



Exhibition Place

Management Report

September 30, 2015

Executive Summary

- Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the eight months ended August 31, 2015 before net naming fees, building loan interest and amortization expense for the Allstream Centre was an income of \$3,571,740 compared to a budget income of \$2,746,602 for a favourable variance of \$825,138.
- Net Income for Exhibition Place and Enercare Centre for the eight months ended August 31, 2015 was \$3,891,078 compared to budget net income of \$2,661,558 for a favourable variance of \$1,229,520.
- Operating Loss before interest and amortization expense for Allstream Centre for the eight months ended August 31, 2015 was (\$319,338) compared to a budget income of \$85,044 for an unfavourable variance of (\$404,382). Rental income of \$527,164 is unfavourable to budget income by (\$299,743) primarily due to budget timing of new events and lower than budgeted rent from Cerise contracted events.
- The Sales & Marketing team secured 24 new events for Exhibition Place.
- The re-branding of Direct Energy Centre to Enercare Centre was made official at a launch event on September 16th at the Princes' Gate, followed by a breakfast buffet in the Galleria.

August 2015 Financials for Combined Exhibition Place and Allstream Centre

Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the eight months ended August 31, 2015 before net naming fees, building loan interest and amortization expense for the Allstream Centre was an income of \$3,571,740 compared to a budget income of \$2,746,602 for a favourable variance of \$825,138.

Exhibition Place

Net Income for Exhibition Place and Enercare Centre for the eight months ended August 31, 2015 was \$3,891,078 compared to budget net income of \$2,661,558 for a favourable variance of \$1,229,520.

- Rental income of \$9,128,583 is favourable to budget by \$385,097 primarily due to higher than budgeted rental income from the Boat Show, Toronto 2015 Pan Am games and favourable variance from new events offset by lower than budgeted rent from Green Living Show & CHIN Picnic not returning.
- Electrical net services of \$1,012,996 are unfavourable to budget by (\$30,215) primarily due to lower than budgeted net electrical services from the Boat Show, Bridal Show, Toronto 2015 Pan Am games, Green Living Show and CHIN Picnic not returning offset by a favourable variance from both new events and budgeted net electrical services from the Artist Project Show.
- Food & Beverage concessions of \$934,515 are favourable to budget by \$169,868 primarily due to lower than budgeted food and beverage revenue from the Boat Show, Sportsmen's Show, SIAL and Green Living Show not returning offset by a favourable variance from unbudgeted new events and higher than budgeted concessions from Toronto 2015 Pan Am games.
- Show services from third party billings at \$4,616,570 are unfavourable to budget by (\$459,398) with a corresponding decrease in related show expenses of \$164,508 for a net unfavourable variance of (\$294,890). This is primarily due to higher than budgeted net show services income from Canada Blooms – National Home Show, One of a Kind (OOAK) Spring Show and from timing of unbudgeted new events offset by lower than budgeted show services income from CRFA Show, Green Living Show, Toronto 2015 Pan Am games and CHIN Picnic not returning.
- Parking revenues at \$4,952,622 are favourable to budget by \$496,238 with a corresponding increase in parking expenses/rebates of \$422,966 for a net favourable variance of \$73,272. This is primarily due to lower than budgeted net revenue from Toronto 2015 Pan Am games, Boat Show, Bridal Show, CRFA, OOAK Spring Show, Sportsmen's Show, Canada Blooms –

National Home Show, Green Living Show and CHIN Picnic offset by additional parking revenue from tenants and Ontario Place.

- Program recoveries and interest income at \$330,302 are favourable to budget by \$52,394 primarily due to higher than budgeted labour services from BMO Field and Ricoh Coliseum Recoveries.
- Direct and indirect expenses at \$20,853,210 are unfavourable to budget by (\$70,833) primarily due to lower utilities due to the energy savings initiatives, lower operational costs offset by higher direct expenses. Indirect expenses include costs from various departments; these are Chief Executive Officer, Chief Financial Officer, General Manager, Marketing/Event Services, Corporate Secretary, Records & Archives, Purchasing & Stores, Human Resources, Security, Finance, Operations, Facilities, Utilities, Special Appropriations, Telecommunications and wages & materials for base building upkeep and general maintenance of the grounds.

Energare Centre accounts receivable as at August 31, 2015 was \$1,714,179 consisting primarily of:

- \$1,427,177 of deposits owed as contractual for future events of which \$541,443 (38%) has been received by September 30, 2015.
- \$187,537 for services on completed events of which \$38,907 (21%) has been received by September 30, 2015.
- \$42,965 owed by Spectra, of which \$30,052 (70%) has been received by September 30, 2015. Payment is contractually due by the 25th day following the month.

Exhibition Place accounts receivable as at August 31, 2015 was \$3,810,985 consisting primarily of:

- \$1,094,649 owed by MLSE - BMO Field for payroll costs of which \$385,322 (35%) has been received by September 30, 2015.
- \$587,089 owed by City of which \$443,480 (76%) has been received by September 30, 2015.
- \$547,031 owed by MLSE - Ricoh for services of which \$229,906 (42%) has been received by September 30, 2015.
- \$513,156 owed by tenants of which \$165,763 (32%) has been received by September 30, 2015.
- \$331,767 for show services on completed events of which \$82,101 (25%) has been received by September 30, 2015.

Allstream Centre

Operating Loss before interest and amortization expense for Allstream Centre for the eight months ended August 31, 2015 was (\$319,338) compared to a budget income of \$85,044 for an unfavourable variance of (\$404,382). Rental income of \$527,164 is unfavourable to budget income by (\$299,743) primarily due to budget timing of new events and lower than budgeted rent from Cerise contracted events.

- Rental income of \$543,580 is unfavourable to budget income by (\$301,732) primarily due to budget timing of new events and lower than budgeted rent from Cerise contracted events.
- Electrical net services of \$78,122 are favourable to budget by \$40,367 primarily due to higher than budgeted net electrical services from events offset by budget timing of new events and lower than budgeted Cerise catered events.
- Food & Beverage concessions of \$338,700 are unfavourable to budget by (\$144,052) primarily due to budget timing of new catered events and lower than budgeted Cerise booked events catered business.
- Net Show services income from third party billings of \$85,430 is unfavourable to budget by (\$49,056) primarily due to budget timing of new events and lower than budgeted Cerise catered events.

- Net parking income at \$78,394 is unfavourable to budget by (\$781). The unfavourable variance is primarily due to budget timing of new events and lower than budgeted Cerise booked catered events.
- Direct and indirect expenses at \$1,483,444 are favourable to budget by \$4,388 primarily due to lower utilities due to the energy savings initiatives and higher than the budgeted direct expenses due to PMD offset by timing budget timing of new events. Indirect expenses include costs from various departments. These are Marketing, Event Services, Security, Concierge, Finance, Cleaning and Décor, House Technician, Operations, Utilities and wages & materials for base building upkeep and general maintenance of the buildings.

Allstream Centre accounts receivable as at August 31, 2015 was \$491,346 consisting primarily of:

- \$339,883 owed as contractual deposits for future events of which \$251,711 (74%) was received by September 30, 2015.
- \$74,816 owed by Cerise Fine Catering of which nil has been received by September 30, 2015.
- \$21,443 for services on completed events of which nil has been received by September 30, 2015.
- Amounts totalling \$55,204 are fully provided for as a bad debt in the financial statements or the revenue has not been recognized as income and deferred as appropriate.

Sales and Marketing

August/September Sales Effort

During this period the Sales & Marketing team secured 24 new events for Exhibition Place. The events are categorized as follows:

- 16 meetings & conventions
- 2 trade & consumer shows
- 1 reception
- 1 holiday party
- 4 other

Business Travel

Geoff Mak, current President of the MPI Toronto Chapter, attended the MPI (Meeting Professionals International) World Education Congress in San Francisco on August 1st to 4th. Over 3000 people were in attendance, with around 75 members from the GTA. Sales calls and new connections will lead to future business for Exhibition Place.

Stephanie Lander attended the Financial & Insurance Conference Planners Association Symposium in Montreal on August 20th to 22nd. Only member are invited to attend this influential and prestigious three day conference, where 120 attendees from Canada and USA participated in education and networking. Key planners from major Canadian and US Financial and Insurance Institutions were there, as well as select venues and supplier partners.

On August 11th Stephanie Lander, Geoff Mak and Lyne Montpetit networked with 12 corporate meeting planners from the banking, insurance, information technology, law and accounting firms, as well as a third party planners. Celso Thompson from Hotel X impressed the clients with a presentation on the Exhibition Place grounds, Allstream Centre and Enercare Centre. Clients appreciated being re-acquainted with the breadth of possibilities for their events and excited about the construction of the new hotel adjacent to Allstream Centre's meeting space.

The Incentive Works conference took place at the Metro Toronto Convention Centre on August 18th and 19th. World industry suppliers and over 1,750 event planners networked and shared knowledge during 13 educational sessions, 2 internationally recognized keynote speakers, 700 suppliers at the tradeshow and industry sponsored events. The booth was co-shared by the Allstream Centre/Exhibition Place sales team, Hotel X Toronto and Stagevision. Planners responded very favourably to the developments at Exhibition Place and the future opportunities that are becoming tangible.

Barbara Outschoorn attended the CSAE Ottawa Chapter Kickoff on September 9th. Barb also conducted a one-on-one sales mission for her market in Ottawa with Canadian Association clients in her portfolio. Barb is currently following up with some of the prospective leads acquired from this initiative.

On September 22nd, Lyne Montpetit and Geoff Mak attended the MPI Toronto Chapter AGM and Volunteer Recognition Event. Over 100 people were in attendance at TIFF Bell Lightbox to hear the latest updates from the previous year and the upcoming projects for the 2015/2016 year from current chapter President Geoff Mak. A networking reception followed where the corporate team engaged planners to build better relations and secure potential business opportunities for Exhibition Place.

Publicity

Direct Energy Centre (before name change)

- News reports for this period include **39** hits for Direct Energy Centre. Stories include Disclosure's North American Tour, the renaming of Direct Energy Centre and the CNE.
- 4th August 2015 - Idolator released Disclosure's North American Tour dates and mentions Direct Energy Centre as the venue for the Toronto stop of the tour. The article includes a ticket purchase link.
- 11th August 2015 – Exhibit City News talks about the Direct Energy Centre's new name and includes quotes from Dianne Young and John Macdonald about the naming rights partnership.
- 29th August 2015 – Toronto Sun talks about the annual CNE cat show and the various contestants and mentions Direct Energy Centre as the venue.

Enercare Centre

- News reports for this period include **22** hits for Enercare Centre. Stories include the renaming of the Direct Energy Centre and the Baby Show.
- 10th September– Digital Journal talks about the Baby Show including details about the event and mentions Enercare Centre as the venue.
- 16th September– Morningstar news talks about Enercare's new marketing strategy and includes a quote from Enercare CEO, John Macdonald in which he talks about how Enercare Centre is visited by millions of Ontarians every year and how he saw the venue as a natural fit for the Enercare brand.
- 21st September– Plumbing & HVAC Magazine discussed the renaming of Direct Energy Centre to Enercare Centre. The article includes quotes from Enercare CEO, John Macdonald.

Allstream Centre

- News reports for this period include **6** hits for Allstream Centre. Stories include the TTC Accessibility Forum and the Ontario Craft Brewers Conference.

- 28th August 2015 – Canadian Beer News mentions the Ontario Craft Brewers Conference which it describes as ‘the craft brewing industry’s ultimate education day’ and highlights the early bird ticket deadline.
- 10th September - InsideToronto.com talks about the TTC Accessibility Transit Forum and mentions Allstream Centre as the venue.
- 18th September – 24 Hours Toronto covered the TTC Accessibility Transit Forum that was held at Allstream Centre and mentions key TTC employees. The article mentions Allstream Centre as the venue.

Exhibition Place

- News reports for this period include **1,279** hits for Exhibition Place. Stories include the splash pad at Exhibition Place, Exhibition Place Board of Governors meeting, Toronto Fashion Incubator event, Muzik nightclub, Scotiabank Caribbean Carnival, Chevrolet Beach Volleyball Centre and the wind turbine at Exhibition Place.
- 4th August 2015 – The Canadian Press talks about what happened to the sand that was used to create the Chevrolet Beach Volleyball Centre that was created for the Pan Am Games. The article talks about how 3000 tons of sand was hauled to North Bay, Ontario over three consecutive nights.
- 4th August 2015 – Torontoist released a photo series of pictures taken during the Scotiabank Toronto Caribbean Carnival.
- 11th August 2015 – Toronto Star talks about the largest wind turbines in the world and lists the wind turbine at Exhibition Place as one of the largest in Ontario.
- 2nd September – Inside Toronto talks about splash pad art installation at Exhibition Place including allegations by Jim Sanborn that his work was plagiarized.
- 2nd September – Horse Canada talks about the 2015 Royal Horse Show mentioning details and history about the event. The article mentions Exhibition Place as the venue.
- 24th September - Money talks about the annual Toronto Fashion Incubator Press & Buyers Brunch and lists all the prominent attendees. The article mentions Exhibition Place as the venue.

Social Media Mentions

There was a significant drop in social media impressions in August. Facebook numbers saw the biggest drop. This was due to the fact that some content that was posted in July for the Pan Am Games went viral. Taking the compressed time line into account, the twitter impressions per day are actually higher than previously. We created **152459** impressions on Facebook and **97300** impressions on Twitter. Similarly we were only able to make **75** posts on Facebook and **316** tweets. There were **68** new likes on Facebook and **129** new followers on Twitter.

Event Management Services

During the months of August and September, Event and Meeting Co-ordinators and Exhibitor Services staff at were involved in the following events:

Exhibitions/Meetings/Conventions/Corporate Events	
August 2015	
<ul style="list-style-type: none"> ▪ Scotiabank Toronto Caribbean Carnival ▪ National Dental Examinations 	<ul style="list-style-type: none"> ▪ Deloitte - Raise Our Game, PPN ▪ Food Handler Training ▪ Canadian National Exhibition

September 2015

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|--|---|
| <ul style="list-style-type: none">▪ CGA Sept. Exams▪ TFC Soccer Celebration▪ Tim Hortons "Coffee for Causes"▪ Enercare Centre Launch▪ City of Toronto EDP▪ TTC Accessibility Forum▪ Deputy City Manager & CFO Meeting▪ Toronto Police Service Exams - Fall 2015 | <ul style="list-style-type: none">▪ Eid ul Adha Prayer and Party▪ QFS Symposium▪ OPPI Conference Speaker Training Session▪ Allstream Extended Leadership Forum▪ Honda Canada Inc - Civic Nation Gala Event▪ CAEM Executive Forum |
|--|---|

Event Services

During August, Event Services staff worked mainly on delivering a successful Canadian National Exhibition and Scotiabank Toronto Caribbean Carnival, which changed their parade route this year. The Toronto Police Service Exams also went well.

Enercare launched a successful re-branding of the former Direct Energy Centre that will include a new activation area in front of the Exhibitor Services office in the Galleria. They will begin construction of their Feature Space, which will include a lounge area, in October.

This year's Eid-ul-Adha Prayer and Party had approximately 7000 participants.

We also worked on Honda Canada Inc – Civic Nation Gala Event, a new, high profile event designed to showcase the new look of Honda dealerships and the new Honda Civic. Blue Rodeo was the featured entertainment for this exclusive event.

Exhibitor Services

Exhibitor Services Staff serviced the Canadian National Exhibition, which included the preparation of quotes for work on upgrades to the Food Building vendor booths, and the Scotiabank Toronto Caribbean Carnival.

GES Canada assisted with the relocation of the Exhibitor Support Centre to the East Galleria of Enercare Centre.

Exhibitor Services has been reorganized and will share office space with Showtech Power and Lighting (SPL). SPL will provide electrical and mechanical services to events going forward and also take orders for those services.

Allstream Centre

Allstream Centre hosted 9 events in August. CNE Food Safety Handler Training, Security Training and Housekeeping Services held their training sessions. NDEB Quarterly Assessment returned for the second time this year and we hosted the CGA Exams for 4 days, which are usually held at Enercare Centre. Deloitte also returned with a smaller training session for 5 days.

In September we hosted 15 events including the Board of Governors of Exhibition Place and ISES Monthly Meetings. The City of Toronto and Deputy City/Finance Manager meetings took place on the same day. TTC Accessibility, which was held last year at the QE Building, was hosted at Allstream as was the OPPI's Speakers Training, which leads up to their large conference in October for 3 days. AIIM, a returning client as well as CAEM, were here at the

end of month. The Toronto Diabetes Summit, which is part of UHN, was here for 2 days. Customer Service and food quality were highly praised at these events.

Staff are prepping for a very busy October/November season.

Parking Task Force

Event Co-ordinators and staff are completely engaged in supporting tailored plans for each show to mitigate the impact of the BMO Field construction, which will be complete in May 2016. Each show will have a specific parking strategy that will be delivered by the assigned Event Co-ordinator.

Parking

Parking activity for the month of August commenced with Jump Up! on Saturday of the Caribbean Carnival, with an increase in revenue for this event.

Installation of the Skyride for the CNE required closing down Princes' Blvd. for a time. Dufferin and Saskatchewan were also closed for several days for a police investigation.

Everyone worked diligently on CNE move-out and getting parking lots back to a usable state for concerts at Ontario Place, Boxing at Ricoh Coliseum and upcoming TFC games at BMO Field.

In mid-September we had the launch of the Enercare Centre on the east side of the building and the month ended with an EID Prayer and a Honda Canada Gala.

Parking revenue is above budget for the month of September.

IT/Telecommunications

IT/Telecom successfully provided a myriad of services for the CNE, including all telephony, ticket gate networking, security camera systems, various software applications, desktop/server services as well as grounds wide networking and WiFi.

This year an enhanced call centre option was provided to the CNE that utilized additional features such as automatic distribution of incoming phone calls and a variety of statistical reports. As part of controls for the ticket gate installation IT/Telecom successfully passed another PCI compliance penetration test by an independent 3rd party vendor.

The Exhibition Place Police station was provided with connectivity for VOIP telephony and data. These enhancements can now be used to provide future clients of this location with a variety of telecommunications services.

The Bandshell and QE Exhibit Hall were enhanced with additional WiFi capability in order to provide customers with greater range and data rates as part of a grounds wide data system enhancement.

IT/Telecom began working with Allstream Canada in order to deploy SIP (Session Initiated Protocol) trunking vs. the current PRI's (Primary Rate Interfaces) for the 2 (conventional and VOIP) PBX systems at Exhibition Place. These new telecom services should provide significant cost savings going forward.

The IT department has begun working with the MLSE/Exhibition Place digital signage program. These signs require internet connectivity and the IT/Telecom department is working with the vendors to determine the most cost effective methods of connectivity.

Also, as part of the Enercare rebranding, IT/Telecom staff worked to switch over email addresses and other IT brand related items in order to facilitate the business presence transition.

Building Operations

Mechanical

- Repaired damages due to Pan Am move out
- Completed move in and move out service for the CNE and repaired damages post-event
- Installed additional sensors / air curtain on Roll Up # 28 in the Industry Building
- Repaired roll up's # 58/20/57/56 in the west & east garage entrances
- Completed roof repaired in the Galleria, Industry Building and Heritage court.
- Completed various floor repairs, using epoxy compound
- Repaired Notice of Violations from Toronto Fire Services throughout the Enercare Centre

Electrical

- Installed network cables for the old order desk in the east loading dock
- Installed power and time clock control for new Enercare sign at the east loading dock
- Completed wiring for Chiller chemical pumps
- Installed new light fixture above escalator in the Galleria
- Replaced burnt out lamps and ballasts throughout the building prior to the CNE
- Relocated and repaired exit lights in the third floor hallway of Enercare Centre
- Installed remote door operator for roll up door #20 east loading dock of Enercare Centre
- Installed temporary 600 volt service at Door 18 for welder
- Accompanied contractor installing high voltage service for the Hotel in NTX substation
- Installed components for card access in Salon 105
- Repaired wiring for east parking garage gate arm
- Installed temporary power for Prince's Gate chandelier in the east loading docks
- Installed floor port slot covers prior to Eid event

Facility Services

Below are activities/ projects that are completed or are currently in progress:

- Held comprehensive job specific orientation sessions for young workers for the Canadian National Exhibition
- Delivered Labour, Production and Housekeeping services for the highly attended CNE
- Transferred responsibility of hauling and disposing of our compost and waste streams from previously tendered contractor to City of Toronto Solid Waste Division with positive initial service and cost savings
- Final cleanup of Food Building
- Continue to hold regular weekly meetings with Toronto Parks & Recreation Department in an effort to enhance the overall appearance of all soft landscaping
- Initiated and continue to review the responsible disposal of obsolete assets under the Gardiner Expressway with the intent to assist in creating additional parking inventory
- Continue to work with City and Exhibition Place Operations on the development and construction of a dock level galvanized loading platform that will be installed at the Enercare Centre which will include a custom designed 30 yard refuge container and is designed to be leak, odor, and rodent resistant, with a maintenance and warranty program in place for the duration of the service agreement
- Purchased 210, 36-gallon compost totes through existing City of Toronto contracts which will be dispersed throughout the grounds to manage our compost waste streams for all events

- Issued tender for a waste audit for one of our consumer events, as per Ministry of the Environment (MOE), regulation 102/94, which is a requirement to maintain our Recycle Council of Ontario's platinum level certification for Exhibition Place
- Completed an audit report for the repair of soft landscaping and trip hazards on the grounds
- In the process of reviewing 2014 costs for Housekeeping and Labour Services to better prepare quotes for 2015 Royal Agricultural Winter Fair
- Working in conjunction with Capitol Works we insured the event paging systems are operating in tandem with the fire alarm system and are compliant with regulations
- Commenced work on the upgrade of the audio visual systems within Salon 106, ensuring that we deliver technology to our clients that is up to date with the current market
- Reviewed the current inventory of board owned portable production equipment eliminating underutilized and/or outdated items
- Completed maintenance work on the event announce systems ensuring a functioning connectivity infrastructure of all systems prior to the busy trade show season with additional power amplification units serviced and standby units verified to be operationally ready
- Production Services staff are organizing basic training for building operators and other key departments on the shutdown procedure of Audio Visual Systems at the Allstream Centre in order to ensure the life expectancy of projection bulbs and energy conservation

EXcellence in Action

Brigitte Svarich sent a letter dated August 10th to Marvin Self regarding the 2015 Canadian Energy Summit; "Everyone was very pleased with the facilities. The venue was clean, bright and had a modern look which all the delegates appreciated. The food provided was received very well. [...] The take-away bags were a really nice touch thanks to the suggestion of Doris Bertrand from Cerise Fine Catering. The staff was very friendly, flexible and accommodating in all areas."

Karen Lynch of Canadian National Exhibition sent an email dated August 25th to Danielle Bourget; "Just wanted to thank you and your team for all your work on our Opening Ceremonies Reception. We got lots of compliments on the Food, and the Space looked great! [...] Thanks again for a lovely event!"

Edward Farrell of TO2015 sent an email dated August 27th to Kim Ingram, Andrew Landrigan, Jamie Needler and Jim MacGregor; "I wanted to express in writing my appreciation for all of the help, support and guidance provided by the Exhibition Place Team during the planning, delivery and decommissioning of the Common Domain and associated spaces for the Pan American Games in 2015. It was a pleasure to work with you and to contribute to the delivery of an outstanding event of which we can all be very proud. Over 350,000 spectators visited the Common Domain and the response of our sponsors and partners was overwhelmingly positive. There were many challenges along the route and your help and support in reacting to the issues and identifying and delivering creative and innovative solutions contributed enormously to the success of the venue and the achievement of our Games Time objectives. I have worked in the events industry for many years and must say that my experience of working with the Exhibition Place Event Management Team has been refreshing and enlightening. The very high levels of professionalism, expertise, dedication and commitment were evident throughout the process and it was always a pleasure to work with the individuals and team involved. Thank you so very much."

Barb Outschoorn received an email dated August 27th from Frances Pairaudeau of the upcoming Ontario Nonprofit Conference; "Barb! everyone is ecstatic, thank you soooooo much. It will make such a difference to the conference and I have to say has really helped me

such a lot personally too. I am very very grateful and right from the start you have bent over backwards to help us and I know it is going to be a spectacular event.”

Ms. Pairaudeau also sent an email dated August 31st to Elaine Huras; “Thank you so much for this. [...] Barb and Kathy have been so very helpful and I know that we will have a spectacular event in October. Thanks so much to all of you for your help. You have such a great team.”

Marvin Self received email messages on September 8th and 9th from Sabina Ladisa and Michael Furguele of Chartered Professional Accountants of Ontario; “ THANK YOU Marvin and Kathy for all your patience and hard work ensuring our event ran smoothly” and “..thanks again for everything you did and for ensuring this event was a success.”

John & Barbara Ellström sent an email dated September 7th to ExPlace which read “Greetings - I visited the CNE on Saturday Sept 5, 2015 and enjoyed the air show very much. Though it was an extremely hot and crowded day I was also very impressed with the cleanliness of the EX. The expansive grounds and washrooms were as clean at 5:00 pm as when I entered at 10:00 am. Congratulations to your army of cleaners, sweepers, recyclers and attendants who worked diligently in the heat to ensure that throngs of people had a pleasant experience. As well, thank you to the huge majority of visitors to the EX who tossed their own garbage and recycling in the many available bins. Way to go, TO!”

Andrew Sihelnik of the CNE sent an email dated September 17th to David Lyew and the rest of the Exhibition Place Parking Services staff: “Just a quick note of sincere thanks to you and your team for all the help, assistance and great customer service received during our move-in, show and move out cycles. While being familiar with the parking staff from my previous roles at the CNE and Exhibition Place, this year marked my first opportunity to work closely with the parking team. I was impressed with the real sense of teamwork conveyed by your staff, to ensure that our expectations were exceeded. The constant communication and support during our event, assured us that the parking lots were running efficiently and safely for our guests. A special thanks again to all of your coordinators, administrative staff, and of course, the parkers!!”

Ed Wiersma and the Security Services Supervisors received an email dated September 17th from Mike Cruz of the CNE: “I wanted to express my gratitude to you and your team for a job well done during the 2015 CNE! As mentioned to you during the event, I felt that your team did a fantastic job at the control call center in keeping me informed and up-to-date on the various calls, and as we all know, at times we had multiple intricate situations happening at the same time which weren’t easy to deal with. Also, kudos on another positive season in communicating with the other security companies hired by the CNE. Your team’s professionalism and dedication to the CNE was once again displayed during this year’s Fair and for that, I Thank You!”

Mike Cruz also sent an email dated September 25th to Craig Shepherd, cc: Ron Mills, Scott Lytle, Darren Kahn, Peter Garraway, Carmen Campagna, Gil Amaral, Linda Medeiros and Brian Dow; “Now that the CNE Move-Out period is wrapping up and the CNE “season” is coming to a close for another year, I wanted to personally express my gratitude to you and your team for a job well done during the 2015 CNE! As always, the entire team pulled together to produce a very smooth and uneventful move-in period which can, and usually is, a stressful period of time for everyone involved. Under your leadership and with the unquestionable work ethic, knowledge and direction of Scott, Darren and Peter G., I felt that our teams worked well together to put on Canada’s biggest Fair! Of course, We couldn’t have done it without the boots on the grounds such as Pete P, Mike S. Spiro, Claude, Joe R., Clay, Jimmy B., Billy, Kevin, the dynamic duo of Frank/Carlo and too many others to name just a few—THANKS! – Nothing short of Rock Stars!! Also a special thanks to everyone involved in the Cleaning component. We all

knew what we were faced with going into this Fair and I felt there was a vast improvement in the cleaning service provided during one of our most attended Fairs in recent years. Please extend my thanks to Bento, Brian, Frank, Al as well as Carmen, Andrew Landrigan, Sarah Jones, Charis and many other people involved who I may have missed. Your entire team's professionalism and dedication to the CNE was once again displayed during this year's Fair and for that, I Thank You All!"

Denise DeFlorio received an email dated September 22nd from Tiffany Chen of the City of Toronto regarding the Deputy City Manager and Chief Financial Officer Meeting; "Thanks Denise for all of your help on Friday. You guys were fantastic! I look forward to working with the Allstream Centre again in the future."

Ovations Food Services

August 2015

Spectra Food Services and Hospitality enjoyed a short break after almost 45 straight days of Pan Am catering to provide catering services for CNE staff Orientations, CNE opening ceremonies and the Warriors Day Breakfast. All were well received and more menu choices will be available for next year.

We had three subcontractor spaces open during the CNE; The Galleria Café, Lakeshore Grill and Pizza Pizza – all favourites for new and old clientele alike.

September 2015

Spectra providing catering services for the Enercare Centre launch event. Staff hosted a press conference style coffee break at the Princes' Gate and a breakfast buffet in the Galleria, complete with edible orchids on the yogurt parfaits.

The Muslim Association is celebrated their EID celebration and The Traveller Inc. is setting up for the 2016 launch of Honda's new fall lineup.

Alison MacKellar has transitioned from part time Office Supervisor to full time Office Manager. Alison started at Ovations as a vault cashier and then vault supervisor. She has almost 20 years of experience in food service management and is excited to be managing an office again.

Cerise Fine Catering

August

Welcome to General Manager, Mateus De Campos, who joined the Cerise team in August.

Allstream Centre hosted Deloitte for a 4-day conference, a meeting of the Board of Governors of Exhibition Place (BOG), and other internal meetings during the CNE

September

Meetings this month consisted predominantly of BOG and City of Toronto department meetings. As well, we hosted QFS (350ppl); Allstream (85ppl); AIIM (150ppl); Toronto Diabetes (300ppl) for 2 days; CAEM (100ppl).

APPENDIX A

Combined Exhibition Place and Allstream Centre Financial Summary

	Statement Of Operations Highlights					
	For the eight months ended August 31, 2015					
	Actual	Current Month Budget	Fav (Unfav) Variance	Actual	YTD Budget	Variance
	\$	\$	\$	\$	\$	\$
Event Income	3,191,319	3,391,172	(199,853)	26,601,203	25,851,286	749,917
Direct Expenses	552,438	196,541	(355,897)	3,096,931	2,514,099	(582,832)
Indirect Expenses	2,188,163	2,533,741	345,578	19,932,532	20,590,585	658,053
Operating Income (Loss) before building loan interest & amortization and naming fees	450,718	660,890	(210,172)	3,571,740	2,746,602	825,138
Interest expense - Allstream Centre	142,881	142,881	-	1,152,425	1,152,425	-
Amortization expense - Allstream Centre	129,218	129,218	-	1,033,728	1,033,728	-
Operating Income (Loss) before naming fees	178,619	388,791	(210,172)	1,385,587	560,449	825,138
Contribution from (to) Conference Centre Reserve Fund	318,210	324,685	(6,475)	1,358,565	1,554,887	(196,322)
Net Income (Loss)	496,829	713,476	(216,647)	2,744,152	2,115,336	628,816

(1) Operating Income for the Board before interest on City loan, amortization of building improvements net of contribution from naming fees is \$3,571,740 compared to a budgeted Operating Income of \$2,746,602 for a favourable variance of \$825,138.

(2) Amortization is a non cash item as related to the capitalization of the asset for the Allstream Centre.

**EXHIBITION PLACE
FINANCIAL STATEMENT HIGHLIGHTS
AUGUST 2015 AND COMPARATIVES**

	MONTH			YTD			2014 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	2			66			68	(2)
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	2,234,557	2,687,567	(453,010)	15,516,904	15,432,406	84,498	11,170,063	4,346,841
Ancillary Income	233,705	147,822	85,883	3,388,596	2,810,088	578,508	1,835,427	1,553,169
Advertising and Sponsorship	54,166	19,263	34,903	101,157	154,108	(52,951)	103,508	(2,351)
Rent-MLSE-Ricoh Coliseum	56,839	56,839	-	454,707	454,707	-	313,835	140,872
Naming Rights	86,601	86,601	-	692,809	692,809	-	711,370	(18,561)
Parking EP	298,541	142,500	156,041	4,105,252	3,914,250	191,002	4,113,485	(8,233)
Parking - BMO Events	114,260	178,843	(64,583)	847,370	542,134	305,236	696,304	151,066
Program Recoveries and Other	96,931	34,738	62,193	330,302	277,908	52,394	274,192	56,110
Total Event Income	3,175,600	3,354,173	(178,573)	25,437,097	24,278,410	1,158,687	19,218,183	6,218,914
Direct Expenses	628,395	191,407	(436,988)	2,862,523	2,319,702	(542,821)	2,331,467	531,056
Indirect Expenses	1,954,093	2,284,575	330,482	17,990,687	18,604,341	613,654	16,301,266	1,689,421
Naming Rights	86,601	86,601	-	692,809	692,809	-	711,370	(18,561)
Total Event Expenses	2,669,089	2,562,583	(106,506)	21,546,019	21,616,852	70,833	19,344,103	2,201,916
Net Income (Loss)	506,511	791,590	(285,079)	3,891,078	2,661,558	1,229,520	(125,920)	4,016,998

**ALLSTREAM CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
AUGUST 2015 AND COMPARATIVES**

	MONTH			YTD			2014 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	2			65			64	1
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	18,308	20,831	(2,523)	629,009	936,935	(307,926)	575,607	53,402
Ancillary Income	6,930	13,899	(6,969)	448,997	550,147	(101,150)	440,757	8,240
Parking Revenue	481	2,269	(1,788)	86,100	85,794	306	76,843	9,257
Total Event Income	<u>25,719</u>	<u>36,999</u>	<u>(11,280)</u>	<u>1,164,106</u>	<u>1,572,876</u>	<u>(408,770)</u>	<u>1,093,207</u>	<u>70,899</u>
Direct Expenses	14,043	5,134	(8,909)	234,408	194,397	(40,011)	223,496	10,912
Indirect Expenses	147,469	162,565	15,096	1,249,036	1,293,435	44,399	1,303,678	(54,642)
Total Event Expenses	<u>161,512</u>	<u>167,699</u>	<u>6,187</u>	<u>1,483,444</u>	<u>1,487,832</u>	<u>4,388</u>	<u>1,527,174</u>	<u>(43,730)</u>
Operating Income (Loss) before building loan interest & amortization and naming fees	<u>(135,793)</u>	<u>(130,700)</u>	<u>(5,093)</u>	<u>(319,338)</u>	<u>85,044</u>	<u>(404,382)</u>	<u>(433,968)</u>	<u>(114,630)</u>
Interest expense	142,881	142,881	-	1,152,425	1,152,425	-	1,184,931	(32,506)
Amortization expense	129,218	129,218	-	1,033,728	1,033,728	-	1,033,728	-
Operating Income (Loss) before naming fees	<u>(407,892)</u>	<u>(402,799)</u>	<u>(5,093)</u>	<u>(2,505,491)</u>	<u>(2,101,109)</u>	<u>(404,382)</u>	<u>(2,652,627)</u>	<u>(147,136)</u>
Contribution from Conference Centre Reserve Fund	318,210	324,685	(6,475)	1,358,565	1,554,887	(196,322)	2,065,535	706,970
Net Income (Loss) before transfers	<u>(89,682)</u>	<u>(78,114)</u>	<u>(11,568)</u>	<u>(1,146,926)</u>	<u>(546,222)</u>	<u>(600,704)</u>	<u>(587,092)</u>	<u>(559,834)</u>

Note 1. 2015 Allstream Centre Total Event Income Budget was based on Proforma and 2014 actual.

**ENERCARE CENTRE AND ALLSTREAM CENTRE
EVENT STATISTICS
FOR THE EIGHT MONTHS ENDED AUGUST 31, 2015**

ENERCARE CENTRE

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	-	833,940	572,880

<u>EVENT</u>	<u>ACTUAL # OF EVENTS</u>			<u>NET EVENT INCOME</u>		<u>(NOTE 2) REFRESHMENT PER CAP'S</u>
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>
	<u>#</u>	<u>#</u>	<u>#</u>	<u>\$(IN '000'S)</u>	<u>\$(IN '000'S)</u>	
Consumers Show	18	21	16	9,015	8,827	4.60
Trade Show	3	5	6	877	947	3.75
Exam	4	5	4	221	132	6.56
Photo/Film Shoot	2	-	2	31	-	-
Meeting/Corporate	6	4	2	45	15	17.71
	33	35	30	10,188	9,921	-

ALLSTREAM CENTRE

<u>EVENT</u>	<u>ACTUAL # OF EVENTS</u>			<u>NET EVENT INCOME</u>		<u>(NOTE 2) REFRESHMENT PER CAP'S</u>
	<u>2015</u>	<u>2014</u>	<u>2013</u>	<u>ACTUAL</u>	<u>BUDGET</u>	<u>ACTUAL</u>
	<u>#</u>	<u>#</u>	<u>#</u>	<u>\$(IN '000'S)</u>	<u>N/A</u>	
Gala	3	2	4	69	-	93.48
Conference	27	21	11	559	-	88.04
Reception	7	8	2	31	-	63.99
Meeting	23	28	35	99	-	61.33
Photo/Film Shoot	-	1	-	3	-	-
Exam	5	4	2	84	-	23.56
	65	64	54	845	-	-

Note: 1 Attendance estimates provided by Show Management.

Note: 2 Refreshment per cap's based on information reported by Ovations/Cerise.

Note: 3 Net event income includes rent and services, ancillary income includes catering and electrical commissions.

**COMBINED EXHIBITION PLACE AND ALLSTREAM CENTRE
CHEQUE DISBURSEMENTS - SEPTEMBER 2015
GREATER THAN \$50,000**

Cheque No	Date		\$ Amount	Description
	01/09/2015	ADP CANADA	324,139.60	SALARY PAYROLL
	02/09/2015	ADP CANADA	592,531.65	HOURLY PAYROLL
	09/09/2015	ADP CANADA	574,780.59	HOURLY PAYROLL
	16/09/2015	ADP CANADA	629,888.41	HOURLY PAYROLL
	18/09/2015	ADP CANADA	328,031.16	SALARY PAYROLL
	23/09/2015	ADP CANADA	248,634.83	HOURLY PAYROLL
	29/09/2015	ADP CANADA	344,024.34	SALARY PAYROLL
	30/09/2015	ADP CANADA	297,728.61	HOURLY PAYROLL
7158	11/09/2015	LABOURERS' PENSION FUND	54,812.50	2015 AUGUST REMITTANCE
7165	11/09/2015	TRUSTEES OF LOCAL 506	56,399.31	2015 AUGUST REMITTANCE
7269	24/09/2015	SMG CANADA ULC	67,800.00	2014 CONSULTING FEE
7308	30/09/2015	POWER STATION STANDBY	71,133.50	FUEL SYSTEM UPGRADE
7318	30/09/2015	TONY BATTISTA PAVING INC	71,654.01	HONDA INDY ASPHALT REPAIR
7233	22/09/2015	BETA & ASSOCIATES INC	72,547.66	CAPITAL WORKS - SPLASH PAD
7195	17/09/2015	CITY OF TORONTO	80,536.54	PREMIUM FOR DENTAL & LIFE FOR SEPTEMBER 2015
7181	17/09/2015	I.B.E.W. 353 TRUST FUND	92,243.49	2015 AUGUST REMITTANCE
7283	30/09/2015	CITY OF TORONTO	93,008.61	2015 AUGUST WATER
7159	11/09/2015	LOCAL 58 BENEFITS FUND	123,215.31	2015 AUGUST REMITTANCE
7254	22/09/2015	WAKEHAM & ASSOCIATES MARKETING	126,769.37	FABRICATION OF ENERCARE CENTRE
7206	17/09/2015	MISTER CHEMICAL LTD	131,367.47	2015 CLEANING SUPPLIES CNE
7253	22/09/2015	VR MECHANICAL SOLUTIONS INC.	139,369.68	CAPITAL WORKS - DISTRICT ENERGY SYSTEM
7148	11/09/2015	CITY OF TORONTO	156,511.00	2014 SURPLUS PAYABLE
7241	22/09/2015	OMERS	171,935.12	2015 AUGUST REMITTANCE
7279	30/09/2015	CERISE FINE CATERING	190,260.75	F&B FOR ALLSTREAM EVENT
7038	30/09/2015	CITY OF TORONTO	222,689.97	2015 SEPTEMBER LOAN PAYMENT
7042	09/09/2015	CITY OF TORONTO	400,000.00	TERM INVESTMENT
7234	22/09/2015	CANADA CUSTOMS AND REVENUE	487,580.85	H.S.T. REMITTANCE AUGUST 2015
7251	22/09/2015	TORONTO HYDRO-ELECTRIC SYSTEM	553,612.69	2015 AUGUST REMITTANCE
7194	17/09/2015	CITY OF TORONTO	600,000.00	TERM INVESTMENT
		DISBURSEMENTS OVER \$50,000	7,303,207.02	
		OTHER DISBURSEMENTS	1,258,405.17	
		TOTAL DISBURSEMENT	8,561,612.19	

**BOARD OF GOVERNORS OF EXHIBITION PLACE
BALANCE SHEET
AS AT AUGUST 31, 2015**

	2015 YTD August \$	2014 LTD August \$
FINANCIAL ASSETS		
CASH	5,929,126	3,852,160
SHORT-TERM INVESTMENTS	4,750,000	1,350,000
ACCOUNTS RECEIVABLE		
TRADE ACCOUNTS RECEIVABLE	5,813,257	4,861,044
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(640,224)	(592,001)
NET ACCOUNTS RECEIVABLE	5,173,033	4,269,042
SALES TAX RECOVERABLE	273,019	212,880
OTHER RECEIVABLE	1,651,526	1,894,078
RECEIVABLE FROM THE CITY OF TORONTO	7,299,481	7,299,481
TOTAL FINANCIAL ASSETS	25,076,186	18,877,642
LIABILITIES		
ACCOUNTS PAYABLES - TRADE	494,924	819,545
ACCRUED LIABILITIES	5,634,873	4,177,334
SALES TAX PAYABLE	758,071	751,541
DEFERRED REVENUE	6,943,052	6,269,853
OTHER CURRENT LIABILITIES	788,395	717,058
EMPLOYEE BENEFITS PAYABLE - PSAB	8,595,444	8,809,529
OTHER LIABILITIES	353,558	444,683
LOAN PAYABLE - ERP PROJECTS	9,735,096	6,928,097
GOVERNMENT ASSISTANCE	1,268,642	1,406,587
LOAN PAYABLE- FCM CAPITAL ASSET	1,543,435	1,631,651
LOAN PAYABLE- CONFERENCE CENTRE ASSET	34,003,119	34,976,156
NET INCOME (LOSS) CURRENT	2,744,152	(869,032)
PRIOR YEAR SURPLUS	(5,037,733)	(4,652,863)
TOTAL LIABILITIES	67,825,027	61,410,140
NET DEBT	(42,748,842)	(42,532,499)
NON-FINANCIAL ASSETS		
INVENTORIES	74,162	87,583
PREPAID EXPENSES	125,559	81,989
STEP UP RENT/OTHER RECEIVABLE	1,419,784	1,130,678
FIXED ASSETS		
EQUIPMENT	58,278,238	55,816,284
ACCUMULATED DEPRECIATION - EQUIPMENT	17,148,901	14,584,036
EQUIPMENT - NET	41,129,336	41,232,248
TOTAL NON-FINANCIAL ASSETS	42,748,842	42,532,499

Summary of Sole Source Commitment Activity by Reason - August 1, 2015 to September 25, 2015

Part A of the report below informs the Board of the sole source activity for Exhibition Place including sole source purchases approved through the Board. The format used to provide the information below is the same used by the City of Toronto Purchasing and Materials Management Division (PMMD) so as to maintain consistency and uniformity in reporting.

Procedures for the processing of sole source purchase are outlined below and include due diligence measures to ensure that:

- (1) Detailed explanation is provided for the sole source purchase.
- (2) Sole sourcing is an appropriate method to obtain the needed goods and/or services
- (3) Proper approvals as outlined in the Board Financial By Laws are obtained before processing a sole source purchase; and
- (4) Where possible, the process is in accordance with current market conditions and prices offered to other customers.

Total sole source activity from August 1, 2015 to September 25, 2015 total is \$6,861.00. The percentage of dollar value of sole source purchasing activity for goods and services compared to the total purchasing expenditures of \$1,137,568.71 is 0.6% for this period. The revised annual percentage year to date is 2.8% on purchasing expenditures of \$4,175,766.42.

EP Program

Reason for Sole Source	Number of Commitments	Number of Suppliers	Total Value
Match Existing Equipment/Service	0	0	\$ -
Specialized Services	0	0	\$ -
Ensure Warranty Maintenance	0	0	\$ -
Emergency	0	0	\$ -
Time Constraints	1	1	\$ 3,408.00
Bridging Contract	0	0	\$ -
Proprietary/Trademark/Patent	1	1	\$ 3,453.00
Health & Safety Issues	0	0	\$ -
Other Reasons -	0	0	\$ -
Total	2	0	\$ 6,861.00