b>	<b>92.7</b>	<b>1.9%</b>	<b>95.0</b>	<b>1.9%</b>
REVENUE														
Conventions, Conferences & Meetings	4,638.4	4,557.5		4,557.5	(80.9)	(1.7%)		4,557.5	(80.9)	(1.7%)	101.7	2.2%	104.8	2.2%
<b>Total Revenues</b>	<b>4,638.4</b>	<b>4,557.5</b>		<b>4,557.5</b>	<b>(80.9)</b>	<b>(1.7%)</b>		<b>4,557.5</b>	<b>(80.9)</b>	<b>(1.7%)</b>	<b>101.7</b>	<b>2.2%</b>	<b>104.8</b>	<b>2.2%</b>
NET EXP.														
Conventions, Conferences & Meetings	350.0	294.6		294.6	(55.4)	(15.8%)		294.6	(55.4)	(15.8%)	(9.0)	-3.1%	(9.7)	(3.4%)
<b>Total Net Exp.</b>	<b>350.0</b>	<b>294.6</b>		<b>294.6</b>	<b>(55.4)</b>	<b>(15.8%)</b>		<b>294.6</b>	<b>(55.4)</b>	<b>(15.8%)</b>	<b>(9.0)</b>	<b>-3.1%</b>	<b>(9.7)</b>	<b>(3.5%)</b>
<b>Approved Positions</b>	<b>12.0</b>	<b>12.0</b>		<b>12.0</b>				<b>12.0</b>				0.0%		

The Conventions, Conferences and Meetings service provides increased profitability for the Beanfield Centre and grows the number of hosted events.

The Conventions, Conferences and Meetings' 2018 Operating Budget of \$4.852 million gross and \$.294 million net is \$0.055 million or 15.8% under the 2017 Approved Net Budget.

- In addition to the base budget pressures common to all services, this service is experiencing increased competition in this industry.

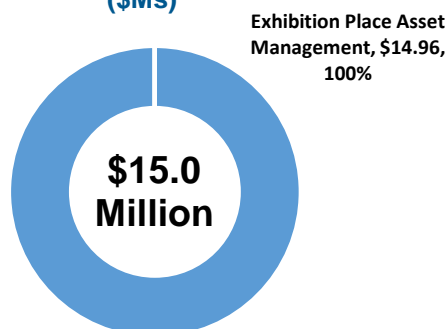
## Exhibition Place Asset Management



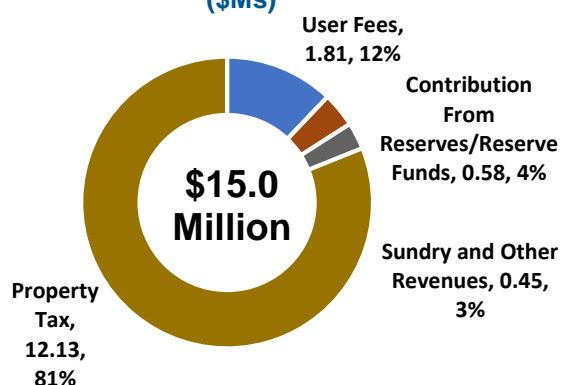
### What We Do

- Provide building and infrastructure maintenance and construction services to Exhibition Place facilities and structures.

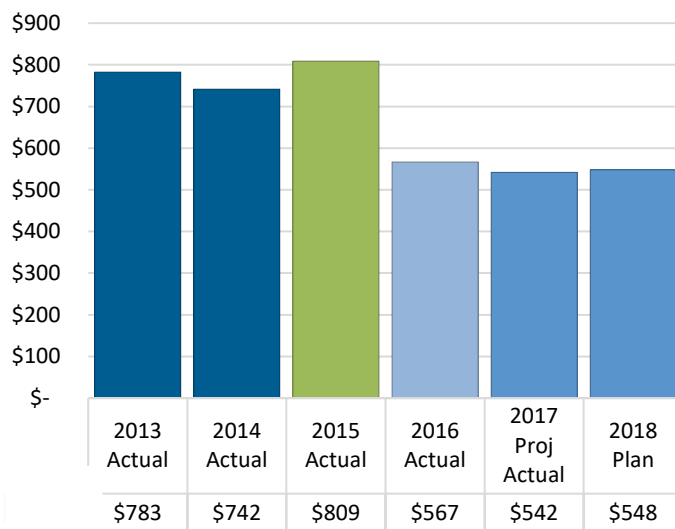
2018 Service Budget by Activity  
(\$Ms)



2018 Service by Funding Source  
(\$Ms)



## Efficiency Measure – Utilities Savings from ERP Projects (\$000)



- Savings in energy costs are projected at a level similar to 2017. Further savings are dependent on future Green Energy projects.
- Savings thus far are due to various Energy Retrofit Projects: Photovoltaic at the Horse Palace and East Annex, hall lighting at Enercare Centre, Five Exhibition Place Buildings retrofit, boiler replacements, LED Pathway lights, Back Pressure Steam-turbine, Press Building Geothermal, and underground parking lights.

## 2018 Service Levels

### Exhibition Place Asset Management

Activity	Service Level Description	Status	2015	2016	2017	2018
Parking Lots, Roads & Sidewalks	Maintain Parking Lots, Roads & Sidewalks in good condition for public access; increase sustainability and reduce failure of Exhibition Place Assets; effective investment of Capital funds; ensure preservation of Historical site and area	Approved	Maintain Parking Lots, Roads & Sidewalks in good condition for public access; increase sustainability and reduce failure of Exhibition Place Assets; effective investment of Capital funds; ensure preservation of Historical site and area	Maintain Parking Lots, Roads & Sidewalks in good condition for public access; increase sustainability and reduce failure of Exhibition Place Assets; effective investment of Capital funds; ensure preservation of Historical site and area	Maintain Parking Lots, Roads & Sidewalks in good condition for public access; increase sustainability and reduce failure of Exhibition Place Assets; effective investment of Capital funds; ensure preservation of Historical site and area	Maintain Parking Lots, Roads & Sidewalks in good condition for public access; increase sustainability and reduce failure of Exhibition Place Assets; effective investment of Capital funds; ensure preservation of Historical site and area
		Actual				
Waste Management	Waste diversion of %	Approved	85.15%	85.74%	88.20%	88.20%
		Actual				
Fleet & Equipment Maintenance	Maintain current X vehicles and X pieces of equipment and additional acquisitions	Approved	43 Vehicles, 73 Piece of Equipment	43 Vehicles, 73 Piece of Equipment	43 Vehicles, 73 Piece of Equipment	43 Vehicles, 73 Piece of Equipment
		Actual				

Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for Exhibition Place Asset Management. There will be a continued focus on improving the service's waste management operations.

**Table 6**  
**2018 Service Budget by Activity**

	2017	2018 Operating Budget										Incremental Change			
	Approved Budget	Base Budget	Service Changes	Base Budget vs. 2016 Budget		% Change	New/Enhanced	Budget	2019 Plan			2020 Plan			
				Base	%										
				(\$000s)	\$				\$	\$	\$	%	\$	\$	%
GROSS EXP.															
Exhibition Place Asset Management	15,106.2	15,198.7	(235.9)	14,962.8	(143.4)	(0.9%)		14,962.8	(143.4)	(0.9%)	283.5	1.9%	901.1	5.9%	
Total Gross Exp.	15,106.2	15,198.7	(235.9)	14,962.8	(143.4)	(0.9%)		14,962.8	(143.4)	(0.9%)	283.5	1.9%	901.1	5.6%	
REVENUE															
Exhibition Place Asset Management	2,635.7	2,831.8		2,831.8	196.1	7.4%		2,831.8	196.1	7.4%	112.5	4.0%	654.8	22.2%	
Total Revenues	2,635.7	2,831.8		2,831.8	196.1	7.4%		2,831.8	196.1	7.4%	112.5	4.0%	654.8	18.2%	
NET EXP.															
Exhibition Place Asset Management	12,470.5	12,366.9	(235.9)	12,131.0	(339.6)	(2.7%)		12,131.0	(339.6)	(2.7%)	171.0	1.4%	246.3	2.0%	
Total Net Exp.	12,470.5	12,366.9	(235.9)	12,131.0	(339.6)	(2.7%)		12,131.0	(339.6)	(2.7%)	171.0	1.4%	246.3	2.0%	
Approved Positions	83.0	83.0	(2.0)	81.0	(2.0)	(2.4%)		81.0	(2.0)	(2.4%)	0.0%				

The Exhibition Place Asset Management provides increases sustainability of Exhibition Place Asset and an effective investment of Capital funds.

The Exhibition Place Asset Management's 2018 Operating Budget of \$14.962 million gross and \$12.131 million net is \$0.339 million or 2.7% under the 2017 Approved Net Budget.

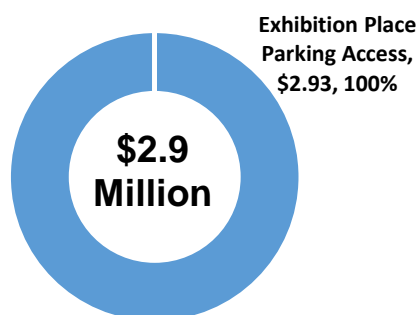
## Exhibition Place Parking Access



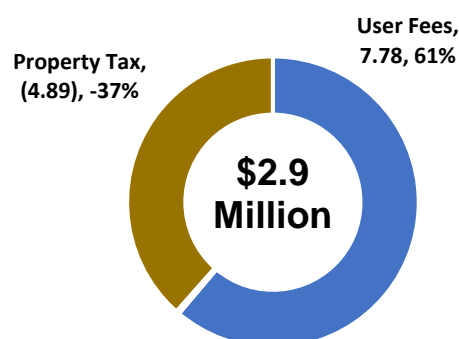
### What We Do

- Provide convenient access to public parking for Exhibition Place events, BMO Field sporting events, and general public.

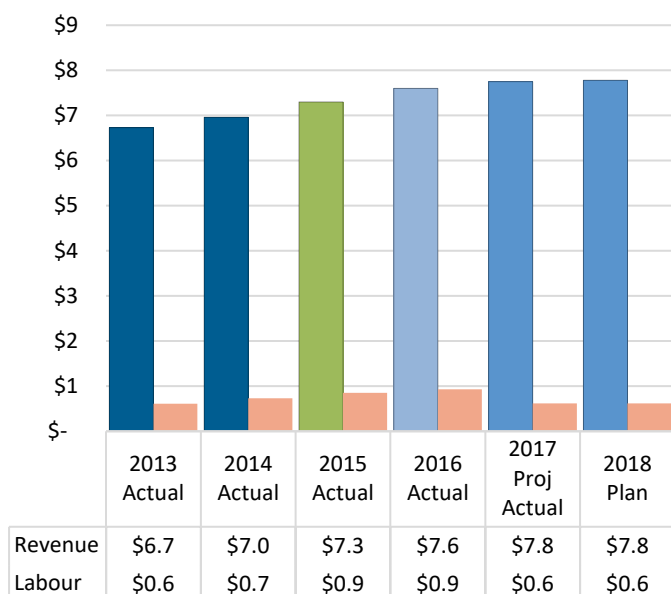
2018 Service Budget by Activity  
(\$Ms)



2018 Service by Funding Source  
(\$Ms)



## Efficiency Measures – Parking Revenue and Direct Wages (\$ Millions)



- Parking revenue and direct labour costs have performed at a consistent level over the previous years.
- Current revenue levels are sustainable given the greater level of activity from Argos games being hosted in 2018 at the BMO Field as well as a general increase in anticipated volumes for Toronto FC.
- Ratio between the parking revenue and direct labour costs has improved over the previous years.

### 2018 Service Levels Exhibition Place Parking Access

Activity	Service Level Description	Status	2015	2016	2017	2018
Surface	X% of parking spaces available and accessible for all major events.	Approved	100.00%	100.00%	100.00%	100.00%
		Actual				
	Variable labour cost ratio of X% of revenue	Approved	9.00%	8.20%	8.00%	8.00%
		Actual				
Underground	X% of parking spaces available and accessible for all major events.	Approved	100.00%	100.00%	100.00%	100.00%
		Actual				
	Variable labour cost ratio of X% of revenue	Approved	9.00%	8.20%	8.00%	8.00%
		Actual				

Overall, the 2018 Service Levels are consistent with the approved 2017 Service Levels for Exhibition Place Parking Access.

**Table 6**  
**2018 Service Budget by Activity**

	2017	2018 Operating Budget							Incremental Change					
	Approved Budget	Base Budget	Service Changes	Base	Base Budget vs. 2016		New/Enhanced	Budget	2018 Budget vs. 2017 Budget		2019 Plan		2020 Plan	
					Budget	% Change								
(\$000s)	\$	\$	\$	\$	\$	%	\$	\$	\$	%	\$	%	\$	%
<b>GROSS EXP.</b>														
Exhibition Place Parking Access	2,699.6	2,928.8		2,928.8	229.2	8.5%		2,928.8	229.2	8.5%	58.6	2.0%	60.2	2.0%
<b>Total Gross Exp.</b>	2,699.6	2,928.8		2,928.8	229.2	8.5%		2,928.8	229.2	8.5%	58.6	2.0%	60.2	2.0%
<b>REVENUE</b>														
Exhibition Place Parking Access	7,787.6	7,823.3		7,823.3	35.7	0.5%		7,823.3	35.7	0.5%	157.3	2.0%	160.5	2.0%
<b>Total Revenues</b>	7,787.6	7,823.3		7,823.3	35.7	0.5%		7,823.3	35.7	0.5%	157.3	2.0%	160.5	2.0%
<b>NET EXP.</b>														
Exhibition Place Parking Access	(5,088.0)	(4,894.5)		(4,894.5)	193.5	(3.8%)		(4,894.5)	193.5	(3.8%)	(98.7)	2.0%	(100.2)	2.0%
<b>Total Net Exp.</b>	(5,088.0)	(4,894.5)		(4,894.5)	193.5	(3.8%)		(4,894.5)	193.5	(3.8%)	(98.7)	2.0%	(100.2)	2.0%
<b>Approved Positions</b>	16.0	16.0		16.0				16.0			0.0%			

The Exhibition Place Parking Access provides convenient access to event parking.

The Exhibition Place Parking Access' 2018 Operating Budget of \$2.928 million gross and \$4.894 million net is \$0.193 million or 3.8% under the 2017 Approved Net Budget.



## Part 3

### Issues for Discussion



## Issues Impacting the 2018 Budget

### ***Budget Target***

- Exhibition Place has exceeded the Council adopted budget target of 0% change from the 2017 Approved Net Operating Budgets for all City Programs and Agencies through service efficiency measures and additional revenue. Exhibition Place is projecting a gross expenditure of \$55.110 million and a net revenue of \$0.150 million, representing a 20.6% net revenue increase from 2017.
- Exhibition Place will see base pressures in 2018 of \$1.648 million due to inflationary increases to salaries and benefits as well as utilities. However, the implementation of the service efficiencies and additional revenue will offset the base pressures.

### ***Maintaining Positive Financial Performance***

- Exhibition Place operates in a very competitive market in Toronto and the surrounding Greater Toronto Area, as it continues to strive to generate new business and to maximize profitability.
- The budgetary objective for this Agency is to stabilize or decrease expenditures through the redevelopment and rental of the underutilized buildings and other business opportunities. This objective is actively pursued each year to accommodate annual budget pressures which include cost of living increases and utility costs.



# Appendices

## Appendix 1

### 2017 Service Performance

#### Key Service Accomplishments

In 2017, Exhibition Place accomplished the following:

- ✓ Approved 2017-2020 Strategic Plan
- ✓ Maintained an average of 88.44% rating from client satisfaction surveys
- ✓ Promoted safety in the workplace, year-over-year decrease in lost time injuries
- ✓ Exceeded budget targets, from 2007-2016 Surplus Transfer to the City of \$20.7M
- ✓ Improved events attendance and occupancy
- ✓ Continued to promote environmental initiatives and energy conservation, incentive revenue and utilities cost savings from these projects is approximately \$0.548M per year
- ✓ Participated in International Green Venue Survey & recognized for achievements Diversification of customer target group for shows and events to include more film shoots, religious and cultural events and private functions
- ✓ Consolidated parking staff to east end of grounds
- ✓ New tenants at Queen Elizabeth Executive Offices, Police Building and Food Building
- ✓ Increasing efficiency by eliminating Welding Service, outsourcing Exhibitor Service, outsourcing Welding Service, and sharing Corporate Secretary Service with City Clerk's Office
- ✓ Completion of CNEA master agreement for renewal term April 2017 – March 2022
- ✓ Successful delivery of 2017 Centennial Hockey Classic and MLS Cup events
- ✓ New Naming sponsorship for Beanfield Centre (formerly Allstream Centre)
- ✓ Concluded eight new collective agreements
- ✓ Secured funding and implemented equipment / asset renewal program
- ✓ Completed District Energy System for Hotel, Beanfield Centre & Enercare Centre
- ✓ Implemented outdoor Wi-Fi network
- ✓ Implemented new Payroll/HRIS cloud base solution
- ✓ Reconfigured roadways and completed 2.5km of bicycle lanes that stretches from Dufferin Gate to Princes' Gate and connects to Martin Goodman Trail
- ✓ Planted twelve oak trees on ground to help us honour the memory of the Canadian forces who secured Vimy Ridge in April 1917 and changed the course of our Nation's history and to celebrate Canada's 150th birthday

## Appendix 2

### 2018 Operating Budget by Expenditure Category

#### Program Summary by Expenditure Category

Category of Expense (\$000's)	2015	2016	2017	2017	2018	2018 Change from		Plan	
	Actual	Actual	Budget	Projected	Budget	2017 Approved		2019	2020
	\$	\$	\$	Actual *	\$	\$	%	\$	\$
Salaries And Benefits	33,743.2	30,904.9	31,491.3	31,172.7	31,717.3	226.0	0.7%	32,472.1	33,250.2
Materials & Supplies	2,830.2	2,663.0	3,141.4	3,433.0	3,814.1	672.7	21.4%	3,928.6	4,046.4
Equipment	447.3	205.4	777.8	577.8	462.0	(315.8)	(40.6%)	462.0	462.0
Service And Rent	14,483.2	12,362.1	13,150.4	14,148.8	17,001.1	3,850.7	29.3%	17,214.4	18,040.4
Contribution To Reserves/Reserve Funds	1,206.4	2,027.0	1,981.0	1,780.9	2,116.0	135.0	6.8%	2,116.0	2,116.0
<b>Total Gross Expenditures</b>	<b>53,358.7</b>	<b>48,237.4</b>	<b>50,542.0</b>	<b>51,113.2</b>	<b>55,110.6</b>	<b>4,568.6</b>	<b>9.0%</b>	<b>56,193.1</b>	<b>57,915.0</b>
User Fees & Donations	37,234.8	35,714.8	35,374.6	36,749.1	40,704.6	5,330.0	15.1%	41,591.6	42,523.5
Contribution From Reserves/Reserve Funds	1,409.3	13,128.8	2,500.4	1,622.4	1,732.5	(767.9)	(30.7%)	1,707.5	1,707.5
Sundry and Other Revenues	15,210.5	1,256.7	12,791.4	12,741.7	12,823.5	32.2	0.3%	13,094.0	13,884.0
<b>Total Revenues</b>	<b>53,854.6</b>	<b>50,100.3</b>	<b>50,666.4</b>	<b>51,113.2</b>	<b>55,260.6</b>	<b>4,594.2</b>	<b>9.1%</b>	<b>56,393.1</b>	<b>58,115.0</b>
<b>Total Net Expenditures</b>	<b>(495.9)</b>	<b>(1,862.9)</b>	<b>(124.4)</b>	<b>0.00</b>	<b>(150.0)</b>	<b>(25.6)</b>	<b>20.6%</b>	<b>(200.0)</b>	<b>(200.0)</b>
<b>Approved Positions</b>			<b>359.0</b>	<b>359.0</b>	<b>356.0</b>	<b>(3.0)</b>	<b>(0.8%)</b>	<b>356.0</b>	<b>356.0</b>

Exhibition Place is projecting an unfavourable year-end variance of \$0.124 million from the 2017 Approved Net Operating Budget due to higher than expected property tax assessment.

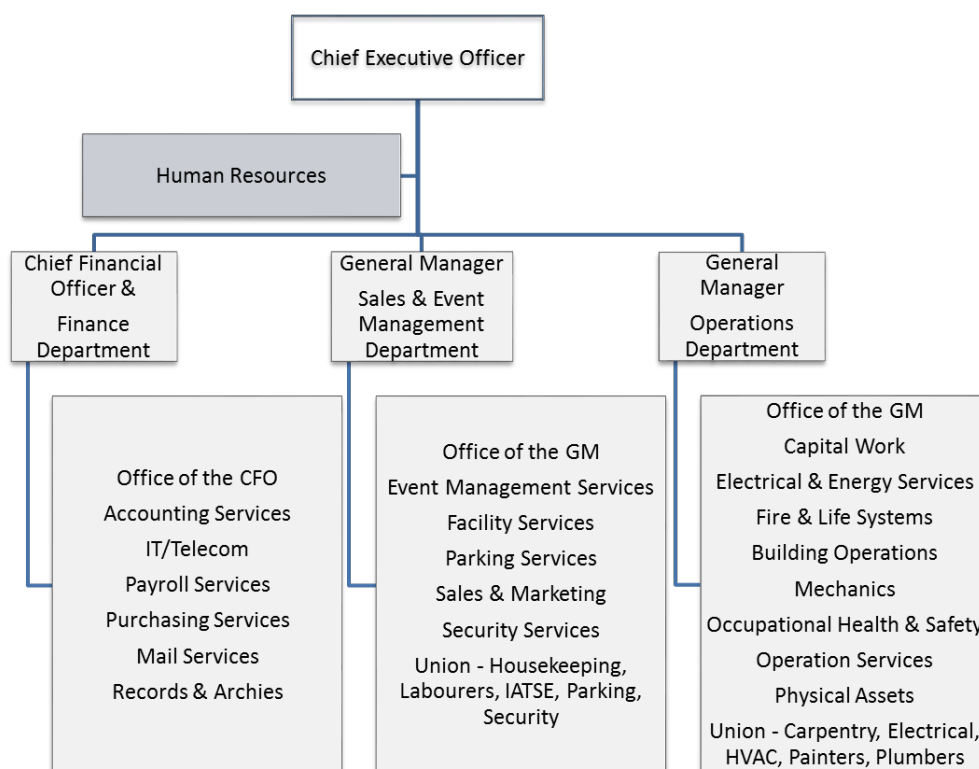
For additional information regarding the 2017 Q3 operating variances and year-end projections, please refer to the attached link for the report entitled "Operating Variance Report for the Nine-Month Period Ended September 30, 2017" considered by City Council at its meeting on November 27, 2017.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2017.BU37.2>

- There are no impacts from the 2017 Operating Variance on the 2017 Operating Budget. In accordance with the decision of City Council in December 2007, any operating surplus over the budgeted surplus will be deposited in the Exhibition Place Conference Centre Reserve Fund (CCRF) to be held by the City of Toronto to provide a source of funding for any cash shortfalls with respect to Beanfield Centre operations.

## Appendix 3

### 2018 Organization Chart



### 2018 Total Complement

	Category	Senior Management	Management with and without Direct Reports/Exempt Professional & Clerical	Union	Total
Operating	Permanent	4.0	110.0		114.0
	Temporary			237.0	237.0
	<b>Total Operating</b>	4.0	110.0	237.0	351.0
Capital	Permanent		5.0		5.0
	Temporary				
	<b>Total Capital</b>	-	5.0	-	5.0
<b>Grand Total</b>		<b>4.0</b>	<b>115.0</b>	<b>237.0</b>	<b>356.0</b>

## **Appendix 4**

### **Summary of 2018 Service Changes**

## 2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Agencies - Cluster  Program - Exhibition Place	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
2018 Preliminary Base Budget Before Service Changes:			52,112.8	51,441.3	671.5	359.00	(37.0)	13.2

12225	Sharing Corporate Secretary with City
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51	No Impact
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**Description:**

Exhibition Place will use Corporate Secretary service provided by City of Toronto instead of hiring one full time Corporate Secretary. This will result in estimated annual saving of \$102,264 wages and benefits

**Service Level Impact:**

There is no impact on service delivery standard

**Equity Statement:**

This proposal has no equity impacts.

**Service:** Exhibitions & Events

Preliminary Service Changes:	(102.3)	0.0	(102.3)	(1.00)	(4.0)	(4.1)
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<b>Total Preliminary Service Changes:</b>	<b>(102.3)</b>	<b>0.0</b>	<b>(102.3)</b>	<b>(1.00)</b>	<b>(4.0)</b>	<b>(4.1)</b>
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12856	Outsource Exhibitor Service
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51	No Impact
----	-----------

**Description:**

To budget anticipated (\$235,931) wages and benefits cost saving from outsourcing exhibitor service order processing to third party service provider.

**Service Level Impact:**

There is no impact on service delivery standard

**Equity Statement:**

This proposal has no equity impacts.

**Service:** Exhibition Place Asset Management

Preliminary Service Changes:	(235.9)	0.0	(235.9)	(2.00)	(2.9)	(3.0)
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## 2018 Operating Budget - Preliminary Service Changes Summary by Service (\$000's)

Form ID		Agencies - Cluster  Program - Exhibition Place	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
Total Preliminary Service Changes:			(235.9)	0.0	(235.9)	(2.00)	(2.9)	(3.0)
13279		Additional Lease & Service Revenue from CNEA						
52	No Impact	<b>Description:</b>  To estimate additional revenue from Press and Food buildings leases to CNEA (\$83,000/annually) and cost plus 12% mark up on service (\$3,335,953 labour and materials cost +12% mark up) arising from previously agreed lease renewal terms 2017-2020.  <b>Service Level Impact:</b>  There is no change in service delivery standard  <b>Equity Statement:</b>  This proposal has no equity impacts.  <b>Service:</b> Exhibitions & Events  Preliminary Service Changes:						
			3,336.0	3,819.3	(483.3)	0.00	(6.0)	(6.1)
Total Preliminary Service Changes:			3,336.0	3,819.3	(483.3)	0.00	(6.0)	(6.1)
<b>Summary:</b>								
Total Preliminary Service Changes:			2,997.8	3,819.3	(821.5)	(3.00)	(13.0)	(13.2)
Total Preliminary Base Budget:			55,110.6	55,260.6	(150.0)	356.00	(50.0)	0.0

## 2018 Operating Budget - Preliminary Service Changes Summary by Activity (\$000's)

Form ID		Agencies - Cluster  Program - Exhibition Place	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
2018 Preliminary Base Budget Before Service Changes:			52,112.8	51,441.3	671.5	359.00	(37.0)	13.2
12225		Sharing Corporate Secretary with City						
51	No Impact	<b>Description:</b> Exhibition Place will use Corporate Secretary service provided by City of Toronto instead of hiring one full time Corporate Secretary. This will result in estimated annual saving of \$102,264 wages and benefits <b>Service Level Impact:</b> There is no impact on service delivery standard <b>Equity Statement:</b> This proposal has no equity impacts. <b>Service/Activity:</b> Exhibitions & Events / NA Preliminary Service Changes:						
			(102.3)	0.0	(102.3)	(1.00)	(4.0)	(4.1)
<b>Total Preliminary Service Changes:</b>			<b>(102.3)</b>	<b>0.0</b>	<b>(102.3)</b>	<b>(1.00)</b>	<b>(4.0)</b>	<b>(4.1)</b>
12856		Outsource Exhibitor Service						
51	No Impact	<b>Description:</b> To budget anticipated (\$235,931) wages and benefits cost saving from outsourcing exhibitor service order processing to third party service provider. <b>Service Level Impact:</b> There is no impact on service delivery standard <b>Equity Statement:</b> This proposal has no equity impacts. <b>Service/Activity:</b> Exhibition Place Asset Management / NA Preliminary Service Changes:						
			(235.9)	0.0	(235.9)	(2.00)	(2.9)	(3.0)
<b>Total Preliminary Service Changes:</b>			<b>(235.9)</b>	<b>0.0</b>	<b>(235.9)</b>	<b>(2.00)</b>	<b>(2.9)</b>	<b>(3.0)</b>

## 2018 Operating Budget - Preliminary Service Changes Summary by Activity (\$000's)

Form ID		Agencies - Cluster  Program - Exhibition Place	Adjustments				2019 Plan Net Change	2020 Plan Net Change
Category	Equity Impact		Gross Expenditure	Revenue	Net	Approved Positions		
13279		Additional Lease & Service Revenue from CNEA						
52	No Impact	<b>Description:</b> To estimate additional revenue from Press and Food buildings leases to CNEA (\$83,000/annually) and cost plus 12% mark up on service (\$3,335,953 labour and materials cost +12% mark up) arising from previously agreed lease renewal terms 2017-2020. <b>Service Level Impact:</b> There is no change in service delivery standard <b>Equity Statement:</b> This proposal has no equity impacts. <b>Service/Activity:</b> Exhibitions & Events / NA  Preliminary Service Changes:  <b>Total Preliminary Service Changes:</b>						
			3,336.0	3,819.3	(483.3)	0.00	(6.0)	(6.1)
			3,336.0	3,819.3	(483.3)	0.00	(6.0)	(6.1)
<b>Summary:</b>								
		<b>Total Preliminary Service Changes:</b>	2,997.8	3,819.3	(821.5)	(3.00)	(13.0)	(13.2)
		<b>Total Preliminary Base Budget:</b>	55,110.6	55,260.6	(150.0)	356.00	(50.0)	0.0

## 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, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
<b>Projected Beginning Balance</b>		2,842.7	2,842.7	2,842.7	2,842.7
Exhibition Place Conference Centre	XR 3019				
<i>Proposed Withdrawals (-)</i>					
<i>Withdrawal for cash short fall</i>			(1,057.5)	(1,057.5)	(1,057.5)
<i>Contributions (+)</i>					
<i>Beanfield renaming revenue</i>			1,057.5	1,057.5	1,057.5
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		2,842.7	2,842.7	2,842.7	2,842.7
<b>Balance at Year-End</b>		2,842.7	2,842.7	2,842.7	2,842.7

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
<b>Projected Beginning Balance</b>					
Vehicle Res - Exhibition Non-Motorized Equipment	XQ1902				
<i>Proposed Withdrawals (-)</i>					
<i>Scheduled replacement</i>			(200.0)	(200.0)	(200.0)
<i>Contributions (+)</i>					
<i>Portable equipment</i>			200.0	200.0	200.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		-	-	-	-
<b>Balance at Year-End</b>		-	-	-	-

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 *	Withdrawals (-) / Contributions (+)		
			2018	2019	2020
			\$	\$	\$
<b>Projected Beginning Balance</b>		404.8	404.8	404.8	404.8
Vehicle Reserve - Exhibition Place	XQ1702				
<i>Proposed Withdrawals (-)</i>					
<i>Scheduled Replacement</i>			(350.0)	(350.0)	(350.0)
<i>Contributions (+)</i>					
<i>Fleet Reserve</i>			350.0	350.0	350.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		404.8	404.8	404.8	404.8
<b>Balance at Year-End</b>		404.8	404.8	404.8	404.8

\* Based on 9-month 2017 Reserve Fund Variance Report

## Corporate Reserve / Reserve Funds

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of Dec. 31, 2017 \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
<b>Projected Beginning Balance</b>		<b>28,251.5</b>	<b>28,251.5</b>	<b>28,201.5</b>	<b>28,151.5</b>
Sick Leave Reserve Fund	XR1007				
<i>Proposed Withdrawals (-)</i>					
<i>Withdrawals from fund</i>			(100.0)	(100.0)	(100.0)
<i>Contributions (+)</i>					
<i>Contributions to fund</i>			50.0	50.0	50.0
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>28,251.5</b>	<b>28,201.5</b>	<b>28,151.5</b>	<b>28,101.5</b>
<b>Balance at Year-End</b>		<b>28,251.5</b>	<b>28,201.5</b>	<b>28,151.5</b>	<b>28,101.5</b>

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
<b>Projected Beginning Balance</b>		<b>25,981.1</b>	<b>25,981.1</b>	<b>26,439.6</b>	<b>26,898.1</b>
Insurance Reserve	XR1010				
<i>Proposed Withdrawals (-)</i>					
<i>Contributions (+)</i>					
<i>Contributions to fund</i>			458.5	458.5	458.5
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>25,981.1</b>	<b>26,439.6</b>	<b>26,898.1</b>	<b>27,356.6</b>
<b>Balance at Year-End</b>		<b>25,981.1</b>	<b>26,439.6</b>	<b>26,898.1</b>	<b>27,356.6</b>

\* Based on 9-month 2017 Reserve Fund Variance Report

Reserve / Reserve Fund Name (In \$000s)	Reserve / Reserve Fund Number	Projected Balance as of \$	Withdrawals (-) / Contributions (+)		
			2018 \$	2019 \$	2020 \$
<b>Projected Beginning Balance</b>		<b>610.9</b>	<b>610.9</b>	<b>585.9</b>	<b>585.9</b>
Environment Protection	XR1718				
<i>Proposed Withdrawals (-)</i>					
<i>Withdrawal for tree planting activities</i>			(25.0)		
<i>Contributions (+)</i>					
<b>Total Reserve / Reserve Fund Draws / Contributions</b>		<b>610.9</b>	<b>585.9</b>	<b>585.9</b>	<b>585.9</b>
<b>Balance at Year-End</b>		<b>610.9</b>	<b>585.9</b>	<b>585.9</b>	<b>585.9</b>

\* Based on 9-month 2017 Reserve Fund Variance Report

## Appendix 7a

### User Fees Adjusted for Inflation and Other

Rate Description	Service	Fee Category	Fee Basis	2017	2018			2019	2020
				Approved Rate	Inflationary Adjusted Rate	Other Adjustment	Budget Rate	Plan Rate	Plan Rate
Rental of Exhibit Halls and Heritage Court	Exhibitors & Events	Market Based	Per square foot	\$0.095 to \$0.189	\$0.098 to \$0.195		\$0.098 to \$0.195	\$0.101 to \$0.200	\$0.104 to \$0.206
General Parking	Parking Access	Market Based	Per Car park per day	\$11 to \$30	\$11 to \$30		\$11 to \$30	\$11 to \$30	\$11 to \$30
Rental of Ball Rooms and Meeting Rooms	Conventions, Conferences & Meetings	Market Based	Daily Rate per square foot	\$0.577 to \$0.628	\$0.580 to \$0.630		\$0.580 to \$0.630	\$0.600 to \$0.650	\$0.600 to \$0.650