

**Item No. 7**



**Exhibition Place**

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**Management Report**  
**February 28, 2013**

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## Executive Summary

- Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the two months ended February 28, 2013 before net naming fees, building loan interest and amortization expense for the Allstream Centre was (\$836,402) compared to a budget of (\$1,036,989) for a favourable variance of \$200,587.
- Net Income (Loss) for Exhibition Place and Direct Energy Centre for the two months ended February 28, 2013 was (\$621,868) compared to a budget of (\$909,674) for a favourable variance of \$287,806 primarily due to lower utilities from warmer weather combined with energy initiatives and lower operational costs offset by reduction of net direct event income due to budget timing of new events.
- Operating Income (Loss) before interest and amortization expense for Allstream Centre for the two months ended February 28, 2013 was (\$214,534) compared to a budget of (\$127,315) for an unfavourable variance of (\$87,219) primarily due to budget timing of new events offset by lower utility costs due to warmer weather and energy saving initiatives.
- The Sales & Marketing team secured 21 new events for Exhibition Place.
- Gordon M. MacDonald came on board as the new General Manager of Cerise Fine Catering at Allstream Centre on March 11, 2013.
- Exhibition Place's Recognition Committee received 86 staff nominations for the February/March period.
- Construction on Hotel X will begin on April 2<sup>nd</sup> with completion targeted for early summer, 2015.

## February 2013 Financials for Exhibition Place and Allstream Centre

**Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the two months ended February 28, 2013 before net naming fees, building loan interest and amortization expense for the Allstream Centre was (\$836,402) compared to a budget of (\$1,036,989) for a favourable variance of \$200,587.**

### Exhibition Place

Net Income (Loss) for Exhibition Place and Direct Energy Centre for the two months ended February 28, 2013 was (\$621,868) compared to a budget of (\$909,674) for a favourable variance of \$287,806 primarily due to lower utilities from warmer weather combined with energy initiatives and lower operational costs offset by reduction of net direct event income due to budget timing of new events.

- Rental income from events of \$2,091,371 is unfavourable to budget by (\$44,385) primarily due to higher than budgeted rent from January events such as the Boat show offset by budget timing of new events.
- Electrical net services of \$179,811 are unfavourable to budget by (\$34,744) primarily due to budget timing of new events.
- Food & Beverage concessions of \$166,803 are unfavourable to budget by (\$56,654) primarily due to budget timing of corporate events.
- Show services from third party billings at \$401,690 are unfavourable to budget by (\$212,521) with corresponding decrease in related show expenses of \$177,826 for a net unfavourable variance of (\$34,695) primarily due to budget timing of new events.
- Parking revenues at \$1,056,114 are favourable to budget by \$193,214 primarily due to higher than budgeted revenue from Sportsman Show, Toronto Marlies Games and Toronto Artist Show.
- Program recoveries and interest income at \$49,818 are unfavourable to budget by (\$25,677) 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 \$4,779,111 are favourable to budget by \$353,585 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 two months ending February 28, 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.

Direct Energy Centre accounts receivable as at February 28, 2013 was \$2,990,071 consisting primarily of:

- \$1,017,000 for Naming Rights Fee, all of which is received after February 28, 2013.
- \$851,296 for services on completed events of which \$645,469 (76%) has been received after February 28, 2013.
- \$845,160 of deposits owed as contractual for future events of which \$760,094 (90%) has been received after February 28, 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.
- \$15,264 owed for sponsorship arrangements, of which nil has been received after February 28, 2013.

Exhibition Place accounts receivable as at February 28, 2013 was \$928,281 consisting primarily of:

- \$468,833 owed by tenants of which \$179,940 has been received after February 28, 2013.
- \$214,538 owed by Ricoh for payroll costs of which \$108,449 (12%) has been received after February 28, 2013.
- \$75,000 owed by City for various Capital and cost reimbursements of which nil have been received after February 28, 2013.
- \$44,062 for show services on completed events of which nil has been received after February 28, 2013.
- \$35,325 owed by BMO Field for payroll costs of which \$4,457 (13%) has been received after February 28, 2013.
- \$30,783 owed as contractual deposits for future events of which \$5,275 (17%) has been received after February 28, 2013.

### Allstream Centre

Operating Income (Loss) before interest and amortization expense for Allstream Centre for the two months ended February 28, 2013 was (\$214,534) compared to a budget of (\$127,315) for an unfavourable variance of (\$87,219) primarily due to budget timing of new events offset by lower utility costs due to warmer weather and energy saving initiatives.

- Rental income was \$30,362 compared to a budget of \$74,608 are unfavourable to budget by (\$44,246) primarily due to budget timing of new events.
- Food & Beverage concessions of \$6,380 are unfavourable to budget by (\$82,376) primarily due to budget timing of new events.
- Net show services income from third party billings are unfavourable to budget by (\$27,162) primarily due to budget timing of new events.
- Direct and indirect expenses at \$275,092 are favourable to budget by \$62,249 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 February 28, 2013 was \$127,387 consisting primarily of:

- \$70,818 owed as contractual deposits for future events of which \$58,983 (83%) was received after February 28, 2013.
- \$35,593 owed by Cerise Fine Catering of which \$12,460 (35%) has been received after February 28, 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.
- \$1,748 for services on completed events of which \$284 (16%) has been received after February 28, 2013.

## Sales and Marketing

### February Sales Effort

During this period, our Sales & Marketing team secured 12 new events for Exhibition Place. The events are categorized as follows:

- 9 meetings & conventions
- 1 trade and consumer shows
- 2 walk/marathons

### Hotel X

Commencing April 2, 2013 the Library Hotel Collection through their construction manager Brookfield Multiplex Construction Canada, will mobilize their construction site for "Hotel X" at Exhibition Place. The construction site is located on Parking Lot 1, south of Direct Energy Centre, and is scheduled for completion in early summer 2015.

In the long term the completed hotel will have a positive impact on future sales, however the construction phase is expected to have a negative impact on *new* business due to perception of construction, parking reduction, access restrictions, and construction noise. Sales is tracking lost business due to the hotel construction. Negative impact on exhibitions and events that are dependent upon parking availability is also expected.

### February Sales Summary

New events held during this time period include Franklin Covey Meeting, Toronto Sportsmen's Show, Paralegal Examinations - February 2013, Quick Play Media Inc. February Meeting, Canadian Marketing Association Loyalty Conference, Artist Project, TechTarget: The New Rules of Backup and Data Protection, and Information Technology Association of Canada - Ontario Health Round Table.

### Business Travel

Barbara Outschoorn attended Tête a Tête, the premiere event in the Canadian association market, on January 31<sup>st</sup> at the Ottawa Convention Centre. Barbara participated in the Tourism Toronto booth, which drew a lot of attendee traffic. Children's Hospital of Eastern Ontario was the charity of choice and guests to the booth were invited to package a hat and blanket for the children in the hospital. In this process, Barbara met a number of clients and enhanced a number of relationships with prospects she had been working with. Barbara also scheduled meetings pre and post trade show. The Association Team is currently following up with the prospects in the buyer's guide.

Stephanie Lander, Don Leddy and Barbara Outschoorn hosted a table of clients to the annual MPI Charity Auction dinner on January 31<sup>st</sup>. The event was once again very well attended with over 600 attendees and the Association Team is following up on contacts made during this event.

Don Leddy and Stephanie Lander attended the 3<sup>rd</sup> Annual CSAE Winter Summit in Niagara Falls on February 7<sup>th</sup> and 8<sup>th</sup>. A record of over 170 people attended with more than 50% being current or prospective Association, Not for Profit or Charitable organizations. The two day event featured a combination of high level education and networking opportunities. New contacts and leads are being sourced and followed up.

## Publicity

### Direct Energy Centre

- News Report during this period included **40** hits for Direct Energy Centre. Stories included: National Home Show; Canada Blooms; CRFA; SIAL; Green Living Show; Sportsmen’s Show; Things to do
- Senior Account Executive, Don Leddy, CEM was included in the story “IAEE Launches its First Collective Highlighting the New Women’s Leadership Forum” as the facilitator of the course ‘Exhibition and Event Sales Fundamentals’.

### Allstream Centre

- News Report during this period included **5** hits for Allstream Centre. Stories included: Dancing with Their Stars; Exhibition Place New Mobile Site; Mental Health Seminars
- Marketing department ran a full page ad in Ignite Magazine February/March edition
- Marketing department ran a full page ad in Meetings + Incentive Travel February/March issue

### Exhibition Place

- News Reports for this period include **65** hits for Exhibition Place. Stories Included: Things to do; Casino; Sportsmen’s Show; International Bike Show; Ontario Place; Mayor Rob Ford; Muzik Violence; The Artist Project; Downsview Park
- Marketing department distributed a press release titled “Exhibition Place launches mobile website” on February 26, 2013
- Meetings + Incentive Travel magazine ran a story titled “Exhibition Place’s Mark Goss earns LEED Green Associate Certificate”
- GMI Portal also ran a story titled “Exhibition Place GM achieves LEED Green Associate” on Feb 3, 2013

### Social Media Mentions

- Total number of mentions for Exhibition Place, Direct Energy Centre and Allstream Centre on social media platforms; Twitter; Blogs; Facebook is: **206**

## Event Management Services

During the month of February, 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	
FEBRUARY 2013	
<ul style="list-style-type: none"> <li>▪ Franklin Covey (AC)</li> <li>▪ Integrated Auto Group Detailing</li> <li>▪ LA Detail Vehicle Prep and Storage</li> <li>▪ Toronto Sportsmen’s Show</li> <li>▪ Quick Play Media (AC)</li> <li>▪ Paralegal Exams</li> </ul>	<ul style="list-style-type: none"> <li>▪ CMA Loyalty Conference (AC)</li> <li>▪ Artist Project</li> <li>▪ Tech Target (AC)</li> <li>▪ ITAC: Ontario Health Round Table Health (AC)</li> </ul>

## Event Services

The highlight of February was the return to Exhibition Place of the Toronto Sportsmen's Show. Sales and Marketing arranged a Welcome Back Breakfast for show exhibitors on the last day of move-in. All departments delivered services to the event with great enthusiasm and several staff members were singled out for special recognition. A severe snowstorm impacted attendance on the second day of the show.

LA Detail requested an additional day for storage of their vehicles, and the Paralegal exams registration was not finalized until very close to the actual exams. Staff were prepared to switch to a larger hall, if necessary. This year, the Artist Project moved from the Queen Elizabeth Exhibit Hall to the Better Living Centre, a larger building, to accommodate the show's steady growth.

## Exhibitor Services

February proved to be a busy month for the Exhibitor Services team. In addition to servicing two events, staff processed a large volume of March orders National Home Show co-located with Canada Blooms Shows and for CRFA, which traditionally requires more time with exhibitors via phone and email to finalize their electrical appliance orders for the show.

## Allstream Centre

Many repeat clients returned to Allstream Centre in February. Cerise Fine Catering conducted recruiting for a new General Manager and hired Gordon M. MacDonald, who starts on March 11, 2013.

## Parking

Parking activity in February was up substantially from the previous year, primarily as a result of the return of the Sportsmen's Show to the Direct Energy Centre.

All Parking staff completed mandatory Occupational Health and Safety Training in February.

## IT/Telecommunications

The new Dell "Appasure" data redundancy system has been operationally deployed by the IT/Telecom team and tests have indicated that real time backup/failover of the Microsoft Exchange Server are successful.

IT/Telecom has been working on preparing all data/voice systems for the upcoming independence of the Canadian National Exhibition and will continue to provide the CNE with data and voice services and, as such, has been segregating and securing software, data, and telephony systems for Exhibition Place and CNE. Changes include reorganization of the automated voice attendance, email address books and general access permissions. The IT/telecom team has been working closely with the Exhibition Place Finance Department to ensure that the export of relevant data is prepared for the upcoming transition.

As part of the capital improvements process, data switches in Direct Energy Centre will be upgraded. The current data switch complement which covers the show floor has been in operation for over seven years and will be replaced with new Cisco equipment.

## Building Operations

### Mechanical

- Completed show floor repairs and paint touch ups throughout the building
- Inspected Roll up doors and repaired minor issues

- Repaired roll up door #24 after damaged during move out show
- Completed several repairs on PVC membrane to downspouts of the south rain gutters
- Repaired roof leaks in Industry Building
- Assisted Centerplate with main grease interceptor malfunction
- Prepared for Sportsman's Show and CRFA move in/ move out
- Prepared & replaced carpet in the Event Services and Exhibitor Services offices

#### Electrical

- Fixed damaged floor ports
- Replaced burnt out lights HVAC area
- Fixed building deficiencies as per the Building Operator work order requests
- Removed heater motors underground parking garage and completed re-feed for east EXIT sign

### Facility Services

The Facility Services team delivered services for events at Direct Energy Centre and Allstream Centre, as well as for seven hockey games at Ricoh Coliseum. Following are activities and projects that were completed in February or are currently in progress:

- Organized show rental inventory and relocation from the North Extension to the upper West Annex.
- Submitted various policies and procedures to CDML, our LEED-EBOM consultants, for review; anticipate feedback through March and April to finalize the documents.
- Replaced/added various plants in Galleria of Direct Energy Centre to improve the overall appearance.
- Conducted thorough maintenance on the Living Wall, including removing/cleaning all of the stones, washing down the back wall, and replenishing water. As well, planning to install new plantings in March which will greatly improve its appearance.
- Purchased 80 new vests for Cleaning Staff as part of uniform when servicing BMO soccer games.
- Scrubbed, washed and sealed concrete floor in Better Living Centre to provide a fresh and appealing appearance for the Artist Project.
- Provided extensive snow removal and salting services on the roads, walkways and staircases for our Shows and Tenants during extreme weather conditions on February 8, 9 and 27.
- Installed new high-tech Audio Visual system in Salon 103 which greatly adds value for our clients, as it allows for multiple uses and the ability to augment the system on a show by show basis if required.
- Commenced co-ordination with the Electrical Department for the re installation of the CNE Casino technical infrastructure that was removed last fall, allowing us the opportunity to reinstall from a fresh point with a goal of being able to achieve a much more organized network.
- Prepared for CRFA by re-assessing technical and staffing needs, in order to provide a reduction in cost to show management, and arranging to supply all equipment in-house through Technical Services.
- Coordinated with Event Services and Sportsmen's Show management to eliminate the need for bringing in an outside provider for Technical Services and equipment, which reduced costs for the client and allowed staff to better manage the delivery of services.
- Worked with Platinum Liquidations Inc., an approved vendor of the City, to remove various Exhibition Place inventory items that are no longer viable to maintain and are stored in potential revenue generating parking spaces.
- Planning installation of a Monarch Butterfly habitat on the west side of the Food Building.
- Craig Shepherd, Facility Coordinator, attended an intensive SMG Event Management Services training program held in Charleston, South Carolina, covering topics such as: Managing Client Relations, Upselling Opportunities, Pre/Post Convention Meeting Protocol, Contract Understanding/ Enforcement and Taking Ownership.

## EXcellence in Action

Yana Verbitskaia commented as follows in her Client Satisfaction Survey for the Canadian Olympic Committee event in Allstream Centre on January 17<sup>th</sup>: “we had a good experience working with Nancy and everyone else that assisted us”

Denise DeFlorio received an email dated January 30<sup>th</sup> from Alisia Apostolou, Alisia which read “Thanks so much for all of the well wishes and for all of your help with everything – it was a pleasure working with you!!”

Brittany Borger commented in her Client Satisfaction Survey on the service she received from Nancy Kloek and Renaté Fruhner for Franklin Covey in Allstream Centre on February 1<sup>st</sup>: “Nancy was a pleasure, as usual and helped with getting deliveries in a tricky situation” and “Renate was great and responsive!”

Julie Miller of Toronto’s Ultimate Travel Show on January 26<sup>th</sup> and 27<sup>th</sup> commented on Natalie Belman, Ellen de Boer and Mitzi Concha in her Client Satisfaction Survey. “Natalie and Ellen were both amazing to work with look forward to many more years at the DEC. Mitzi from catering was very kind and helpful on site. Natalie was especially helpful from the moment we met she was very knowledgeable with my many questions and always easy to get in touch with which was appreciated.”

As well, Julie Miller sent an email dated February 9<sup>th</sup> to Jim Lee which read “Thanks Jim, you and your team were great to work with look forward to many years of our show at the DEC!”

Arlene Campbell and Jeff Gay received an email dated February 8<sup>th</sup> from Jennifer Allaby of Toronto Sportsmen’s Show which read “On Wednesday evening a small fish tank at the Metro East Anglers booth broke and was spewing water everywhere. The following Exhibition Place employees came to my aid - they fixed the pump on the tank and filled the tank back up with water in order to save the fish - and cleaned up all the water that was everywhere in the booth and aisle. Left to my own devices - I would never have been able to fix the situation and most likely would have ended up electrocuted! I just wanted to make you aware that they went above and beyond the call of duty. Marty Carson, Chris Dean and Eric Hildebrandt”

Ms. Allaby’s also wrote the following comments in her Client Satisfaction Survey: “Centreplate management and staff were very attentive, eager to please and it was a pleasure working with Sandra, Ellie & Russell” and “I could not have executed this event to the level it was without Peter Jeffrey. His history with the event was invaluable to me as well as his sage advice. Peter was stellar through the many challenges we faced during the show and I am grateful for that. Alba Mercury was a delight and a huge help to me as well. Craig Shepherd was outstanding as well”

Marti Milks of National Bridal Show sent an email dated February 10<sup>th</sup> to Jim Lee to say “As always, it was a pleasure working with you guys. Thanks for everything.”

Tamer Mecky received an email dated February 28<sup>th</sup> from Mark Rochford which read “Thank you very much for organizing the tour of Exhibition Place facilities for Jorn, Naomi, and Hannah on Monday. The three of them were so pleased to be able to view the buildings, and very grateful for your time and assistance. We all appreciated that you were able to accommodate them at such short notice.”

Patti Stewart wrote in her Client Satisfaction Survey for Artist Project, which took place on February 21<sup>st</sup> to 24<sup>th</sup>, that “Ken Jattan was extremely knowledgeable and a pleasure to work with.”



Patricia Jenckes sent an email dated March 3<sup>rd</sup> to Kathy Treanor regarding her event, The New Rules of Backup and Data Protection, which took place on February 26<sup>th</sup>. “It was such a pleasure working with you and I cannot express how much I loved having our event at your conference center. I have told everyone how great it was to work with you and how we need to do all of our future Toronto events at the Allstream Centre”

Exhibition Place’s Recognition Committee received 86 staff nominations for the February/March period. The winners have not yet been chosen, but will be announced in the next Management Report to the Board.

## Centerplate

### Catering & Sales Department

During the month of February Exhibition Place and Centerplate had the pleasure of hosting a “Welcome Back Breakfast” for Toronto Sportsmen’s Show. Menu items included Freshly Squeezed Orange Juice Garnished with Sliced Blood Orange, Yogurt and Granola Parfaits Garnished with Berries & Sliced Banana topped with Mini Fruit Skewers, Eggs Benjamin with Ham served on Country Style Muffin with Lemon and Truffle Pesto, Turkey Bacon, Corn Beef Roesti Potato Hash served with Homemade Tomato Ketchup and Grilled Ontario Asparagus with Balsamic Reduction. On the last day of the show Centerplate served a Dinner Buffet to show office staff, which consisted of Greek Salad, Chicken and Vegetable Kebobs with Tzatziki, Vegetable, Rice and Roasted Potatoes.

February featured another large catered event, the Law Society of Upper Canada Exams. Centerplate served their favorite Breakfast and Lunch; they especially loved the Vegan Vegetable Barley served and requested it for their next visit. Catering experienced no issues for this event; guests were well taken care of and servers were well staffed in the function room and were constantly cleaning and replenishing. The client was happy with these services.

At the end of the exams a back-up at Coat Check resulted from a lack of proctor volunteers assisting, as they had in the past. Management staff from Centerplate and Direct Energy Centre stepped in to assist and Canada’s future lawyers were quickly on their way home.

### Retail Department

During the Toronto Sportsmen’s Show Centerplate opened some favourite stands for show management; Pulled Pork and Fish & Chips, Shawarma, and Pizza Pizza were best sellers. Pizza Pizza has expanded their menu to include Fries, Poutine, Meatball and Veal Sandwiches, Chili and Panzerotti. These have been welcome additions to the stand. The snow storm on February 8<sup>th</sup> and 9<sup>th</sup> resulted in 25-30 centimeters of snow and caused a drop in attendance and subsequent decline in anticipated food sales.

The Artist Project Show changed locations this year from the Queen Elizabeth Exhibit Hall to the Better Living Centre. Centerplate opened up a VIP Lounge within an Art Display as well as a Sit Down Restaurant and Exhibitor Lounge. Centerplate received great feedback on service and food quality in all locations, and specifically with regards to the Pasta Primavera and Pork Souvlaki served in the Bistro. The Smoked Salmon Wrap was a favorite in the Lounge area.

Centerplate anticipated that volume in the VIP Lounge would be similar to or lower than in 2012 due to the addition of the Bistro for 2013. Volume in fact increased at times in the VIP Lounge, so staffing was adjusted accordingly when necessary and efficient service was maintained.

## Cerise Fine Catering

The month of February allowed the Allstream Centre and Cerise Teams an opportunity to host a number of returning clients and enabled the rebooking of their future events.

Franklin Covey joined us on February 1<sup>st</sup> for a seminar series for seventy five delegates, for which all comments on the food and service were very favourable. Cerise is pleased to comment that they will be returning on April 15, 2013 for a VIP program with a more substantial food and beverage program for the duration of their events.

Canadian Marketing Associate held their Loyalty Conference with Allstream Centre on February 14<sup>th</sup>, and were delighted with the facility, its amenities and culinary offerings. As a result they have confirmed their CMA Direct Marketing Conference slated for this coming September.

Information Technology Association of Canada were welcomed by the Cerise Team on February 12<sup>th</sup>. This client commented that the one day event was especially complimented by the state of the art offerings for which Allstream Centre is becoming distinguished in the event community. We look forward to their return and execution of their first option basis contract for November 27, 2013.

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 two months ended February 28, 2013						
	Actual	Current Month Budget	Fav (Unfav) Variance	Actual	YTD Budget	Variance
	\$	\$	\$			
Event Income	1,730,177	1,638,970	91,207	\$ 4,217,801	\$ 4,433,048	\$ (215,247)
Direct Expenses	302,717	213,584	(89,133)	504,100	480,390	(23,710)
Indirect Expenses	2,330,047	2,532,996	202,949	4,550,103	4,989,647	439,544
<b>Operating Income (Loss) before building loan interest &amp; amortization and naming fees</b>	<b>(902,587)</b>	<b>(1,107,610)</b>	<b>205,023</b>	<b>(836,402)</b>	<b>(1,036,989)</b>	<b>200,587</b>
Interest expense - Allstream Centre	152,740	152,740	-	305,779	305,779	-
Amortization expense - Allstream Centre	129,216	129,216	-	258,432	258,432	-
<b>Operating Income (Loss) before naming fees</b>	<b>(1,184,543)</b>	<b>(1,389,566)</b>	<b>205,023</b>	<b>(1,400,613)</b>	<b>(1,601,200)</b>	<b>200,587</b>
Contribution from (to) Conference Centre Reserve Fund	481,551	249,422	232,129	642,876	555,655	87,221
<b>Net Income (Loss)</b>	<b>(702,992)</b>	<b>(1,140,144)</b>	<b>437,152</b>	<b>(757,737)</b>	<b>(1,045,545)</b>	<b>287,808</b>

(1) Operating Loss for the Board before interest on City loan, amortization of building improvements net of contribution from naming fees is (\$836,402) compared to a budgeted Operating Loss of (\$1,036,989) for a favourable variance of \$200,587.

(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  
FEBRUARY 2013 AND COMPARATIVES**

	MONTH			YTD			2012 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	5	4	1	9	6	3	12	-3
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	754,851	774,673	(19,822)	2,271,195	2,356,243	(85,048)	2,034,264	236,931
Ancillary Income	246,543	250,316	(3,773)	453,063	604,571	(151,508)	328,574	124,489
Advertising and Sponsorship	17,982	18,500	(518)	35,963	37,000	(1,037)	37,776	(1,813)
Rent-MLSE-Ricoh Coliseum	43,878	41,740	2,138	87,757	83,480	4,277	87,757	-
Naming Rights	101,666	101,666	-	203,333	203,333	-	203,333	-
Parking EP	483,892	278,900	204,992	1,043,650	862,900	180,750	806,461	237,189
Parking - BMO Events	12,464	-	12,464	12,464	-	12,464	12,353	111
Program Recoveries and Other	38,440	37,747	693	49,818	75,495	(25,677)	59,916	(10,098)
<b>Total Event Income</b>	<b>1,699,716</b>	<b>1,503,542</b>	<b>196,174</b>	<b>4,157,243</b>	<b>4,223,022</b>	<b>(65,779)</b>	<b>3,570,434</b>	<b>586,809</b>
Direct Expenses	294,838	216,678	(78,160)	494,221	463,970	(30,251)	440,039	54,182
Indirect Expenses	2,108,610	2,271,260	162,650	4,081,557	4,465,393	383,836	3,885,831	195,726
Naming Rights	101,666	101,666	-	203,333	203,333	-	203,333	-
<b>Total Event Expenses</b>	<b>2,505,114</b>	<b>2,589,604</b>	<b>84,490</b>	<b>4,779,111</b>	<b>5,132,696</b>	<b>353,585</b>	<b>4,529,203</b>	<b>249,908</b>
<b>Net Income (Loss)</b>	<b>(805,398)</b>	<b>(1,086,062)</b>	<b>280,664</b>	<b>(621,868)</b>	<b>(909,674)</b>	<b>287,806</b>	<b>(958,769)</b>	<b>336,901</b>

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

	MONTH			YTD			2012 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	5	[Note 1]	-	9	[Note 1]	-	14	(5)
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	2,992	71,201	(68,209)	28,366	99,774	(71,408)	260,034	(257,042)
Ancillary Income	22,801	56,794	(33,993)	26,790	96,625	(69,835)	121,846	(99,045)
Parking Revenue	4,668	7,433	(2,765)	5,402	13,627	(8,225)	22,174	(17,506)
<b>Total Event Income</b>	<b>30,461</b>	<b>135,428</b>	<b>(104,967)</b>	<b>60,558</b>	<b>210,026</b>	<b>(149,468)</b>	<b>404,054</b>	<b>(373,593)</b>
Direct Expenses	7,879	(3,094)	(10,973)	9,879	16,420	6,541	31,958	24,079
Indirect Expenses	119,771	160,070	40,299	265,213	320,921	55,708	278,314	158,543
<b>Total Event Expenses</b>	<b>127,650</b>	<b>156,976</b>	<b>29,326</b>	<b>275,092</b>	<b>337,341</b>	<b>62,249</b>	<b>310,272</b>	<b>182,622</b>
<b>Operating Income (Loss) before building loan interest &amp; amortization and naming fees</b>	<b>(97,189)</b>	<b>(21,548)</b>	<b>(75,641)</b>	<b>(214,534)</b>	<b>(127,315)</b>	<b>(87,219)</b>	<b>93,782</b>	<b>(190,971)</b>
Interest expense	152,740	152,740	-	305,779	305,779	-	313,098	160,358
Amortization expense	129,216	129,216	-	258,432	258,432	-	258,432	129,216
<b>Operating Income (Loss) before naming fees</b>	<b>(379,145)</b>	<b>(303,504)</b>	<b>(75,641)</b>	<b>(778,745)</b>	<b>(691,526)</b>	<b>(87,219)</b>	<b>(477,748)</b>	<b>98,603</b>
Contribution from Conference Centre Reserve Fund	481,551	249,420	232,131	642,876	555,657	87,221	333,880	147,671
<b>Net Income (Loss) before transfers</b>	<b>102,406</b>	<b>(54,084)</b>	<b>156,490</b>	<b>(135,869)</b>	<b>(135,869)</b>	<b>0</b>	<b>(143,868)</b>	<b>246,274</b>

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 TWO MONTHS ENDED FEBRUARY 28, 2013**

**DIRECT ENERGY CENTRE**

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	25,680	149,180	107,925

<u>EVENT</u>	(NOTE 1) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT PER CAP'S ACTUAL
	2013	2012	2011	ACTUAL	BUDGET	
	#	#	#	\$ (IN '000'S)	\$ (IN '000'S)	\$ (IN '000'S)
Consumers Show	4	2	2	1,485	1,298	4.64
Trade Show	-	-	1	18	-	-
Exam	1	-	-	20	-	-
Photo/Film Shoot	-	-	-	-	-	-
Meeting/Corporate	-	2	3	-	-	-
	<u>5</u>	<u>4</u>	<u>6</u>	<u>1,522</u>	<u>1,298</u>	<u>5</u>

**ALLSTREAM CENTRE**

<u>EVENT</u>	(NOTE 4) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME
	2013	2012	2011	ACTUAL
	#	#	#	\$ (IN '000'S)
Gala	-	-	-	-
Conference	4	1	2	17
Reception	-	-	-	-
Meeting	5	4	2	10
Exam	-	2	1	-
	<u>9</u>	<u>7</u>	<u>5</u>	<u>27</u>

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 - FEBRUARY 2013  
GREATER THAN \$50,000**

Cheque No	Date		Amount	Description
			\$	
	2/05/13	ADP CANADA	382,344.24	SALARY PAYROLL
	2/06/13	ADP CANADA	161,597.35	HOURLY PAYROLL
	2/13/13	ADP CANADA	188,533.05	HOURLY PAYROLL
	2/19/13	ADP CANADA	382,217.33	SALARY PAYROLL
	2/20/13	ADP CANADA	171,453.79	HOURLY PAYROLL
	2/27/13	ADP CANADA	152,806.19	HOURLY PAYROLL
9648	2/05/13	ENBRIDGE	55,515.22	GAS FOR JANUARY 2013
9672	2/07/13	LAURIE MCCULLOCH BUILDING MOVING	58,082.00	TO RELOCATE "NED HANLAN"
9777	2/22/13	CORFLEX INC.	65,809.60	CAPITAL WORKS - MAINTENANCE OPERABLE PARTITION
9738	2/21/13	ENBRIDGE	68,764.03	GAS FOR JANUARY 2013
9676	2/15/13	CITY OF TORONTO	89,970.37	PREMIUM FOR DENTAL LIFE FOR JANUARY 2013
9643	2/05/13	CITY OF TORONTO	154,120.70	LEGAL & CEO SALARY 4th QUARTER
9635	2/01/13	TREASURER CITY OF TORONTO	184,072.28	2013 PROPERTY TAX
9775	2/26/13	OMERS	186,588.00	JANUARY 2013 REMITTANCE
9776	2/22/13	CANADA CUSTOMS AND REVENUE	191,501.72	H.S.T. REMITTANCE FOR JANUARY 2013
9634	2/28/13	CITY OF TORONTO	222,689.97	MARCH 2013 LOAN PAYMENT- ALLSTREAM CENTRE
9780	2/28/13	TORONTO HYDRO	309,426.10	HYDRO JANUARY 2013
9645	2/05/13	CITY OF TORONTO	571,765.27	WATER FOR 2012
		<b>DISBURSEMENTS OVER \$50,000</b>	<b>3,597,257.21</b>	
		<b>OTHER DISBURSEMENTS</b>	<b>801,724.51</b>	
		<b>TOTAL DISBURSEMENT</b>	<b><u>4,398,981.72</u></b>	

**BOARD OF GOVERNORS OF EXHIBITION PLACE  
BALANCE SHEET  
AS AT FEBRUARY 28, 2013**

	<u>February 2013</u>	<u>February 2013</u>
<b>FINANCIAL ASSETS</b>		
CASH AND SHORT-TERM INVESTMENTS	\$ 5,791,409	\$ 6,072,677
ACCOUNTS RECEIVABLE - NET	4,388,565	6,076,880
OTHER RECEIVABLE	1,591,528	3,394,925
RECEIVABLE FROM THE CITY OF TORONTO - PSAB	7,373,263	7,373,263
<b>TOTAL FINANCIAL ASSETS</b>	<b><u>19,144,764</u></b>	<b><u>22,917,745</u></b>
<b>LIABILITIES</b>		
ACCOUNTS PAYABLES AND ACCRUED LIABILITIES	3,736,666	6,042,415
PROVINCIAL AND FEDERAL SALES TAX PAYABLE	251,901	148,003
DEFERRED REVENUE	7,505,577	8,077,774
OTHER LIABILITIES	1,187,754	1,293,961
EMPLOYEE BENEFITS PAYABLE - PSAB	9,004,270	8,607,046
LOAN PAYABLE - ERP PROJECTS	7,200,660	7,655,251
LOAN PAYABLE- FCM CAPITAL ASSET	1,760,244	1,843,415
LOAN PAYABLE- CONFERENCE CENTRE ASSET	36,349,528	37,210,832
GOVERNMENT ASSISTANCE	1,621,635	1,764,962
NET INCOME (LOSS) CURRENT	(757,737)	(1,102,637)
SURPLUS/(DEFICIT)	(2,261,972)	293,226
<b>TOTAL LIABILITIES</b>	<b><u>65,598,526</u></b>	<b><u>71,864,249</u></b>
<b>NET DEBT</b>	<b><u>(46,453,761)</u></b>	<b><u>(48,946,504)</u></b>
<b>NON-FINANCIAL ASSETS</b>		
INVENTORIES	79,242	86,856
PREPAID EXPENSES	285,641	182,459
RENT RECEIVABLE (STEP UP LEASE)	1,278,500	1,273,331
EQUIPMENT - NET	44,810,377	47,403,859
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b><u>46,453,761</u></b>	<b><u>48,946,504</u></b>



## Summary of Sole Source Commitment Activity by Reason - January 30, to March 20, 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 January 30 to March 20 total is \$67,562.70. The percentage of dollar value of sole source purchasing activity for goods and services compared to the total purchasing expenditures of \$1,024,106.26 is 6.6% for this period. The revised annual percentage year to date is 5.6% on purchasing expenditures of \$1,587,164.70.

### 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	\$ 29,154.00
Bridging Contract	1	1	\$ 4,520.00
Proprietary/Trademark/Patent	1	1	\$ 9,887.50
Health & Safety Issues	0	0	\$ -
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	\$ -
<b>Total</b>	<b>3</b>	<b>3</b>	<b>\$ 43,561.50</b>

### CNE Program

Reason for Sole Source	Number of Commitments	Number of Suppliers	Total Value
Match Existing Equipment/Service	0	0	\$ -
Specialized Services	2	2	\$ 24,001.20
Ensure Warranty Maintenance	0	0	\$ -
Emergency	0	0	\$ -
Time Constraints	0	0	\$ -
Bridging Contract	0	0	\$ -
Proprietary/Trademark/Patent	0	0	\$ -
Health & Safety Issues	0	0	\$ -
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	\$ -
<b>Total</b>	<b>2</b>	<b>2</b>	<b>\$ 24,001.20</b>

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