



Exhibition Place

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Management Report  
August 31, 2012

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## Executive Summary

- Combined Operating (Loss) for Exhibition Place and Allstream Centre for the eight months ending August 31, 2012 before net naming fees, building loan interest and amortization expense for the Allstream Centre was (\$3,318,997) compared to a budget loss of (\$4,631,622) for a favourable variance of \$1,312,625.
- Net Income (loss) for Exhibition Place and Direct Energy Centre for the eight months ending August 31, 2012 was (\$3,740,245) compared to a budget loss of (\$4,465,760) for a favourable variance of \$725,515 primarily due to lower utilities, lower grounds maintenance due to minimal snow, warmer weather and building operating costs.
- Operating Income before interest and amortization expense for Allstream Centre for the eight months ending August 31, 2012 was \$421,248 compared to an Operating Budget Loss budget of (\$165,862) for a favourable variance of \$587,110.
- In July and August the Sales & Marketing team secured 27 new events for Exhibition Place, including the 2014 International Conference in Residency Education.
- As of August 31, 2012 Exhibition Place staff have serviced 195 events compared to 130 in 2011 and 107 in 2010. In addition staff continue to support the tenant events on the grounds and the public's use of the parkland.
- Facility Services in cooperation with Health & Safety provided orientations and work assignment training for approximately 500 new workers in preparation for the CNE.
- Exhibition Place's Recognition Committee received a phenomenal 100 staff nominations for the June/July period.

## August 2012 Financials for Exhibition Place and Allstream Centre

**Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the eight months ending August 31, 2012 before net naming fees, building loan interest and amortization expense for the Allstream Centre was (\$3,318,997) compared to a budget (loss) of (\$4,631,622) for a favourable variance of \$1,312,625.**

### Exhibition Place

Net Income (loss) for Exhibition Place and Direct Energy Centre for the eight months ending August 31, was (\$3,740,245) compared to a budget (loss) of (\$4,465,760) for a favourable variance of \$725,515 primarily due to lower utilities, lower grounds maintenance due to minimal snow, warmer weather and building operating costs.

- Rental income from events of \$5,407,859 is favourable to budget by \$74,046. .
- Electrical net services of \$766,754 are unfavourable to budget by (\$2,655).
- Food & Beverage concessions of \$480,762 are unfavourable to budget by (\$104,582) primarily due to less than budgeted corporate events.
- Telecommunications net services of \$260,496 are unfavourable to budget by (\$1,630).
- Show services from third party billings at \$2,649,422 are favourable to budget by \$215,687 with corresponding increase in related show expenses of \$212,052 for a net favourable variance of \$3,636 primarily due higher than budgeted costs from some of the larger events such as CFA Exam.
- Parking revenues at \$4,122,302 are favourable to budget by \$63,526 primarily due to higher than budgeted Ricoh attendance at Marlies Games and higher than budgeted BMO Field parking as all TFC games in July and August were at a higher parking rate. Parking expenses are unfavourable to

budget by (\$130,774) to reflect additional revenue stream and installation of new credit card software for a total net unfavourable variance after expenses of (\$67,248).

- Tenant revenues for rent and services at \$1,850,670 are favourable to budget by \$207,804 gross, primarily due to higher than budgeted show services from Queen Elizabeth Theatre, Medieval Times and Liberty Grand. Tenant show services expenses are unfavourable to budget by (\$199,187) to reflect the increase in revenue for a net favourable variance of \$8,616.
- Program recoveries and interest income at \$258,064 is unfavourable to budget by (\$53,156) primarily due to lower than budgeted interest income and an net unfavourable variance from BMO Field and Ricoh Coliseum recoveries due to lower services.
- Advertising and Sponsorship revenue within the Direct Energy Centre at \$145,791 is unfavourable to budget by (\$7,253).
- Direct and indirect expenses at \$19,472,579 are favourable to budget by \$501,588 primarily due to lower utilities due to the energy savings initiatives and warmer weather, lower operational maintenance costs and timing of marketing and sales expenditures. 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 - 2012 Year to date Combined Operating Income results for Allstream Centre and Exhibition Place for the eight months ending August 31, 2012 before interest expense and naming rights are higher than the corresponding period in 2011 due to budget timing of new events and additional energy savings due to warmer weather year over year.

Direct Energy Centre accounts receivable as at August 31, 2012 was \$1,187,928 consisting primarily of:

- \$772,540 owed as contractual deposits for future events of which \$471,414 (61%) has been received after August 31, 2012.
- \$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.
- \$140,299 owed for sponsorship arrangements of which \$29,663 (21%) has been received after August 31, 2012.
- \$85,935 for services on completed events of which nil has been received after August 31, 2012.

Exhibition Place accounts receivable as at August 31, 2012 was \$2,080,100 consisting primarily of:

- \$863,031 owed by tenants of which \$117,142 (4%) has been received after August 31, 2012.
- \$554,308 owed for naming fees.
- \$182,396 owed by BMO Field for payroll costs of which nil have been received after August 31, 2012.
- \$89,873 for show services on completed events of which \$200 has been received after August 31, 2012.

### Allstream Centre

Operating Income before interest and amortization expense for Allstream Centre for the eight months ending August 31, 2012 was \$421,248 compared to a budget loss of (\$165,862) for a favourable variance of \$587,110.

- Rental income was \$947,490 compared to a budget of \$504,269 for a favourable variance of \$443,221 primarily due to new events.

- Food & Beverage concessions of \$463,274 are favourable to budget by \$84,909 primarily due to new business.
- Show services from third party billings at \$592,963 are unfavourable to budget by (\$54,463) primarily due to additional costs to deliver show services.
- Direct and indirect expenses at \$1,294,365 are favourable to budget by \$24,991 primarily due to lower PMD show costs, lower utilities due to the energy savings initiatives and lower operational maintenance costs and timing of marketing and sales expenditures. 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, 2012 was \$63,357 consisting primarily of:

- \$40,178 owed as contractual deposits for future events, of which nil (\$0) has been received as of August 31, 2012.
- \$3,952 for services on completed events.
- \$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

### July/August Sales Effort

During this period, the Sales & Marketing team secured 27 new events for Exhibition Place. The events are categorized as follows:

- 17 meetings & conventions
- 5 trade and consumer shows
- 3 film/photo shoots
- 2 other

### July/August Sales Summary

New events held during this time period included “Alpha’s” Season II Film shoot, “Suits” TV series, GEP Productions Inc., Lan Le Wedding Photo Shoot, Toronto Triathlon Festival, Kotsirilos Wedding Photos, and Softchoice Meeting.

### Business Travel

Don Leddy and Stephanie Lander attended the CSAE Trillium Summer Summit in Collingwood on July 12<sup>th</sup> and 13<sup>th</sup>. This event provides professional development and networking opportunities. Attendance reached an all-time high of 200 delegates, with over 50% of the attendees being from the Association, Charity and Not-for-profit sectors. The Summer Summit allows existing and potential members to come together to enhance their skills through professional development sessions, networking, and enjoying the camaraderie of their peers. This one and a half day program involves multi-speaker panels, concurrent and plenary sessions.

On July 28<sup>th</sup> to 30<sup>th</sup>, Geoff Mak attended Meeting Professionals International’s World Education Conference. It is the largest gathering of meeting professionals for education and is attended by approximately 2200 industry professionals. Throughout the course of the conference, Geoff networked and met with many potential clients that have resulted in multiple leads and business opportunities for Exhibition Place.

Arlene Campbell and Laura Purdy attended the SISO Executive Forum from August 13<sup>th</sup> to 15<sup>th</sup> in Chicago. While there, they met with SMG's SVP Business Development and the GM of McCormick Place to discuss operational synergies in managing large convention centers, the recent labour and work rule reforms that McCormick Place and their governing body, **Metropolitan Pier and Exposition Authority (MPEA)**, undertook to improve work rules and jurisdiction for exhibitors and show management, the expansion of the adjacent Hyatt Regency McCormick Place hotel property and the relationship between the hotel and convention centre. The meeting included a tour of the 2.6 million square foot convention centre and the food service areas.

Barbara Outschoorn attended the Ottawa Canadian Associations Sales Mission and Client Event on August 13<sup>th</sup> to 15<sup>th</sup>. The team, which included various members from Toronto, participated in sales calls with Association meeting planners and attended the MPI Ottawa Annual Golf Tournament and dinner. In addition, a final client event was hosted by Team Toronto with a number of Association representatives in attendance.

All seven Account Executives joined hundreds of national and international suppliers to showcase their services and products to Canadian meeting planners at the 20th annual Incentive-Works show on August 21<sup>st</sup> and 22<sup>nd</sup>. The education component of the event included keynote sessions and workshops discussing new trends and best practices from across the country. The tradeshow component was a great opportunity to showcase Allstream Centre to prospecting meeting planners and to connect with existing clients; more than 122 meeting planners visited Allstream Centre booth!

On August 23<sup>rd</sup> to 25<sup>th</sup> Tamer Mecky attended the Canadian regional meeting of FICP "Financial & Insurance Conference planners" where 60 meeting planners met with selected 60 hospitality partners over 3 days in Niagara Falls. This conference marks one of the best ratios in the meeting industry "planners vs. hospitality partners." Attendance at this conference is by invitation only, and hospitality partners attending this conference are considered to be pre-qualified to deliver excellent customer service and top of the line products. The Conference provided valuable educational sessions and networking opportunities for FICP planner members and hospitality partners.

## Publicity

### Direct Energy Centre

- News Report during this period included **36** hits for Direct Energy Centre. Stories included: National Urban Design Awards; Electric Vehicle Charging Station; INDEX/Neocon; Canadian Wireless Tradeshow; Canada Blooms
- Direct Energy Centre was included in the 2012 SMG Guide to Convention & Exposition Venues
- Article titled "Direct Energy Centre Introduces First Electric Vehicle Charging Station" was featured in the July 17 issue of Canadian Environmental Protection.

### Allstream Centre

- News Report during this period included **11** hits for Allstream Centre. Stories included: Things to do; Travel Bloggers - TBEX
- A full page Allstream Centre feature titled "Karl Rove and Friends Duke it out for a Cause" appeared in the August issue of Toronto Life. The article discussed the Friends of Simon Wiesenthal event held on May 29
- The Marketing Department produced a press release titled "Allstream Centre Wins Prestigious Global Medical Conference for 2014"

- An article ran in GMI Portal (formerly conworld.net) on the August press release.

### Exhibition Place

- News Reports for this period include **136** hits for Exhibition Place. Stories Included: Things to do; Wind Turbines; Casino; HK Hotels; Toronto Caribbean Festival; Pan Am Games; Honda Indy; CHIN Picnic; Festival of Beer; Canadian National Exhibition; Ontario Place
- Marketing Department produced a press release titled “Exhibition Place Responds to John Tory Ontario Place Report” on July 26
- Marketing Department produced a press release titled “Exhibition Place Approves Agreement with IATSE 58” on August 23

### Twitter Mentions

- Total number of mentions for Exhibition Place, Direct Energy Centre and Allstream Centre on social media Twitter Feed is: **986**

### Media Release

- A media release was distributed on August 15, 2012, to inform that Allstream Centre at Exhibition Place has successfully secured the 2014 International Conference in Residency Education. ICRE is a global forum organized by the Royal College of Physicians and Surgeons of Canada and will take place from October 23-25, 2014.

## Event Management Services

During the months of July and August 2012, Event and Meeting Co-ordinators and Exhibitor Services staff at Exhibition Place, Direct Energy Centre and Allstream Centre were involved in the following events:

JULY	
Exhibitions/Meetings/Conventions/Corporate Events	
<ul style="list-style-type: none"> <li>▪ Scotiabank CHIN Picnic</li> <li>▪ Honda Indy</li> <li>▪ Urban Fellow Session (AC)</li> <li>▪ Alphas Season One Film Shoot</li> </ul>	<ul style="list-style-type: none"> <li>▪ “Suits” TV Film Shoot</li> <li>▪ Toronto Triathlon Festival</li> <li>▪ Toronto’s Festival of Beer</li> <li>▪ Softchoice Meeting (AC)</li> </ul>
AUGUST	
Exhibitions/Meetings/Conventions/Corporate Events	
<ul style="list-style-type: none"> <li>▪ Scotiabank Toronto Caribbean Carnival</li> </ul>	<ul style="list-style-type: none"> <li>▪ Canadian National Exhibition</li> </ul>

### Event Services

This year show management for the Scotiabank CHIN Picnic as well as the Scotiabank Toronto Caribbean Carnival were responsible for the first time for all concession management. Both events were successful. A centralized security post was set up for the Caribbean Carnival so that all security providers could work in cooperation from a central command post. Road closures and security will be refined and re-organized for 2013.

The Ministry of Labour attended during the move-in of the Honda Indy. A number of road closures to accommodate construction and installation of the Skyride caused some inconvenience to patrons. Show

Management for Toronto's Festival of Beer and our staff worked diligently together to ensure that numerous late orders for electrical, last minute cleaning and labour calls were handled promptly. The portion of the Toronto Triathlon Festival that took place on Exhibition Place grounds was very well organized.

Meeting and site visits are becoming more frequent with the Toronto 2015 PanAm and Parapan Am Games organizing team.

### Exhibitor Services

During the month of July Exhibitor Services completed the Exhibition Place and Allstream Centre Inventory. Earlier this year a lot of electrical wiring upgrades were done on the vendor booths in the Food Building in preparation for the CNE. In addition, staff have been preparing for September events.

### Allstream Centre

Allstream Centre hosted the Honda Indy Media Centre and a Softchoice meeting in July and the building was closed for maintenance throughout the CNE in August. At this time the meeting coordination team is planning for the extremely busy fall season.

### Parking

During the month of July and the first half of August, most parking activity was generated from on-site festivals and sporting events (Honda Indy, CHIN Picnic, Festival of Beer, Caribbean Carnival and BMO Field), and from overflow parking for concerts at Ontario Place.

During the second half of August the Parking Department added 20 student employees to provide parking support to the annual CNE, as temporary lots such as Marilyn Bell Park and the Gore lot are put into regular use. All supervisory staff received updated Customer Service training prior to the CNE.

## Telecommunications

Telecommunications/IT deployed a significant amount of technology specifically for the annual CNE, including ticket gate connectivity, telephony, customer software, computer access, as well as a CCTV (Closed Circuit Television) security system across the campus.

Telecommunications/IT used the recently deployed outdoor WIFI infrastructure to provide an open wireless internet service for patrons of the 2012 Canadian National Exhibition. The SSID (Service Set Identifier) "CNE2012" was publicly broadcast across the campus, providing no charge access for CNE visitors to high speed WIFI. Daily usage statistics indicate that between 3,000 and 5,000 users connected to this service daily. This service augments internet capability for users that already possess cellular internet capable devices, as well as providing access to WIFI only capable users. The technology worked flawlessly for the duration of the event.

In anticipation of the significant increase in hourly staff during the CNE, Telecommunication/IT deployed additional time clocks to augment the standard compliment. In order to keep costs down, IT developed both a photo ID and badge generation system that would allow employees without the more costly conventional RFID (Radio Frequency ID) [used by permanent staff] to utilize the automated time management system. Badges were designed that utilized simple, yet secure bar codes that could be printed using existing hardware. The cleaning department had over 600 staff using these badges for collecting summer staff time shift information with very few problems. Each of these users also used the same biometric hand scan technology that validates permanent staff.

# Building Operations

## Maintenance

- Performed the Preventative Maintenance Program work orders for Direct Energy Centre
- Made repairs to Direct Energy Centre northeast roof trough and to roll up doors 18, 33, and 45
- Performed paint touch ups throughout the building and repaired the Galleria outside deck & surrounding sidewalk
- Performed sundry maintenance jobs during the Honda Indy Move in and Move out
- Performed sundry maintenance jobs during the CNE Move in & event

## Electrical

- Reset power to plumbing water trap solenoids
- Fixed paint mixer in RAWF lobby paint storage
- Investigated recertification of Carma metering
- Replaced motor of the exhaust fan in the IT offices washroom
- Replaced broken lens East Annex and Industry Buildings light fixture
- Checked East Annex freezers to confirm that they are fed from metered service in the Kitchen
- Fixed power issues to Direct Energy Centre east underground exit arm and fixed loosed selector switch for East Parking Garage roll up door
- Checked Parking Garage arms for operation during the Canadian National Exhibition
- Fixed light switches in the Marketing offices and replaced burnt out lamps in the Heritage Court Canopy, East loading dock, IT offices and swing space/north end of Hall B
- Exhaust fan 74 in the chiller room not working. Fan has been rewired to be activated by the Freon monitoring system

## Facility Services

The Facility team had a very busy July and August, planning and overseeing the delivery of services for CHIN Picnic, Honda Indy, Festival of Beer and the CNE. Each event had a challenging turnover and again our team came through with great results. We also provided Cleaning, Labour and Technical Services for six soccer games that were scheduled during these events. The following maintenance projects and operational activities were completed or are on-going:

- Provided orientations and work assignment training for approximately 500 new workers in preparation for the CNE, with the assistance of our Health & Safety representative.
- Nominated many young workers through the CNE recognition program and had many prize winners, which exemplified the excellent service we had provided.
- Conducted a major floor cleaning in the Casino and Food Building including cleaning the carpeting in the casino VIP room in preparation for the CNE.
- Conducted a grounds wide trip hazard audit which was given to all pertinent departments and rectified all landscaping hazards prior to CNE.
- Installed CNE Casino Surveillance system, also integrating new elements to expand functionality.
- Received 100 stainless steel three-stream waste receptacles from Core Media, a CNE sponsor, to assist in our waste diversion efforts.
- Continue to reduce waste in compliance with Ontario Regulation 102/94 of the Environmental Act.
- Submitted a detailed waste report to the Recycling Council of Ontario to gain entry to their Waste Minimization Awards Program.



- In the process of completing a very detailed waste study for the Recycling Council of Ontario with a goal to attaining 3R Certification in the Direct Energy Centre by the end of 2012.
- Submitted a green cleaning plan for Allstream Centre which assisted us in gaining LEED Silver accreditation.
- Created a LEED smoking policy for Direct Energy Centre and have installed new smoke ashtrays and signage at the designated areas.
- Successfully hosted a community electronic waste day on July 14 in conjunction with our waste partners and the Liberty Village community.
- Consolidated technical equipment through recycling efforts and downsized storage requirements.
- Purchased 12 four-stream waste receptacles which are now being used throughout the Galleria in the Direct Energy Centre.
- Completed a tree audit/assessment for all trees on Exhibition Place grounds which involved recommendations for 113 trees and removal of 14 tree stumps to eliminate trip hazard.
- Ordered 2,000ft. of privacy scrim which was installed on fencing along the Go Station platform and TTC streetcar loop to obscure our back-of-house work areas from are visitors.
- Washed down front exterior of Princes' Gates, washed/disinfected both floors of the Horse Palace in preparation for the CNE horse show, pressure washed all monument fountains grounds-wide.
- Continue to complete and document weekly maintenance of the children's playground in Centennial Square Park.
- Installed an 8x50ft. brick mesh banner to disguise graffiti on a wall at the Dufferin Street entrance
- Purchased over 100 tons of cedar-mulch used to maintain soft landscaping hazards and beautify our gardens and tree bases, and worked with Parks & Recreation to ensure our many gardens and landscaped areas were in the best possible condition for the CNE.
- Installed new flags in many locations throughout the grounds in preparation for CNE.
- Completed carpet cleaning in Press Building, Queen Elizabeth Building, General Services offices.
- Installed many new plantings and provided extensive maintenance to Living Wall
- Continue to assist Capital Works with recommendations for washroom components that will be used in the Direct Energy Centre washroom renovation project.
- Completed 6 show safety audits with hazard assessments and followed up on any concerns
- Conducted major turnovers at Ricoh Coliseum in preparation for CNE horse show and skating show.
- Managed technical (IATSE) staff throughout the CNE with new programming elements such as the Princess Gates Stage.
- Completed a comprehensive inventory of all technical assets moving forward.
- Purchased four new wireless microphones kits in anticipation of new Frequencies laws coming into effect shortly.

## Records and Archives

The Records & Archives department prepared and hosted an exhibit for the CNE entitled "Battleground CNE! The Military History of the Grounds, War of 1812 to the Second World War." Very few people know that Exhibition Place, and the land on which it is situated, has played an integral and distinguished part in Canadian military history. Exhibition Place is the site of one of the bloodiest battles of the War of 1812, home to both a French and British fort (Fort Rouillé and Stanley Barracks) and host to large military encampments during the First and Second World Wars. The Archives exhibit explored the impact war has had on the exhibition grounds, with a special focus on the War of 1812, which marks its 200<sup>th</sup> anniversary in 2012.

Records & Archives is also conducting haunted walking tours again this autumn (each Friday starting September 14 until October 26). The cost is \$20 per person with all revenue going to the purchase of conservation supplies for the Archives. The tours are very popular and attract 50 to 200 people per walk, depending on the weather.

## EXcellence in Action

Robert Rosset from Liberty Grand sent an email dated July 4<sup>th</sup> to Jim MacGregor, David Lyew and Ron Kostick to say “Many, many thanks for everyone’s help and support this past weekend regarding the CHIN Picnic and Liberty Grand’s wedding ceremony times. Everything worked perfectly again this year and we really do appreciate everyone’s help & support during those short but critical afternoon times on Saturday & Sunday”

Denise DeFlorio received an email dated July 12<sup>th</sup> regarding the Honda Indy from Paul Vaillancourt of Torchia Communications “Just a quick note to say thank you for everything this weekend. As usual it was a pleasure, and an honour, to work with you, Nancy and all the regular AV guys last weekend. Must say it is fun to work with your group. The rooms were perfect...”

Rita Plasket of Ignite Business Event Expo wrote on her Client Satisfaction Survey that their “Experience at Direct Energy was excellent” and “This was the most exceptional convention centre food I have experienced in any centre across Canada. Robert, Sandra, Mitzy and the team were outstanding. Excellent team. Chef was the most approachable and engaged Chef I have had the pleasure of working with and the results were evident in the quality of the food served. Participants raved about the food. Set up issues from day one were addressed immediately for the second day. Excellent team response.”

Exhibition Place’s Recognition Committee received 100 staff nominations for the June/July period. Following are the winners:

	June/July Winners
<b>Corporate Sec./Parking/Press Bldg.</b>	Candice McCavitt, Assistant Exhibits Coordinator
<b>QE</b>	Samantha Farr, Administrative Assistant/Security and OH&S.
<b>Cleaning</b>	Doug Ardron, Cleaner
<b>DEC</b>	Peter Petsopoulos, Labourer
<b>Operations</b>	Angela Negut, Administrative Assistant/Director of Operations

## Centerplate

### Catering & Sales Department

#### July

Centerplate’s suite menu for the Honda Indy focused on local Ontario and homemade foods. Fan favorites included a creamy Pommery Mustard New Red Skin Potato Salad, a 2-Foot Long Muffaletta Sub with traditional Olive Mix and a variety of Ontario Deli Meats, and Chef Suman’s signature Hand-made 10 Ounce Hamburger with Ontario Grain-Fed Beef. Israeli Couscous and Quinoa Salad featured Prince Edward County Grape Tomatoes and Cucumber, Pine Nuts, Apricots, Red Onion, Cumin, Olives, Red Peppers and Raspberry Dressing. Tender Slow-Braised Beef Short Ribs were served with Yukon Gold and

Sweet Potato Marble Mash, and a Grilled Antipasto Platter featured Local Seasonal Vegetables, Niagara Cheeses and Ontario Meats. Honda Indy Toronto Red Velvet Cupcakes were a special race day treat!

Centerplate once again served food and beverage for Ferrari in their 300 person suite. Breakfast offerings included Frittata with Roasted Red Peppers, Grape Tomatoes and Asiago, Cosmo Fruit Salad, Yogurt with Granola and an assortment of Biscotti, Cannoli, Amaretti and Cornetti. Lunch featured a Charcuterie and Antipasti Bar including Seafood and an Arugula Salad with Parmigiano Reggiano and Balsamic, Bucatini all'Amatriciana with Pancetta, Onions, Hot Peppers and Pecorino and Veal Scallopini with a Tomato-Caper Sauce.

The client was extremely happy and looks forward to working with Centerplate again next year.

### **August**

Centerplate served breakfast at the CNE Opening Reception in Café Soleil or upwards of 400 people. Offerings included Eggs Benedict, Eggs Florentine, Scrambled Eggs, Home Fries with Homemade Tomato Ketchup, English Breakfast Sausage, English Muffins with Grilled Sliced Tomatoes, Assorted Baked Goods and Sliced Fresh Fruit. Guests enjoyed the food and reported that they look forward to this breakfast every year!

Centerplate once again hosted a number of receptions up on Direct Energy Centre's rooftop patio. Tents were setup with a barbecue and cruiser tables and guests enjoyed a variety of different finger foods including Brie Wheel wrapped in Phyllo with Cinnamon and Honey, baked Golden Brown and served with Raisin Toast, Grilled Beef Skewers served with Niagara Peach Chutney, mini Lamb Kebab's served with Mint Raita, Pulled Chicken Lollipops glazed with BBQ sauce, Chicken Wings, Vegetarian Quesadilla Triangles served with melted Mozzarella, Sour Cream and Salsa, mini Corn Dogs, mini Hot Dogs and Jalapeno & Corn Fritters.

### **Retail Department**

#### **July**

In the retail department, Centerplate ran a Beer Garden and all of the hawking in the grandstands. New features for 2012 included a Streets of Toronto Food Court including many city Food Trucks and Restaurateur favorites capturing the local Toronto flair. Smokes Poutinery, Burrito Boyz, Hank Daddy, Beaver Tails, Candy World, Gourmet Burger Co, Crepe DeLicious and Country Prime were some fan favorites.

Centerplate also partnered with Muskoka Brewery and Amsterdam Brewery to add a Craft Beer experience to the event. This year and for the first time in Honda Indy Toronto's history the race had a fully licensed site.

#### **August**

During the Canadian National Exhibition Centerplate opened up a beer garden outside of Direct Energy Centre. Fair food on offer included Deep Fried Peanut Butter and Jam Sandwiches, Deep Fried Bacon and Cheese Sandwiches, Deep Fried Mac 'n Cheese Wedges and Fried Cereal with Marshmallow Batter.

This year during the Food Truck Frenzy from August 24-26<sup>th</sup> Centerplate opened a patio in front of all of the mobile food vendors so guests could enjoy a beer while eating some of their favorite Toronto street treats!

## **Cerise Fine Catering**

July roared in with the return of the Honda Indy, where Media enjoyed a simple yet tasty luncheon daily. Their favourite menu item was our homemade hamburgers with all the trimmings. At this year's race, Laxton Glass LLP and CGI ISMC Inc. experienced Allstream Centre for the first time. Later that month, Softchoice Corporation returned for another day of meetings with an array of delicious food throughout the day. Staff utilized CNE time to prepare for the busy fall and winter ahead.

Submitted by:

Submitted by:

Arlene Campbell  
General Manager, Sales & Events

Dianne Young  
CEO, Exhibition Place

## APPENDIX 'A'

### Combined Exhibition Place and Allstream Centre Financial Summary

	Statement Of Operations Highlights For the eight months ended August 31, 2012					
	Actual	Current Month Budget	Variance	Actual	YTD Budget	Variance
Event Income (note 3)	\$ 997,000	\$ 799,615	\$ 197,385	\$ 17,447,947	\$ 16,661,901	\$ 786,046
Direct Expenses	341,744	148,249	(193,495)	2,402,832	2,212,478	(190,354)
Indirect Expenses	2,798,978	2,380,135	(418,843)	18,364,112	19,081,045	716,933
<b>Operating Income (Loss) before building loan interest &amp; amortization and naming fees</b>	<b>(2,143,722)</b>	<b>(1,728,769)</b>	<b>(414,953)</b>	<b>(3,318,997)</b>	<b>(4,631,622)</b>	<b>1,312,625</b>
Interest expense - Allstream Centre	154,682	154,689	7	1,245,520	1,246,357	837
Amortization expense - Allstream Centre	129,216	129,174	(42)	1,033,728	1,033,395	(333)
<b>Operating Income (Loss) before naming fees</b>	<b>(2,427,620)</b>	<b>(2,012,632)</b>	<b>(414,988)</b>	<b>(5,598,245)</b>	<b>(6,911,374)</b>	<b>1,313,129</b>
Contribution from (to) Conference Centre Reserve Fund	346,627	326,050	20,577	1,208,985	1,796,599	(587,614)
<b>Net Income (Loss)</b>	<b>(2,080,993)</b>	<b>(1,686,582)</b>	<b>(394,411)</b>	<b>(4,389,260)</b>	<b>(5,114,775)</b>	<b>725,515</b>

(1) Operating Loss for the Board before building loan interest and amortization of building improvements net of contribution from naming fees is (\$3,318,997), compared to a budgeted loss of (\$4,631,622) for a favourable variance of \$1,312,625.

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

(3) Actual number of events for Combined Exhibition Place is 141.

**EXHIBITION PLACE  
FINANCIAL STATEMENT HIGHLIGHTS  
AUGUST 2012 AND COMPARATIVES**

	MONTH			2012 YTD			2011 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	1	1	0	68	27	41	70	-2
Direct Event Income	\$ 468,666	\$ 251,643	\$ 217,023	\$ 7,937,346	\$ 7,871,533	\$ 65,813	\$ 6,836,859	\$ 1,100,487
Ancillary Income	132,644	64,002	68,642	2,060,590	1,966,581	94,009	2,086,219	(25,629)
Advertising and Sponsorship	16,700	19,130	(2,430)	145,791	153,044	(7,253)	117,235	28,556
Rent-MLSE-Ricoh Coliseum	87,758	41,740	46,018	394,908	333,920	60,988	333,920	60,988
Naming Rights	101,666	101,666	-	813,333	813,333	-	813,333	-
Parking EP	117,163	183,000	(65,837)	3,549,961	3,555,500	(5,539)	3,549,887	74
Parking - BMO Events	48,221	75,426	(27,205)	572,341	503,276	69,065	631,927	(59,586)
Program Recoveries and Other	20,926	38,903	(17,977)	258,064	311,220	(53,156)	319,246	(61,182)
<b>Total Event Income</b>	<b>993,744</b>	<b>775,510</b>	<b>218,234</b>	<b>15,732,334</b>	<b>15,508,407</b>	<b>223,927</b>	<b>14,688,626</b>	<b>1,043,708</b>
Direct Expenses	284,332	146,547	(137,785)	2,193,764	2,132,748	(61,016)	1,994,926	(198,838)
Indirect Expenses	2,579,800	2,123,515	(456,285)	16,465,482	17,028,086	562,604	16,487,648	22,166
Naming Rights	101,666	101,666	-	813,333	813,333	-	813,333	-
<b>Total Event Expenses</b>	<b>2,965,798</b>	<b>2,371,728</b>	<b>(594,070)</b>	<b>19,472,579</b>	<b>19,974,167</b>	<b>501,588</b>	<b>19,295,907</b>	<b>(176,672)</b>
<b>Net Income (Loss)</b>	<b>(1,972,054)</b>	<b>(1,596,218)</b>	<b>(375,836)</b>	<b>(3,740,245)</b>	<b>(4,465,760)</b>	<b>725,515</b>	<b>(4,607,281)</b>	<b>867,036</b>

**ALLSTREAM CENTRE  
FINANCIAL STATEMENT HIGHLIGHTS  
AUGUST 2012 AND COMPARATIVES**

	MONTH			YTD			2011 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	-	[Note 1]	-	73	[Note 1]	-	61	12
Direct Event Income	\$ -	\$ 13,215	\$ (13,215)	\$ 1,045,131	\$ 658,941	\$ 386,190	\$ 889,770	\$ 155,361
Ancillary Income	3,006	9,115	(6,109)	527,704	427,554	100,150	531,801	(4,097)
Parking Revenue	14,826	1,775	13,051	142,778	66,999	75,779	111,257	31,521
<b>Total Event Income</b>	<b>17,832</b>	<b>24,105</b>	<b>(6,273)</b>	<b>1,715,613</b>	<b>1,153,494</b>	<b>562,119</b>	<b>1,532,828</b>	<b>182,785</b>
Direct Expenses	57,412	1,702	(55,710)	209,068	79,730	(129,338)	247,355	38,287
Indirect Expenses	117,512	154,954	37,442	1,085,297	1,239,626	154,329	1,057,871	(27,426)
<b>Total Event Expenses</b>	<b>174,924</b>	<b>156,656</b>	<b>(18,268)</b>	<b>1,294,365</b>	<b>1,319,356</b>	<b>24,991</b>	<b>1,305,226</b>	<b>10,861</b>
<b>Operating Income (Loss) before building loan interest &amp; amortization and naming fees</b>	<b>(157,092)</b>	<b>(132,551)</b>	<b>(24,541)</b>	<b>421,248</b>	<b>(165,862)</b>	<b>587,110</b>	<b>227,602</b>	<b>193,646</b>
Interest expense	154,682	154,689	7	1,245,520	1,246,357	837	1,273,641	28,121
Amortization expense	129,216	129,174	(42)	1,033,728	1,033,395	(333)	1,033,727	(1)
<b>Operating Income (Loss) before naming fees</b>	<b>(440,990)</b>	<b>(416,414)</b>	<b>(24,576)</b>	<b>(1,858,000)</b>	<b>(2,445,614)</b>	<b>587,614</b>	<b>(2,079,766)</b>	<b>221,766</b>
Contribution from Conference Centre Reserve Fund	346,627	326,050	20,577	1,208,985	1,796,599	(587,614)	1,333,780	(124,795)
<b>Net Income (Loss) before transfers</b>	<b>(94,363)</b>	<b>(90,364)</b>	<b>(3,999)</b>	<b>(649,015)</b>	<b>(649,015)</b>	<b>-</b>	<b>(745,986)</b>	<b>96,971</b>

Note 1: 2012 Allstream Centre Total Event Income Budget was based on Proforma and 2011 actual information on first year history.

**DIRECT ENERGY CENTRE AND ALLSTREAM CENTRE  
EVENT STATISTICS  
FOR PERIOD ENDED AUGUST 31, 2012**

**DIRECT ENERGY CENTRE**

	MONTH ACTUAL	YTD ACTUAL	PRIOR YEAR ACTUAL
Attendance [Note:1]	-	528,235	564,100

<u>EVENT</u>	(NOTE 1) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT PER CAP'S
	2012	2011	2010	ACTUAL	BUDGET	ACTUAL
	#	#	#	\$ (IN '000'S)	\$ (IN '000'S)	\$ (IN '000'S)
Consumers Show	12	17	18	4,416	4,280	3.36
Trade Show	6	6	7	648	526	2.18
Exam	3	3	3	371	378	1.92
Photo/Film Shoot	2	0	0	33	-	21.43
Meeting/Corporate	8	14	4	370	-	31.06
	<b>31</b>	<b>40</b>	<b>32</b>	<b>5,838</b>	<b>5,184</b>	<b>60</b>

**ALLSTREAM CENTRE**

<u>EVENT</u>	(NOTE 4) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT PER CAP'S
	2012	2011	2010	ACTUAL	BUDGET	ACTUAL
	#	#	#	\$ (IN '000'S)		\$ (IN '000'S)
Gala	5	4	5	134	-	122.27
Conference	24	20	11	862	-	123.40
Reception	4	6	4	73	-	61.97
Meeting	35	27	23	223	-	46.32
Exam	5	4	1	84	-	5.95
	<b>73</b>	<b>61</b>	<b>44</b>	<b>1,376</b>	<b>-</b>	<b>360</b>

Note: 1 Attendance estimates provided by Show Management.

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

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

Note: 4 Allstream Centre opened on October 2009



**BOARD OF GOVERNORS - EXHIBITION PLACE  
CHEQUE DISBURSEMENTS - AUGUST 2012  
GREATER THAN \$50,000**

Cheque No	Date	Amount	Description
			\$
	01/08/2012	ADP CANADA	206,131.00 HOURS PAYROLL
	07/08/2012	ADP CANADA	377,580.77 SALARY PAYROLL
	15/08/2012	ADP CANADA	322,187.40 HOURS PAYROLL
	21/08/2012	ADP CANADA	383,583.37 SALARY PAYROLL
	22/08/2012	ADP CANADA	625,094.63 HOURS PAYROLL
	29/08/2012	ADP CANADA	727,495.41 HOURS PAYROLL
8544	22/08/2012	ANSCON COMPANY	51,563.53 CAPITAL WORKS - HOLDBACK RELEASE
8499	10/08/2012	LOCAL 58 BENEFITS FUND	52,791.21 UNION DUES FOR JULY 2012
8437	08/08/2012	CITY OF TORONTO	61,946.94 CEO SALARY 2ND QUARTER
8423	15/08/2012	CITY OF TORONTO	84,629.44 PREMIUM FOR MAJOR., DENTAL LIFE FOR AUGUST 2012
8480	08/08/2012	SIEMENS BUILDING TECHNOLOGIES	111,322.66 CAPITAL WORKS - FIRE ALARM SYSTEM REPLACEMENT
8424	08/08/2012	TRASURER CITY OF TORONTO	170,449.00 PROPERTY TAX 3RD FINAL PAYMENT
8532	27/08/2012	OMERS	171,551.56 PENSION CONTRIBUTION FOR JULY 2012
8425	31/08/2012	CITY OF TORONTO	222,689.97 ALLSTREAM - LOAN PAYMENT SEPTEMBER 2012
8549	24/08/2012	CANADA CUSTOMS AND REVENUE AGENCY	427,965.25 H.S.T. REMITTANCE FOR JULY 2012
8435	08/08/2012	CITY OF TORONTO	557,572.62 HYDRO MAY 2012
		<b>DISBURSEMENTS OVER \$50,000</b>	<b>4,554,554.76</b>
		<b>OTHER DISBURSEMENTS</b>	<b>688,100.43</b>
		<b>TOTAL DISBURSEMENT</b>	<b><u>5,242,655.19</u></b>

**BOARD OF GOVERNORS OF EXHIBITION PLACE  
BALANCE SHEET  
AS AT AUGUST 31, 2012**

	<u>AUGUST 2012</u>	<u>AUGUST 2011</u>
<b>FINANCIAL ASSETS</b>		
CASH AND SHORT-TERM INVESTMENTS	\$ 8,248,640	\$ 10,179,956
ACCOUNTS RECEIVABLE - NET	2,754,369	3,411,483
OTHER RECEIVABLE	944,172	866,733
RECEIVABLE FROM THE CITY OF TORONTO - PSAB	7,373,263	6,383,993
RECEIVABLE FROM THE CITY OF TORONTO - CAPITAL	366,593	1,443,985
<b>TOTAL FINANCIAL ASSETS</b>	<b><u>19,687,037</u></b>	<b><u>22,286,150</u></b>
<b>LIABILITIES</b>		
ACCOUNTS PAYABLES & ACCRUED LIABILITIES	6,192,595	7,929,396
PROVINCIAL & FEDERAL SALES TAX PAYABLE	274,548	241,913
DEFERRED REVENUE	5,938,146	6,065,321
OTHER CURRENT LIABILITIES	1,293,896	1,301,099
DUE TO/FROM CNEA	4,277,174	3,897,150
EMPLOYEE BENEFITS PAYABLE - PSAB	8,607,046	8,132,781
LOAN PAYABLE - ERP PROJECTS	7,587,390	7,994,330
LOAN PAYABLE - FCM CAPITAL ASSET	1,801,998	1,884,137
LOAN PAYABLE - CONFERENCE CENTRE	36,785,433	37,848,670
GOVERNMENT ASSISTANCE	1,695,552	-
NET INCOME (LOSS) CURRENT	(4,389,260)	(5,080,665)
SURPLUS/(DEFICIT)	(2,689,182)	(410,323)
<b>TOTAL LIABILITIES</b>	<b><u>67,375,336</u></b>	<b><u>69,803,809</u></b>
<b>NET DEBT</b>	<b><u>(47,688,299)</u></b>	<b><u>(47,517,659)</u></b>
<b>NON-FINANCIAL ASSETS</b>		
INVENTORIES	112,215	103,032
PREPAID EXPENSES	90,738	115,753
RENT RECEIVABLE (STEP UP LEASE)	1,387,561	1,317,340
EQUIPMENT - NET	46,097,785	45,981,534
<b>TOTAL NON-FINANCIAL ASSETS</b>	<b><u>47,688,299</u></b>	<b><u>47,517,659</u></b>

## Summary of Sole Source Commitment Activity by Reason - June 27, to August 31, 2012

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 27 thru to August 31 total is \$392,362.62. The percentage of dollar value of sole source purchasing activity for goods and services compared to the total purchasing expenditures of \$4,145,814.46 is 9.5% for this period. The revised annual percentage year sole source to date is \$732,579.62 or 7.8% on purchasing expenditures of \$9,400,735.51.

### 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	1	1	\$ 18,615.62
Emergency	1	1	\$ 3,494.95
Time Constraints	0	0	\$ -
Bridging Contract	1	1	\$ 6,780.00
Proprietary/Trademark/Patent	4	3	\$ 53,403.41
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)	88	8	\$ 39,970.94
<b>Total</b>	<b>95</b>	<b>14</b>	<b>\$ 122,264.92</b>

### CNE Program

Reason for Sole Source	Number of Commitments	Number of Suppliers	Total Value
Match Existing Equipment/Service	0	0	\$ -
Specialized Services	16	16	\$ 237,196.60
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)	15	6	\$ 32,901.10
<b>Total</b>	<b>31</b>	<b>22</b>	<b>\$ 270,097.70</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.