



Exhibition Place

Management Report
July 31, 2013

Executive Summary

- **Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the seven months ended July 31, 2013 before net naming fees, building loan interest and amortization expense for the Allstream Centre was (\$1,480,538) compared to a budget loss of (\$1,836,987) for a favourable variance of \$356,450.**
- Net Loss for Exhibition Place and Direct Energy Centre for the seven months ended July 31, 2013 was \$(1,213,185) compared to a budget loss of (\$2,084,216) for a favourable variance of \$871,030.
- Operating (Loss) before interest and amortization expense for Allstream Centre for the seven months ended July 31, 2013 was (\$267,353) compared to a budget of \$247,228 for an unfavourable variance of (\$514,581). The Allstream Centre budget is projected to be achieved by year end.
- The Sales & Marketing team secured 29 new events for Exhibition Place.
- Exhibition Place's new food and beverage Ovation Food Services is now in full operation, with Bradley Fletcher, General Manager, heading up the new F&B team.
- Direct Energy Centre has completed the Performance Period Phase for its LEED EBOM application and based on the consultant's current assessment the project is on target for LEED Silver certification.
- Exhibition Place's Recognition Committee received 83 staff nominations for the June/July period.

July 2013 Financials for Combined Exhibition Place and Allstream Centre

Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the seven months ended July 31, 2013 before net naming fees, building loan interest and amortization expense for the Allstream Centre was (\$1,480,538) compared to a budget loss of (\$1,836,987) for a favourable variance of \$356,450.

Exhibition Place

Net Loss for Exhibition Place and Direct Energy Centre for the seven months ended July 31, 2013 was \$(1,213,185) compared to a budget loss of (\$2,084,216) for a favourable variance of \$871,030.

- Rental income from events of \$5,253,660 is unfavourable to budget by (\$167,068) primarily due to higher than budgeted rent from January events such as the Boat show offset by budget timing of new events business.
- Electrical net services of \$1,024,770 are favourable to budget by \$160,803 primarily due to higher than budgeted net electrical from CRFA, Green Living Show and SIAL offset by a reduction of net electrical revenue due to budget timing of new events.
- Food & Beverage concessions of \$435,255 are unfavourable to budget by (\$170,070) primarily due to budget timing of corporate events.
- Show services from third party billings at \$2,127,050 are unfavourable to budget by (\$296,616) with corresponding decrease in related show expenses of (\$281,159) for a net unfavourable variance of (\$15,457) primarily due to budget timing of new events.
- Parking revenues at \$4,434,182 are favourable to budget by \$786,132 with a corresponding increase in parking expenses of \$262,581 for a net favourable increase of \$523,551. This is primarily due to higher than budgeted revenue from Sportsman Show, Toronto Marlies Games, Toronto Artist Show, SIAL, TFC & CSA games and as well sold out or high attendance concerts at Ontario Place.

- Program recoveries and interest income at \$189,719 are unfavourable to budget by (\$74,514) primarily due to lower than budgeted interest income and an unfavourable variance from BMO Field and Ricoh Coliseum recoveries due to lower level of labor services.
- Direct and indirect expenses at \$15,891,763 are favourable to budget by \$645,380 primarily due to lower utilities due to the energy savings initiatives combined with warmer weather, lower operational costs and lower direct expenses due to budget timing of new events. 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.
- Comparative information - 2013 Year to date Combined Operating Income (Loss) results for Allstream Centre and Exhibition Place for the seven months ending July 31, 2013 before interest expense and naming rights are lower than the corresponding period in 2012 primarily due to a higher net direct event income due to budget timing of new events in 2012.

Direct Energy Centre accounts receivable as at July 31, 2013 was \$999,102 consisting primarily of:

- \$468,416 of deposits owed as contractual for future events of which \$87,766 (19%) has been received as of August 8, 2013.
- \$177,996 for accounts with City Legal; this amount is fully provided for as a bad debt in the financial statements or the rental revenue has not been recognized as income and deferred as appropriate.
- \$165,331 for services on completed events of which \$30,525 (18%) has been received as of August 8, 2013.
- \$123,066 owed for sponsorship arrangements, of which nil has been received as of August 8, 2013.

Exhibition Place accounts receivable as at July 31, 2013 was \$5,401,189 consisting primarily of:

- \$4,352,321 owed by tenants of which \$129,723 (3%) has been received as of August 8, 2013.
- \$153,145 owed by City for various Capital and cost reimbursements and sick bank recoveries of which nil have been received as of August 8, 2013.
- \$135,409 owed by BMO Field for payroll costs of which \$29,273 (22%) has been received as of August 8, 2013.
- \$77,152 owed as contractual deposits for future events of which \$77,152 (100 %) has been received as of August 8, 2013.
- \$39,683 for show services on completed events of which nil has been received as of August 8, 2013.

Allstream Centre

Operating (Loss) before interest and amortization expense for Allstream Centre for the seven months ended July 31, 2013 was (\$267,353) compared to a budget of \$247,228 for an unfavourable variance of (\$514,581).

- Rental income of \$318,427 is unfavourable to budget by (\$266,759) primarily due to budget timing of new events. The rental budget is expected to be achieved.
- Food & Beverage concessions of \$213,415 are unfavourable to budget by (\$381,195) primarily due to budget timing of new events.
- Show services income from third party billings of \$325,410 is unfavourable to budget by (\$404,558) with corresponding decrease in related show expenses of (\$310,405) for a net unfavourable variance of (\$94,153) primarily due to budget timing of new events.
- Parking revenue at \$57,995 is unfavourable to budget by (\$29,883).
- Direct and indirect expenses at \$1,043,047 are favourable to budget by \$191,428 primarily due to lower utilities due to the energy savings initiatives and warmer weather. 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 July 31,, 2013 was \$339,156 consisting primarily of:

- \$171,438 owed by Cerise Fine Catering of which \$152,737 (89%) has been received as of August 8, 2013.
- \$61,692 owed as contractual deposits for future events of which nil was received as of August 8, 2013.
- \$86,799 for services on completed events of which nil has been received as of August 8, 2013.
- \$19,228 for accounts with City Legal; this amount is fully provided for as a bad debt in the financial statements or the rental revenue has not been recognized as income and deferred as appropriate.

Sales and Marketing

June/July Sales Effort

During this period, the Sales & Marketing team secured 29 new events for Exhibition Place. The events are categorized as follows:

- 14 meetings & conventions
- 7 trade and consumer shows
- 3 sporting events
- 5 other

June/July Sales Summary

Events held during this time period include Toronto Horse Day, Becel Heart & Stroke Ride for Heart 2013, Canada vs USA – Sponsor Activation Area, Telus Walk to Cure Diabetes, Meraki CMNA, Royal LePage Real Estate Services, Ignite Business Event Expo, Big Brothers Big Sisters of Toronto 100th Anniversary Gala, Canada Meet Week – CANSPEP Breakfast & Fishbowl Session, MLSE Team Up Challenge, Healthy Families All Staff Meeting, Audit Week of Learning, Flight Centre Annual Awards Gala, Toronto Triathlon Festival, and Softchoice Morpheous Graduation.

Business Travel

Geoff Mak and Tamer Mecky from the Corporate Sales Team attended the MPI Toronto Education Conference on June 16-18, which was attended by over 150 local area clients and partners. Geoff and Tamer solicited for new business and extended the Allstream Centre, Direct Energy Centre and Exhibition Place brands.

The Sales Team participated in the Ignite Business Events Expo held at Direct Energy Centre on June 19-20. The event reached into local and national markets and many prospective clients were introduced to Allstream Centre and Direct Energy Centre throughout the trade show.

The CAEM (Canadian Association of Exposition Management) Annual Conference was held in Niagara Falls, Ontario on June 23-25. A full slate of education and networking opportunities provided a backdrop geared to maximizing B2B time. Over 219 delegates were in attendance, with a good balance between exposition management and associate members. Exhibition Place was represented by Dianne Young, Hardat Persaud, Laura Purdy, Jeff Gay, Ken Jattan and Ellen de Boer. The focus was on strengthening existing relationships and meeting new clients. Direct Energy Centre/Allstream Centre once again participated in the Supplier Summit where trade and consumer Show Managers, as well as Conference Managers, visited our booth for an introduction to facilities and services on our grounds.

Geoff Mak attended the MPI World Education Conference from July 20-23, which was attended by over 3500 industry partners and clients. Geoff interacted with regional, national, and international clients, informing them of Exhibition Place's strategic plans for the future, including the new hotel in 2015.

Publicity

Direct Energy Centre

- News Report during this period included 17 hits for Direct Energy Centre. Stories included: Green Living Show; IIDEX Canada; Sustainable Meetings; Ovations Food Services; Canada Blooms; CRFA
- Exhibition World published the article "Ovations Food Services win Direct Energy Centre Contract" on July 22, 2013
- On July 30, 2013 the Marketing department issued a press release titled "Direct Energy Centre welcomes back CRFA till 2018"

Allstream Centre

- News Report during this period included 4 hits for Allstream Centre. Stories included: Canada Sales Congress; Crohn's & Colitis Foundation
- MPI ONE+ magazine blog ran a post called "The Need for Speed" on July 1, 2013, highlighting Allstream Centre's Wifi Technology as a stellar example of convention centre technology.
- Corporate Meetings Network online news featured an article titled "Disasters, Risk, and Planning Events" by Sandy Biback. This article noted Allstream Centre as a venue doing risk management the right way.

Exhibition Place

- News Reports for this period include 148 hits for Exhibition Place. Stories Included: Things to do; Weekend Road Closures; Dufferin Bridge Closure; Compost Council of Canada; Ride for Heart; CHIN Picnic; Honda Indy; Scotiabank Toronto Caribbean Carnival; CNE; Festival of Beer; Toronto Mounted Unit
- On July 17, 2013 the Marketing department issued 2 press releases; "Honda Indy Enjoys Successful Weekend" and "Exhibition Place Recommends Ovations Food Services"
- Venues Today published the article "Toronto's Exhibition Place Selects Ovations Food Services" in July 24 edition on online news written by Linda Deckard
- Meetings + Incentive Travel published "Exhibition Place Enters into Exclusive F&B Agreement with Ovations Food Services" in the weekly news updates, July 18 and 31, 2013
- CMW Conference News published the article "Exhibition Place RFP Results in 11-year Contract for Ovations" on July 19, 2013
- Canadian Special Events online news ran "Honda Indy enjoys Successful Weekend in Toronto" on July 17, 2013
- GMI Portal ran in the latest news section on July 17, 2013 and published 2 articles: "Exhibition Place Selects Ovations Food Services" and "Honda Indy Enjoys Successful Weekend in Toronto."
- Facilities Online ran "Following Honda Indy Toronto, Exhibition Place Board recommends Ovations Food Services" in the Hot News section on July 17, 2013.

Social Media Mentions

- Total June/July number of mentions for Exhibition Place, Direct Energy Centre and Allstream Centre on social media platforms during this period; Twitter; Blogs; Facebook is: **1,587**

Event Management Services

During the months of June and July, Event and Meeting Co-ordinators and Exhibitor Services staff at Exhibition Place, Direct Energy Centre and Allstream Centre were involved in the following events:

Exhibitions/Meetings/Conventions/Corporate Events	
JUNE 2013	
<ul style="list-style-type: none"> ▪ People in Motion ▪ Becel Heart & Stroke Ride for Heart ▪ CGA June Exams ▪ Advertising and Design Club of Canada (AC) ▪ Toronto Horse Day ▪ Learning & Dev. Series – 2 events (AC) ▪ Barristers Exams 	<ul style="list-style-type: none"> ▪ Telus Walk to cure Diabetes ▪ Ignite Business Event Expo ▪ Ignite Dinner (AC) ▪ Solicitor Exams ▪ Canada Meet Week- CANSPEP Breakfast & Fishbowl Session (AC) ▪ MLSE Player Team challenge ▪ Healthy Families All Staff Meeting (AC)
July 2013	
<ul style="list-style-type: none"> ▪ Audit Week of Learning (AC) ▪ CHIN International Picnic ▪ Honda Indy ▪ Honda Indy Media Centre (AC) ▪ Rising Star Meet & Greet (AC) ▪ Toronto Triathlon Festival ▪ CNEA Training Sessions 	<ul style="list-style-type: none"> ▪ Toronto's Festival of Beer ▪ CNE Orientation Training (AC) ▪ Orientation training sessions for Cleaning and parking services (AC) ▪ CNEA Board of Directors Meeting (AC) ▪ Softchoice Morpheous Graduation (AC)

Event Services

During June, Exhibition Place hosted several returning clients including People in Motion, the Becel Heart and Stroke Ride for Heart, Telus Walk to Cure Diabetes, CGA Exams, Barristers and Solicitors Exams as well as the Ignite Business Expo. Several show managers complimented our cleaning staff for their attention to detail and quick response time.

The Event Services Team had several meetings to decide how best to minimize noise filtering into Halls B, C and D during the Solicitors Exams, as Ignite was moving into the adjacent hall at the same time. The plan worked very well and no complaints of noise were received during the exams.

Extremely heavy rain slowed down the move in of the CHIN International Picnic.

For this year's Honda Indy move in, there was a change in timing for moving in the blocks and fencing to take place overnight, rather than during the day, which proved very successful.

Exhibitor Services

In addition to servicing four events during the months of June and July, Exhibitor Services worked on finalizing inventory audits of Allstream Centre including an audit of Exhibition Place rental items.

Transition to Ovations, new F&B Provider

On July 11th, Ovations announced the assignment of Bradley Fletcher as the GM for Ovations at Exhibition Place. Mr. Fletcher has extensive experience in F&B operations, having previously held local leadership roles for Aramark and Tim Hortons. Thorough planning has been initiated to ensure a smooth transition for clients. Ovations has dedicated significant management resources to this endeavor.

Jim Lee, Exhibitor Services Supervisor, provided excellent assistance in the operational transition from Centerplate to Ovations. This involved ensuring the smooth move out of all sub-contractor equipment

stored in the Upper East Annex, completion and verification of all F&B related appliances owned by Exhibition Place as well as the move out of Centerplate owned equipment in all concession stands, kitchen/storage areas, F&B office and setting up temporary offices for the Ovations team, and ensuring the offices and 2nd floor lunchroom/locker room areas were cleaned prior to possession by Ovations.

Allstream Centre

Allstream Centre hosted its first wedding on June 15th. The facility was transformed with a magical atmosphere for the 500 guests to the event. Big Brothers Big Sisters celebrated their 100th Anniversary with a Gala. Some first time clients were introduced to Allstream Centre, and returning clients included Advertising & Design Club, Royal LePage Luncheon and Ignite. All told there were 11 events in June.

During July Allstream Centre had five events, one of which was Deloitte's 3 day conference, which was a great success. Flight Centre Annual Awards Gala (Cerise) was held for the first time, with 750 people in attendance. Soft Choice and the Toronto Honda Indy Media Centre returned and both went very well.

International Association of Venue Management

In July, Jeff Gay attended the annual IAVM Conference in New Orleans, which features the largest trade show held exclusively for facility managers featuring the latest technologies and equipment used in the public assembly industry. This year's event included new technology in wall systems, waste/ recycling containers, digital signage, and stackable chairs and conference tables. All were designed to reduce operational costs.

Educational sessions included event settlement techniques, convention centre legal challenges with assignment of exclusive providers and improving event experience through brain science. The annual industry town hall included discussion about co-promotion of consumer events to drive new revenue in non-peak time and facility organized events.

Parking

Parking activity in June and July was up 12% from last year, primarily as a result of an active concert series at Molson Canadian Amphitheatre, and increased parking demand from Exhibition Place tenants and Festival events.

Parking staff helped facilitate a Smart Commuter transportation follow-up survey in June. The all staff survey incorporated a component that will be used to support Direct Energy Centre's application for LEED Ebom certification.

David Lyew, Manager, Parking Services, has successfully completed the Canadian Certified Parking Facility Manager program administered by the Canadian Parking Association. Congratulations, David!

IT/Telecommunications

The wireless upgrade to CISCO equipment in Direct Energy Centre has been completed, providing a seamless hardware platform for WIFI across most of the campus. Three additional outdoor WIFI locations include Bandshell Park and areas east and west of Direct Energy Centre are being outfitted to provide additional wireless internet capability.

IT/Telecom has been working with the Finance Department on upgrading the current accounting system (Microsoft GP 10) to the latest version (Microsoft GP 2013).

The Telecom Team has also assisted in the upgrade of certain aspects of the building automation system. Portions of the current system has been upgraded from a proprietary coax based data communications network to an industry standard TCP/IP network infrastructure.

IT/Telecom worked with the HR department in order to implement a cost effective system for temporary employee identification.

With the change of the Food and Beverage provider, the Telecom/IT department has been assisting with the transition needs such as changes/additions to data/telephony connectivity as well as hosting/technical assistance, including CCTV connectivity.

Building Operations

Mechanical

- Minor repairs done to show floor in all Halls
- Assisted contractors to identify and re-route minor washroom piping during washroom renovation
- Completed trip hazard and landscape repairs surrounding Direct Energy Centre
- Completed roof repairs in Heritage Court west entrance and main drain
- Preparation for minor events, pre/post Honda Indy and CNE move in

Electrical

- Replaced burnt out lamps inside the four towers
- Checked HVAC fans, connected motor for HVAC in Heritage Court, reset fan #23 in Galleria
- Installed temporary power for management offices and exit lights due to washroom renovations
- Checked open/close position for Tri-gen ventilation system
- Installed speakers for the new offices in Galleria
- Provided access to substations in Industry building for Toronto Hydro
- Turned on air handling units in East Annex for Air Balancing
- Removed heater motor from 3rd floor boiler room for repairs, connected new heater in Parking Garage
- Made prints for LEED application and installed desk lights and occupancy sensors for LEED certification

LEED EBOM Application

Direct Energy Centre is pursuing LEED for Existing Buildings, Operation & Maintenance (EBOM) certification and is targeting certification at a Silver level. As part of this project, the “Performance Period” has just been completed, which represents a 3-month period (May 1st to July 30th) over which the performance of all plans, policies and other metrics must be tracked.

The Performance Period Phase actions have been completed and staff has begun the process of submitting relevant reports and narratives to our LEED consultant in preparation for submission to the Canada Green Building Council.

Based on our LEED consultant’s current assessment the project is on target for LEED Silver certification.

Facility Services

- Facility staff worked with Weller Tree Services to complete a tree audit on over 500 trees. Trees with a base of over 25cm, as well as many smaller trees, were evaluated and all recommended work was completed in order to ensure safety and healthy growth.
- Created and compiled detailed schedules for young workers in preparation for the various CNE orientation sessions and training dates.

- Worked in conjunction with CNE Summer Staffing and Health & Safety Department in preparation for the fair's cleaning program. Over 500 young workers were hired, orientated and trained in Customer Service, WHMIS, H&S, job specific assignments and ExPlace policies and procedures. We also provided Supervisor H&S training for 13 new Lead Hands/Supervisors and refresher training for approximately 60 returning Lead Hand/Supervisors. The team is also in the process of training 45 new tractor and sweeper drivers who will be servicing the CNE.
- Ordered first shipment of cleaning supplies with an approximate value of \$60,000, for the CNE.
- Re-leveled, added and compacted more red cedar mulch to all tree planters along Princes' Boulevard that were removed for the Honda Indy.
- In the process of re-designing the Living Wall at the east-end of Direct Energy Centre's Galleria by adding patterns and plants with more vibrant colours.
- In the process of conducting a thorough cleaning of all rooms in Allstream Centre and an exterior wash down of the facility in preparation for a busy September schedule.
- Repaired many trip hazards in Bandshell Park in preparation for CHIN Picnic and CNE, and as per an ongoing audit conducted by our Security Department. Bare areas and ruts were covered with bark chips to ensure dry and safe walkways.
- Rented 4 small tractors for young cleaning workers to utilize during the CNE, 3 skid steers to assist with efficient and expedient Horse Palace turnovers for the CNE Horse Show, as well as 1 forklift and 3 Genie lifts to ensure a smooth and efficient move-in for the upcoming CNE.
- Completed a thorough cleaning of the 4 newly renovated washrooms in Direct Energy Centre prior to the Honda Indy.
- Provided forklift and hi-reach training for Facility Coordinators as a requirement of their positions.
- Completed LEED-EBOM performance period at the end of July, which consisted of tracking and documenting all of the necessary information requested by our consultants, *CDML*, for 3 months. Staff are now in the process of sending the information for submission to the *Canadian Green Building Council* for their review.
- Trained Cleaning staff on new eco-friendly and *Green Seal* cleaning supplies which are a LEED-EBOM requirement in the Direct Energy Centre.
- Continue to complete and document weekly maintenance of playground in Centennial Square Park.
- Pressure-washed all monuments/fountains throughout the grounds in preparation for summer events.
- Conducted major turnovers at Ricoh in preparation for the CNE horse show and currently in the process of preparing the arena for the CNE Acrobatic Show.
- Contracted *Efficient Waste Management Services* to conduct a Waste Audit for the Ignite Expo show. This was a recommendation from the Recycling Council of Ontario and a pre-requisite for application to their 3RCertification Program. The report verified our process and recycling streams and states that all of our 2012 waste data incorporates a waste reduction work plan and includes goals for 2013.
- Completed a Ministry of Environment Waste report which is required by Ontario Regulation 102/94 for Industrial, Commercial and Institutional Establishments; the report is posted on our intranet for all employees to see.
- Technical Service staff partnered with AV Canada and Ignite Business Expo. This year AV Canada designed and executed a main stage and gala area for the expo. AV Canada expressed their content with the skill level of the crew, especially the crew chief who worked with client. While charged with supervising the crew and ensuring board policy and health and safety was implemented, the crew chief worked with assigned Co-ordinator to the client to keep on budget and help reduce costs.
- Ordered new golf shirts for all Cleaners, Labourers and Technical Services members in an effort to improve our overall appearance.
- Ordered and installed new electronic message boards at Allstream Centre, allowing us to maintain a spare board in the case of equipment failure. After the power outages this summer, all issues have been identified and planning has begun to ensure contingencies are in place.

- Maintenance and painting of the Better Living Centre ceiling and the installation of new cabling has eliminated redundancies and increased organization within the extensive system at the CNE Casino.

EXcellence in Action

The following excerpt is from Cvent Event Blog entitled "Sizzling Start for Ignite Business Expo", by Anne Thornley-Brown, dated June 20, 2013: "What does it take to design an event that sparkles from the start? On Tuesday night, Ignite Magazine demonstrated this in style at its reception for 150 Ignite Business Expo hosted buyers at Allstream Centre at Exhibition Place in Toronto. A mesmerizing ambiance was created with lighting in hues of blue and purple that bathed the entire venue. [...] the venue had a lot to do with the success. [...] to ensure guest comfort, a variety of seating styles and configurations were provided by the venue. The excellent menu selections were also provided by the venue. The scrumptious menu included a number of vegetarian options that were beautifully presented and delicious." For entire article please visit:

http://blog.cvent.com/blog/executiveoasis/sizzling-start-for-ignite-business-expo?utm_source=twitterfeed&utm_medium=twitter

Jim MacGregor received an email dated July 6th from Lenny Lombardi: "Just wanted to thank you for the great job in managing the Picnic event for us. Year in, year out you have always been stellar in coordinating and refining our event for maximum efficiency. I really appreciate your effort and dedication to the CHIN Picnic and count on you to make our Picnic the best it can be. By all indications, this year was a huge success and you certainly played an important role in this. When it's all said and done, when I have you and Walter in control, I have great confidence that things will unfold as it should. Many thanks Jim, I appreciate everything you do for CHIN."

Marilyn Wasney sent an email dated July 22nd to Jeff Gay, who took a group of her students through our venues and spoke to them about careers available in our industry: "Another great tour! On behalf of the students thank you for the tour. The students were so excited. All the way back to school it was "Jeff this, Jeff that, how cool is that place, I want to work with him, etc". You can never leave your job."

Nancy Kloek and Doris Bertrand received an email dated July 30th from Jenn "O'Neil of Softchoice: "Thank you so much for a great day today! Everything went off so smoothly and the group had a wonderful time. The staff was extremely helpful and always on top of things which made my day very easy! Please send my thanks to David and the team as well. I look forward to working with both of you again shortly!"

Kairi Williams sent a letter dated July 30th to Alba Mercury which read "On behalf of the Heart & Stroke Foundation, I would like to extend heart-felt appreciation for your ongoing support of the Becel Heart & Stroke Ride for Heart. As always, you went above and beyond to ensure that all of our needs for this year's Ride were met, and that our Event Day execution ran smoothly. We are tremendously grateful for all that you do on our behalf, and we consider ourselves very fortunate to work with you each year."

Walter Pastorious sent an email dated August 8th to Jeff Gay which read "Thank You and your Team for taking good care of us. In particular, Jim McGregor, who, we think is your best asset and CHIN experienced event manager, his professional, thoughtful and forward thinking ability, plus his calm demeanor, would be hard to replace. Simply put, we feel, well looked after when he's around. Also Craig from operations, wow, what a player in the event industry, he is outstanding. Did a superb Job, simply

put, like Jim, he's on it. I also, would like to Thank Natalie for be outstanding as well, she is such a great team asset [...] I very much enjoy working with your Team. No question all have World Class event capabilities. To a point where it's my privilege to work with all of them."

Exhibition Place's Recognition Committee received 83 staff nominations for the June/July period.

Following are the winners:

	June/July Winners
Section 1	Bernadette Dubinski , Cleaning Services
Section 2	Sherman Sue , Human Resources
Section 3	Tamer Mecky , Marketing & Sales
Section 4	Marty Carson , Electrical Services
Section 5	Neil Evans , Security Services

Centerplate

Catering & Sales Department

June

Centerplate served a continental breakfast for the Law Society of Upper Canada Exams. Lunch included a variety of pizzas, including vegetarian, deluxe and pepperoni, served with salads and, for dessert, pastries, squares and cookies. The client was happy with the change from their usual sandwich style menu.

Centerplate worked with Ignite show management to offer items in the Bistro and Café to all exhibitors at their booths. In addition, Centerplate hosted an after-hours Closing Reception to exhibitors and planners which included a hosted bar and snacks such as chips and pretzels with salsa and guacamole. The evening went very well.

Retail Department

June

During People in Motion Centerplate offered guests a variety of items including hot dogs, debrazini sausage, individual pizzas and sandwiches, snacks and salads. A large food court area was set up with lots of space to accommodate those with wheelchairs. The client was very happy with the services provided.

For Ignite, Centerplate opened three areas for guests; in the bistro guests enjoyed 3-coloured roasted beets with toasted pine nuts, goat cheese crumble and pomegranate emulsion, arugula and blonde frisse served with heirloom tomato wedges and Bocconcini with aged balsamic, pulled braised beef short ribs, glazed with Niagara red wine served with marble Yukon gold and sweet potato mash and green beans, creamy wild mushroom sugo served in a flaky vol au vent box topped with ravigote sauce and pan-seared Cornish hen served with marble pancetta succotash. This area also had a Grab and Go area for quick style service. In the Café, guests chose from grilled Ontario green belt vegetables with crumbled feta on a panini with baba ghanoush, smoked turkey with melted Swiss cheese served on a panini with cranberry mayonnaise and Alberta-style onion tartlet and crudité with hummus & flat breads, cheeses with apple and pear and a variety of desserts.

Ovations Food Services

July

Everything's Fresh; it's more than a mantra for Ovations, it's our way of life. To Ovations, fresh means dynamic, local, seasonal menus that keep guests and event planners engaged. Foods are prepared fresh, right in front of guests, with ingredients that are locally sourced whenever possible.

The Ovations team has only been installed at Direct Energy Centre for a few weeks; everyone has been a tremendous support and we are eagerly looking forward to the upcoming Canadian National Exhibition opening. Currently we are planning for the opening breakfast event for 300 invited guests including Ontario's Premier, Kathleen Wynne, as well as a full slate of rooftop patio events which will total 14 events and involve some 1,650 invited guests.

Currently our team consists of the following team members with many new hiring announcements to come in the very near future. Bradley Fletcher, General Manager, Natasha Kraal, Office Manager, and Jacqueline Lovell-Santos, Sales Coordinator.

Coming Soon; Executive Chef Announcement! Ovations Food looks forward to announcing in the next few days our "nationally recognised" executive chef who will provide our guests with the very best in freshness and taste.

Ovations is planning a Chef's Table event in late October; an opportunity for staff to enjoy chef attended action stations, deliciously themed buffets; exquisite plate presentations, and decadent desserts. The Chef's Table will be located right in the kitchen and will allow staff to personally and taste and enjoy Ovations so that we all sell as a team.

Cerise Fine Catering

June 2013

June provided the Cerise team an opportunity to host it's very first wedding event on June 15th for the union of two socially notable families in the Italian and Portuguese Communities. The event was extravagantly decorated and 450 guests enjoyed a lavish five course dinner with wine pairings and late night seafood buffet that was very well received.

Additional social events included the Big Brother/Sister Gala Fundraiser for 1100 guests on June 20th. Guests enjoyed a delightful evening hosted by Anne-Marie Mediwake and Dwight Drummond and were entertained by Canadian country rock band Blue Rodeo. It was a memorable evening as guests enjoyed fine dining in a concert-like atmosphere while supporting a great cause.

July 2013

The month took off with the Flight Centre Awards Night on July 5th, a first-time event to the facility. Flight Centre's 750 exuberant Travel Agents and Executive Staff made the most of their annual celebration and danced into the wee hours of the morning.

Allstream Centre supported the Honda Indy again this July with hosting of the Media component for this landmark event. While not large in scope (70 ppl), this important element of the festivities is crucial to ensure that all reporting of the event is without bias due to an unsatisfied palette!

Cerise Fine Catering bolstered its management team in July with the addition of Robert Campbell as Director of Food & Beverage; he'll be running the Operations Team at Allstream Centre. The newly developed role of Director of Corporate Sales has been filled by Sandra Palombo. This additional

position was developed to better penetrate the short term markets to impact 2013 as well as impact future years.

Submitted by:

Arlene Campbell
General Manager, Sales & Events

Submitted by:

Dianne Young
CEO, Exhibition Place

APPENDIX 'A'

Combined Exhibition Place and Allstream Centre Financial Summary

	Statement Of Operations Highlights For the seven months ended July 31, 2013					
	Actual	Current Month Budget	Fav (Unfav) Variance	Actual	YTD Budget	Variance
	\$	\$	\$	\$	\$	\$
Event Income	1,812,889	1,726,497	86,391	16,165,938	16,646,296	(480,359)
Direct Expenses	430,372	349,379	(80,993)	2,205,770	1,983,084	(222,687)
Indirect Expenses	2,495,361	2,182,835	(312,526)	15,440,706	16,500,200	1,059,495
Operating Income (Loss) before building loan interest & amortization and naming fees	(1,112,845)	(805,717)	(307,128)	(1,480,538)	(1,836,987)	356,450
Interest expense - Allstream Centre	151,234	151,234	(0)	1,064,974	1,064,974	(0)
Amortization expense - Allstream Centre	129,216	129,216	0	904,512	904,512	0
Operating Income (Loss) before naming fees	(1,393,295)	(1,086,167)	(307,128)	(3,450,024)	(3,806,474)	356,450
Contribution from (to) Conference Centre Reserve Fund	336,551	293,107	43,444	1,704,914	1,190,333	514,581
Net Income (Loss)	(1,056,744)	(793,059)	(263,684)	(1,745,110)	(2,616,140)	871,030

(1) Operating Loss for the Board before interest on City loan, amortization of building improvements net of contribution from naming fees is (\$1,480,538).

compared to a budgeted Operating Loss of (\$1,836,987) for a favourable variance of \$356,450.

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

**EXHIBITION PLACE
FINANCIAL STATEMENT HIGHLIGHTS
JULY 2013 AND COMPARATIVES**

	MONTH			YTD			2012 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	4	3	1	41	20	21	44	-3
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	762,343	741,869	20,473	7,430,995	7,676,917	(245,923)	7,468,680	(37,686)
Ancillary Income	238,073	202,379	35,694	1,865,641	2,135,113	(269,472)	1,927,946	- 62,304.86
Advertising and Sponsorship	18,420	18,501	(80)	143,957	129,500	14,457	129,091	14,866
Rent-MLSE-Ricoh Coliseum	43,878	41,740	2,138	307,150	292,180	14,970	307,150	-
Naming Rights	101,667	101,667	-	711,667	711,667	-	711,667	-
Parking EP	460,487	376,500	83,987	3,975,766	3,220,200	755,566	3,432,798	542,968
Parking - BMO Events	124,293	86,573	37,720	458,416	427,850	30,566	524,120	(65,704)
Program Recoveries and Other	18,869	37,747	(18,878)	189,719	264,233	(74,514)	237,138	(47,419)
CNE Recoveries	-	-	-	306,933	306,933	-	-	306,933
Total Event Income	1,768,029	1,606,976	161,053	15,390,244	15,164,593	225,650	14,738,590	651,654
Direct Expenses	398,524	340,035	(58,489)	2,069,364	1,858,519	(210,846)	1,909,432	159,932
Indirect Expenses	2,238,337	1,913,657	(324,680)	13,822,399	14,678,624	856,225	13,085,682	736,717
Naming Rights	101,667	101,667	-	711,667	711,667	-	711,667	-
Total Event Expenses	2,738,528	2,355,358	(383,169)	16,603,429	17,248,809	645,380	15,706,781	896,649
Net Income (Loss)	(970,498)	(748,382)	(222,116)	(1,213,185)	(2,084,216)	871,030	(968,191)	(244,995)

**ALLSTREAM CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
JULY 2013 AND COMPARATIVES**

	MONTH			YTD			2012 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	2	[Note 1]	-	49	[Note 1]	-	73	(24)
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	31,908	56,780	(24,872)	387,775	748,687	(360,912)	1,045,131	(657,356)
Ancillary Income	9,851	54,987	(45,136)	329,924	645,138	(315,214)	524,698	(194,774)
Parking Revenue	3,098	7,755	(4,657)	57,995	87,878	(29,883)	142,528	(84,533)
Total Event Income	44,857	119,522	(74,665)	775,694	1,481,703	(706,009)	1,712,357	(936,663)
Direct Expenses	31,848	9,344	(22,504)	136,406	124,565	(11,841)	151,656	15,250
Indirect Expenses	155,358	167,512	12,154	906,641	# 1,109,910	203,269	967,784	# 61,143
Total Event Expenses	187,206	176,856	(10,350)	1,043,047	1,234,475	191,428	1,119,440	76,393
Operating Income (Loss) before building loan interest & amortization and naming fees	(142,349)	(57,334)	(85,015)	(267,353)	247,228	(514,581)	592,917	(860,270)
Interest expense	151,234	151,234	0	1,064,974	1,064,974	(0)	1,090,838	25,864
Amortization expense	129,216	129,216	0	904,512	904,512	0	904,512	-
Operating Income (Loss) before naming fees	(422,799)	(337,784)	(85,015)	(2,236,839)	(1,722,258)	(514,581)	(1,402,433)	(834,406)
Contribution from/(to) Conference Centre Reserve Fund	336,551	293,107	43,444	1,704,914	1,190,333	514,581	862,358	842,556
Net Income (Loss)	(86,248)	(44,676)	(41,572)	(531,925)	(531,925)	(0)	(540,075)	8,150

Note 1 2013 Allstream Centre Total Event Income Budget was based on Proforma and 2012 actual.

**DIRECT ENERGY CENTRE AND ALLSTREAM CENTRE
EVENT STATISTICS
FOR THE SEVEN MONTHS ENDED JULY 31, 2013**

DIRECT ENERGY CENTRE

	<u>MONTH ACTUAL</u>		<u>YTD ACTUAL</u>		<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	-		452,700		528,235
	(NOTE 1)		(NOTE 3)		(NOTE 2)
	ACTUAL # OF EVENTS			REFRESHMENT PER CAP'S	
<u>EVENT</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>ACTUAL</u>	<u>BUDGET</u>
	<u>#</u>	<u>#</u>	<u>#</u>	<u>\$ (IN '000'S)</u>	<u>\$ (IN '000'S)</u>
Consumers Show	16	15	18	4,639	4,173
Trade Show	6	5	6	1,038	807
Exam	4	3	3	220	128
Photo/Film Shoot	1	2	1	29	-
Meeting/Corporate	2	2	12	2	-
	29	27	40	5,928	5,108

ALLSTREAM CENTRE

			(NOTE 4)	(NOTE 3)
	ACTUAL # OF EVENTS			NET EVENT INCOME
<u>EVENT</u>	<u>2013</u>	<u>2012</u>	<u>2011</u>	<u>ACTUAL</u>
	<u>#</u>	<u>#</u>	<u>#</u>	<u>\$ (IN '000'S)</u>
Gala	4	5	0	76
Conference	11	24	20	178
Reception	2	4	0	61
Meeting	31	35	26	285
Exam	1	5	4	15
	49	73	50	615

Note: 1 Attendance estimates provided by Show Management.

Note: 2 Refreshment per cap's based on information reported by Centerplate.

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

Note: 4 Allstream Centre opened on October 2009.

**COMBINED EXHIBITION PLACE AND ALLSTREAM CENTRE
CHEQUE DISBURSEMENTS - JULY 2013
GREATER THAN \$50,000**

Cheque No	Date		\$ Amount	Description
	03/07/2013	ADP CANADA	217,103.71	HOURLY PAYROLL
	09/07/2013	ADP CANADA	329,554.77	SALARY PAYROLL
	10/07/2013	ADP CANADA	243,966.90	HOURLY PAYROLL
	17/07/2013	ADP CANADA	234,823.85	HOURLY PAYROLL
	23/07/2013	ADP CANADA	322,211.00	SALARY PAYROLL
	24/07/2013	ADP CANADA	236,943.81	HOURLY PAYROLL
	31/07/2013	ADP CANADA	273,535.96	HOURLY PAYROLL
10720	24/07/2013	PCL DESIGN CONSTRUCTORS INC.	51,201.62	2013 CAPITAL WORKS - DEC OFFICE EXPANSION
10647	15/07/2013	CITY OF TORONTO	53,083.86	2013 WATER FEBRUARY - JUNE
10626	12/07/2013	LOCAL 58 BENEFITS FUND	66,661.41	2013 JUNE UNION DUES
10568	04/07/2013	CITY OF TORONTO	76,196.18	PREMIUM FOR DENTAL & LIFE FOR JULY 2013
10797	31/07/2013	R-CHAD GENERAL CONTRACTING	126,839.09	2013 CAPITAL WORKS - DEC WASHROOM
10698	18/07/2013	CANADIAN NATIONAL EXHIBITION	130,688.61	2013 CNE SICK BANK PAYOUT
10703	24/07/2013	CANADA CUSTOMS AND REVENUE AGENC	142,459.07	2013 JUNE H.S.T. REMITTANCE
10596	04/07/2013	R-CHAD GENERAL CONTRACTING	161,159.57	2013 CAPITAL WORKS - DEC WASHROOM
10669	15/07/2013	R-CHAD GENERAL CONTRACTING	167,212.82	2013 CAPITAL WORKS - DEC WASHROOM
10719	24/07/2013	OMERS	169,835.08	2013 JUNE REMITTANCE
10615	04/07/2013	TREASURER CITY OF TORONTO	178,567.00	2013 PROPERTY TAX
10548	31/07/5013	CITY OF TORONTO	222,689.97	2013 AUGUST LOAN PAYMENT- ALLSTREAM CENTRE
10725	24/07/2013	TORONTO HYDRO	297,918.37	2013 JUNE HYDRO
10696	18/07/2013	CANADIAN NATIONAL EXHIBITION	1,994,595.75	2013 RELEASE OF THE STABILIZATION FUND
		DISBURSEMENTS OVER \$50,000	5,697,248.40	
		OTHER DISBURSEMENTS	1,108,800.84	
		TOTAL DISBURSEMENT	6,806,049.24	

The Board of Governors of Exhibition Place
BALANCE SHEET
As at JULY 31, 2013

	2013 YTD July	2012 LTD July
FINANCIAL ASSETS		
CASH	2,387,784	2,499,877
SHORT-TERM INVESTMENTS	1,000,000	300,000
TRADE ACCOUNTS RECEIVABLE	6,744,366	3,419,585
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(406,615)	(404,028)
NET ACCOUNTS RECEIVABLE	6,337,752	3,015,557
DUE FROM /TO EXHIBITION PLACE - CNEA	0	1,969,483
SALES TAX RECOVERABLE	114,424	271,006
OTHER RECEIVABLE	2,481,319	808,049
RECEIVABLE FROM THE CITY OF TORONTO	7,502,116	7,373,263
RECEIVABLE FROM THE CITY OF TORONTO - CAPITAL	227,251	211,268
TOTAL FINANCIAL ASSETS	20,050,646	16,448,502
	=====	=====
LIABILITIES		
ACCOUNTS PAYABLES - TRADE	22,654	1,410,830
ACCRUED LIABILITIES	4,286,762	3,238,316
SALES TAX PAYABLE	809,911	509,788
CONFERENCE CENTRE RESERVE FUND	1,866,319	0
DEFERRED REVENUE	7,138,593	5,697,279
OTHER CURRENT LIABILITIES	707,543	784,372
EMPLOYEE BENEFITS PAYABLE - PSAB	9,004,270	8,607,046
OTHER LIABILITIES	518,717	484,454
LOAN PAYABLE - ERP PROJECTS	7,097,769	7,558,547
GOVERNMENT ASSISTANCE	1,561,100	1,707,979
LOAN PAYABLE- FCM CAPITAL ASSET	1,714,355	1,798,383
LOAN PAYABLE- CONFERENCE CENTRE ASSET	35,978,063	36,857,056
NET INCOME (LOSS) CURRENT	(1,745,110)	(1,624,661)
PRIOR YEAR SURPLUS	(3,704,820)	(2,689,182)
TOTAL LIABILITIES	65,256,126	64,340,208
	=====	=====
NET DEBT	(45,205,480)	(47,891,705)
	=====	=====
NON-FINANCIAL ASSETS		
INVENTORIES	81,165	112,235
PREPAID EXPENSES	69,423	98,417
STEP UP RENT/OTHER RECEIVABLE	1,317,329	1,368,709
FIXED ASSETS		
EQUIPMENT	55,532,284	55,532,284
ACCUMULATED DEPRECIATION - EQUIPMENT	11,794,720	9,219,940
EQUIPMENT - NET	43,737,563	46,312,344
TOTAL NON-FINANCIAL ASSETS	45,205,480	47,891,705
	=====	=====

Summary of Sole Source Commitment Activity by Reason - June 19, 2013 to Aug 14, 2013

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:

Part A

- (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 June 19, 2013 to Aug 14, 2013 total is \$152,829.04. The percentage of dollar value of sole source purchasing activity for goods and services compared to the total purchasing expenditures of \$1,084,150.61 is 14.1% for this period. The revised annual percentage year to date is 8.8% on purchasing expenditures of \$3,809,980.12

EP Program

Reason for Sole Source	Number of Commitments	Number of Suppliers	Total Value
Match Existing Equipment/Service	1	1	\$ 4,250.00
Specialized Services	2	2	\$ 142,025.98
Ensure Warranty Maintenance	0	0	\$ -
Emergency	0	0	\$ -
Time Constraints	0	0	\$ -
Bridging Contract	0	0	\$ -
Proprietary/Trademark/Patent	0	1	\$ -
Health & Safety Issues	1	1	\$ 6,553.06
Other Reasons -Used Equipment	0	0	\$ -
Other Reasons - Number of firms with total value of various separate orders exceeding \$3,000 (See Note)	0	0	\$ -
Total	4	5	\$ 152,829.04

NOTE: Reporting Protocol requires that staff report on total value of all commitments to any single vender that in total exceed \$3,000 for the previous 12 months, where no competitive process has taken place.