



Exhibition Place

Management Report

October 31, 2014

Executive Summary

- Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the ten months ended October 31, 2014 before net naming fees, building loan interest and amortization expense for the Allstream Centre was a loss of (\$499,347) compared to a budget loss of (\$709,108) for an favourable variance of \$209,761.
- Net Income (loss) for Exhibition Place and Direct Energy Centre for the ten months ended October 31, 2014 was (\$192,887) compared to budget net income (loss) of (\$890,640) for a favourable variance of \$697,753. It is expected that the 2014 rental budget for Exhibition Place and Direct Energy Centre will be achieved.
- Operating Income (Loss) before interest and amortization expense for Allstream Centre for the ten months ended October 31, 2014 was (\$306,460) compared to a budget income of \$181,532 for an unfavourable variance of (\$487,992).
- The Sales & Marketing team secured 29 new events for Exhibition Place.
- Exhibition Place's Recognition Committee received a phenomenal 111 staff nominations for the August/September.
- The Recycling Council of Ontario (RCO) awarded Exhibition Place with a Platinum Level 3R Certification in October. Kudos to the Facility Services Department for submitting an outstanding application to the RCO; Exhibition Place is the only facility in Ontario to have earned Platinum Level status.

October 2014 Financials for Combined Exhibition Place and Allstream Centre

Combined Operating Income (Loss) for Exhibition Place and Allstream Centre for the ten months ended October 31, 2014 before net naming fees, building loan interest and amortization expense for the Allstream Centre was a loss of (\$499,347) compared to a budget loss of (\$709,108) for an favourable variance of \$209,761.

Exhibition Place

Net Income (loss) for Exhibition Place and Direct Energy Centre for the ten months ended October 31, 2014 was (\$192,887) compared to budget net income (loss) of (\$890,640) for a favourable variance of \$697,753. It is expected that the 2014 rental budget for Exhibition Place and Direct Energy Centre will be achieved.

- Rental income from events of \$6,258,373 is favourable to budget by \$12,536 primarily due to higher than budgeted rental income from the Boat Show and Paralegal Exams offset by lower than budgeted rent from the Green Living Show and the IIDEX event not returning in 2014.
- The Board had an EDM event scheduled for April. There was approximately \$98,000 of direct event income that was lost due to the cancellation of this event.
- Electrical net services of \$978,764 are unfavourable to budget by (\$93,213) primarily due to lower than budgeted net electrical services from the CRFA Show, One Of A Kind Show, Sportsman Show, Green Living Show and IIDEX event not returning in 2014 offset by higher than budgeted net electrical revenue from the Boat Show.
- Food & Beverage concessions of \$496,318 are unfavourable to budget by (\$160,786) primarily due to lower than budgeted corporate and catered new business as well as lower than budgeted catering revenue from Boat Show, National Home Show and Motorcycle show.
- Show services from third party billings at \$2,785,960 are unfavourable to budget by (\$412,151) with corresponding decrease in related show expenses of \$227,798 for a net unfavourable variance of (\$184,453) primarily due to lower than budgeted net show services income from some existing and new events.
- Parking revenues at \$5,746,941 are favourable to budget by \$950,099 with a corresponding increase in parking expenses/rebates of \$447,000 for a net favourable variance of \$503,235.

This is primarily due to higher than budgeted OOAK Spring Show offset by lower than budgeted revenue from the Home Show. In May there were higher than budgeted Toronto Marlies games at RICOH Coliseum due to the hockey play-offs. During August there were some high attendance concerts at Ontario Place resulting in additional parking revenue.

- Program recoveries and interest income at \$328,078 are unfavourable to budget by (\$27,069) primarily due to lower than budgeted interest income.
- Direct and indirect expenses at \$21,925,380 are favourable to budget by \$20,936 primarily due to lower utilities due to the energy savings initiatives, lower operational costs offset by higher direct expenses. Indirect expenses include costs from various departments; these are Chief Executive Officer, Chief Financial Officer, General Manager, Marketing/Event Services, Corporate Secretary, Records & Archives,, Purchasing & Stores, Human Resources, Security, Finance, Operations, Facilities, Utilities, Special Appropriations, Telecommunications and wages & materials for base building upkeep and general maintenance of the grounds.

Direct Energy Centre accounts receivable as at October 31, 2014 was \$1,751,429 consisting primarily of:

- \$443,379 of deposits owed as contractual for future events of which \$286,108 (65%) has been received by November 14, 2014.
- \$224,982 for services on completed events of which 7,583 (3%) has been received by November 14, 2014.
- \$126,319 owed by Ovations of which \$43,940 (35%) has been received by November 14, 2014.
- \$33,593 owed by MLSE (Ricoh) for telecommunications services of which nil have been received by November 14, 2014.
- \$18,768 owed by MLSE- BMO Field for telecommunications services of which nil have been received by November 14, 2014.

Exhibition Place accounts receivable as at October 31, 2014 was \$3,495,258 consisting primarily of:

- \$883,740 owed by City of which \$870,943 (98%) has been received by November 14, 2014.
- \$626,279 owed by MLSE - BMO Field for payroll a cost of which \$265,000 (42%) has been received by November 14, 2014.
- \$502,729 owed by the CNEA of which nil has been received by November 14, 2014.
- \$430,579 owed by tenants of which \$212,154 (50%) has been received by November 14, 2014.
- \$231,488 owed by MLSE (Ricoh) for services of which \$120,495 (52%) has been received by November 14, 2014.
- \$88,139 for show services on completed events of which nil has been received by November 14, 2014.

Allstream Centre

Operating Income (Loss) before interest and amortization expense for Allstream Centre for the ten months ended October 31, 2014 was (\$306,460) compared to a budget income of \$181,532 for an unfavourable variance of (\$487,992).

- Rental income of \$780,036 is unfavourable to budget income of (\$140,991) primarily due to lower than budgeted rent from Cerise contracted events. It is forecasted that the 2014 rental budget by Exhibition Place booked events for the Allstream Centre will be achieved. Cerise is forecasting a rental budget shortfall of (\$207,000).
- Food & Beverage concessions of \$538,907 are unfavourable to budget by (\$223,291) primarily due to lower than budgeted Cerise booked catered business. Cerise is forecasting commissions to the Board of \$654,000 in 2014 which is a budget shortfall of (\$362,000).

- Net Show services income from third party billings of \$87,806 is unfavourable to budget by (\$33,831) primarily due to budget shortfall of Cerise booked events.
- Net parking income at \$100,871 is unfavourable to budget by (\$13,038) primarily due to budget shortfall of Cerise booked events.
- Direct and indirect expenses at \$1,916,988 are unfavourable to budget by (\$97,945) primarily due to lower utilities due to the energy savings initiatives offset by higher than budgeted direct expenses. 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 October 31, 2014 was \$577,687 consisting primarily of:

- \$293,493 owed by Cerise Fine Catering of which \$105,163 (36%) has been received by November 14, 2014.
- \$189,355 for services on completed events of which \$6,971 (4%) has been received by November 14, 2014.
- \$75,612 owed as contractual deposits for future events of which \$68,424 (91%) was received by November 14, 2014.
- \$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

August/September/October Sales Effort

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

- 17 meetings & conventions
- 1 consumer shows
- 2 exams
- 7 other

August/September/October Sales Summary

New events held during this time period include Sony Music Entertainment Canada Product launch, Mercedes-Benz Driving Unlimited Ride N' Drive, WBE (Women's Business Enterprise) Canada Conference, WWF (World Wildlife Fund) Webseries Shoot, Landmark Education Event, Mitsubishi Walk Around Product Launch, Market America – Canadian Distributors Meeting, Deloitte ERS (Enterprise Risk Services) Meeting, Laughter is the Best Medicine Gala, Canada vs Jamaica Sponsor Activation Area, Toronto Antique Show and Vintage Market, The Baby Show, 2014 Forum on Accessible Transit, 2014 Aga Khan Celebration, CAEM Executive Forum, UHN – 6th National Spinal Cord Injury Conference, Toronto International Microfinance Summit, CADTH CDR Information Session, AIIM Seminar, Ophea Conference, Royal College of Physicians and Surgeons of Canada (ICRE), ISO TC59 Plenary Week meetings, Canadian Construction Association – Building Smart International meeting, CE Academy Inc., Leaders in Retail Breakfast- Featuring Kirstine Stewart, Rick Hansen Self-Management Meeting, Microsoft Partner Tour, Advertising Club of Toronto Out of Home Day, Microsoft Partner Cloud Summit Session, Janssen Inc October Tactical Review Session, Technomic – Canadian Foodservice Planning Meeting, The Everything to do with Sex Show, Catwalk 2 Closet Sample Clearance Sale, and Canada's Public Policy Forum.

Business Travel

On August 14th Don Leddy participated in the annual MPI Ottawa golf tournament. This event is attended by Ottawa based meeting planners and Allstream Centre's participation garners excellent exposure to this very valuable market.

On August 20th the Sales Team participated in the annual Incentive Works trade show which continues to generate exposure and networking opportunities with new and existing clients.

On September 4th Barb Outschoorn attended the CSAE Ottawa-Gatineau Kickoff event, which launched the 2014-2015 roster of the Ottawa-Gatineau Chapter's events. The event itself was power-packed with a softball game amongst the attending members, and networking followed by dinner. As our hotel partners are a significant aspect to the success of our bookings in Allstream Centre, Barb also coordinated a total of 14 sales calls with a hotel partner surrounding the CSAE Kickoff event from September 3rd to 5th.

Barb Outschoorn and Marvin Self attended the MPI Ottawa Kickoff event on September 11th. This event commenced with an Annual General Meeting followed by a reception with dinner, which allowed for networking amongst industry MPI members including Tourism Toronto. In addition to the kickoff event, individual sales calls were conducted by both Marvin and Barb.

On September 18th to 21st Geoff Mak attended the MPI (Meeting Professionals International) Chapter Business Summit as the President-Elect for the Toronto Chapter. A gathering of Chapter Executives from the 72 chapters in MPI, attendees discuss industry trends and develop strategic solutions for our businesses and industry at a local and global level.

Publicity

Direct Energy Centre

- News Report during this period included **51** hits for Direct Energy Centre. Stories included: Royal Agricultural Winter Fair; Canada Blooms; Things to do; CNE; Delicious; Toronto International Boat Show; Catwalk 2 Closet; Print World; Everything to do with Sex Show.

Allstream Centre

- News Report during this period included **39** hits for Allstream Centre. Stories Include Toronto East General Gala; Microfinance Summit; CUPE
- An article titled "Canadian City the Ideal Choice for Big Events" mentioned Allstream Centre in the September 25 edition of CEI (Conferences/Events/Incentives).
- An article titled "Rubber Chicken – No Way!" ran in the September/October issue of Ignite magazine.

Exhibition Place

- News Reports for this period include **269** hits for Exhibition Place. Stories Included: Scotiabank Toronto Caribbean Carnival; Statues; Hotel X Toronto; TFI; Honda Indy; Raptors Training Facility; BMO Expansion; Fall Home Show; Toronto 2015 Pan Am Games; Royal Agricultural Winter Fair; CNE GM Retires.
- Article titled "Exhibition Place Continues to Offer Cutting Edge Hospitality" ran in the September/October issue of the City Update newsletter.

Social Media Mentions

- Total number of mentions during this period for Exhibition Place, Direct Energy Centre and Allstream Centre on social media platforms; Twitter; Blogs; Facebook is: **2,996**

Event Management Services

Event and Meeting Co-ordinators and Exhibitor Services staff at Exhibition Place, Direct Energy Centre and Allstream Centre were involved in 46 events:

Exhibitions/Meetings/Conventions/Corporate Events	
AUGUST 2014	
<ul style="list-style-type: none"> ▪ Sony Music Entertainment Canada ▪ Parking for FIFA 	<ul style="list-style-type: none"> ▪ Driving Unlimited Event ▪ Canadian National Exhibition
SEPTEMBER 2014	
<ul style="list-style-type: none"> ▪ Landmark Education Event ▪ 2014 Patent Exams - Paper C ▪ 2014 Celebration ▪ Market America ▪ 2014 Forum on Accessible Transit ▪ Deloitte - ERS 2014 (AC) 	<ul style="list-style-type: none"> ▪ Fall Home Show ▪ WBE Canada Conference (AC) ▪ The Baby Show ▪ Business Franchise & Investment Show ▪ Toronto Antique Show & Vintage
OCTOBER 2014	
<ul style="list-style-type: none"> ▪ CAEM Executive Forum (AC) ▪ Rick Hansen Self Management Mtg. (AC) ▪ University Health Network - 6th. National Spinal cord Injury Conf. (AC) ▪ Eid ul Adha ▪ Toronto's Bridal Show ▪ Toronto International Microfinance Summit (AC) ▪ Screemers ▪ Microsoft Partner Tour (AC) ▪ CADTH CDR Information sessions (AC) ▪ Advertising club of Toronto Out of Home Day (AC) ▪ Canada's Public Policy Forum (AC) ▪ Microsoft Partner cloud Summit (AC) ▪ Johnson & Johnson October Tactical Review session (AC) ▪ AIM Seminar (AC) ▪ Ontario Craft Brewers Conference (AC) 	<ul style="list-style-type: none"> ▪ Run Expo (2014 Scotiabank Waterfront Marathon) ▪ Paralegal Exams – October ▪ Delicious Food Show ▪ Bicycle Blow out Sale ▪ ScotiaBank Waterfront Marathon 5 k Race ▪ Royal college of Physicians & Surgeons of Canada ▪ NCA Exams - October ▪ Ontario College Info. Fair ▪ Catwalk 2 Closet Sample Clearance Sale ▪ Everything to do with Sex Show ▪ ISO TC59 Plenary Week Meetings (AC) ▪ Canadian Construction Assoc. bSI Technical Meetings (AC) ▪ City of Toronto General Election (AC) ▪ Technomic - Canadian Foodservice Planning Meeting. (AC) ▪ Canadian Construction Association (AC) ▪ Leaders in Retail Business - Kirstine Stewart (AC)

Event Services

Much of the month of August was spent in preparation for the annual Canadian National Exhibition.

We had an extremely short lead up to the 2014 Celebration, an event for the opening of the new Aga Khan Museum and Cultural Centre in Toronto. A new Fire Exiting plan was developed to accommodate the increased attendance. Exhibition Place Staff from all departments pulled

together to ensure the entire event took place very smoothly. The client was extremely appreciative of our efforts.

Another new event, The Baby Show, was also very impressed with our delivery of services and plan to book again during 2015. We were able to combine move out costs for this and the Business Franchise and Investment Show to enable both to save some costs.

Everything to Do with Sex returned successfully after a few years absence while the Catwalk 2 Closet Sample Clearance Sale was a new high end fashion event with low priced merchandise. The client hopes to book again in a larger space.

We also hosted a City of Toronto Election Polling Station.

Exhibitor Services

The order desk serviced six events for the months of August and September. During September, Exhibitor services opened a central order desk location. It is located across from the concierge desk beside Salon 106. This location is next to the Exhibitor support centre and will be close to the registration, ticket and show offices. During this month we serviced four events with positive feedback from exhibitors and show management.

The Exhibitor order desk also serviced 11 events during October. Staff were also busy in preparation for the events in November.

Allstream Centre

We had 9 events during September, including the returning Toronto East General Hospital Gala which was a huge success. Mitsubishi was back for their 4th year, along with the Patent Agent Exams. Deloitte also returned with their ERS 2014 conference for 5 days much like the past few events here. We also hosted a wedding for 400 people. WBE Canada and Market America are two new events this year.

October was a very busy month and we are preparing for the College of Physicians & Surgeons on Oct. 22-25. It includes a convocation on October 25th, for which we are expecting approximately 1,200 guests per day. University Health Network was a large 3 day event.

Returning clients included IBM, Microsoft, which had 3 separate meetings, AIIM, Ontario Craft Brewers, and Ophea for a 2 day conference. We will be hosting new clients near the end of October. These include the Canadian Construction Association and the Canadian Wood Council. Yad Vashem will be returning with their True Hero's Tribute Gala on Oct. 30th. There are approx. 22 events in October.

Parking

Parking saw high activity for the months of August, September and October. August began with three days of FIFA games and five days of sold out concerts at Molson Amphitheatre, prior to the start of the 2014 Canadian National Exhibition. Increased parking activity from the concerts and FIFA games made up for the parking loss from other events budgeted. Parking revenue for September was up mainly from the 2014 Celebration and Just for Laughs at QET. To date parking revenue is over budget for October due to Direct Energy Centre new business not budgeted, including Eid Prayer, Catwalk 2 Closet and Ontario College.

IT/Telecommunications

IT telecom successfully deployed a new PCI (Payment Card Industry) secured network for the CNE gates system. This system was implemented across the campus and connected all gate locations together through a secure PCI compatible firewall.

IT has been virtualizing hardware servers using VMWare ESXI (Vsphere) software. This project has allowed for the reduction of physical server hardware as well as providing additional potential redundancy of the technical assists. The IT department plans to continue the virtualization of servers in order to provide additional backup capability for other essential server systems.

IT/Telecom has significantly expanded the data storage capability for email and file storage. This expansion capability was achieved by the reallocation of disk space that was previously used for data backup, which is now integrated into a continuous virtualized backup process using Appasure software from DELL.

The Toronto Fashion Incubator became the newest permanent tenant to participate in the data/telecom infrastructure sharing system. The TFI previously had used a third party data provider that was unable to provide them with sufficient bandwidth to satisfy their needs. The IT group is preparing to deploy the new digital signage system. This software/hardware combination should provide clients in the DEC with additional information and way finding information.

IT/Telecom has begun the preparation of a new permanent security badge/photo preparation centre. This new location in the DEC shall provide a more centralized location for preparation of security badges for staff and clients.

Building Operations

Mechanical

- All trades were heavily involved in the Canadian National Exhibition for the month of August and move-out in September
- Investigated and repaired damages caused during the Canadian National Exhibition; final approvals received October 17, 2014
- Completed final alterations and move in of Executive Staff from Queen Elizabeth Building to Direct Energy Centre new offices
- Continued repairs of sidewalks surrounding Direct Energy Centre in prep for TO2015
- Continued additions of by-pass and shut off valves installed for plumbing floor ports water in Halls A through D
- Replaced glass unit at tower entrance to Hall B and repaired carpet in all salons
- Prepared and installed various items for set up and move in of Royal Agricultural Winter Fair and completed concrete work on cattle wash floor damages
- Constructed Fire Alarm Transponder rooms
- Continued additions of by-pass and shut off valves installed for plumbing floor ports water in Halls A through D
- Fabricated and installed monitor brackets on Galleria Columns for way-finding project
- Fabricated Photo ID room
- Repaired Roll up doors # 53, #24, and #33

Electrical

- Replaced card reader for door to Plumbing
- Conducted High Voltage Maintenance on Substations

- Repaired East garage roll-up door and investigated/repaired Door 29 that had no power
- Inspected and repaired East Annex lighting controls
- Inspected and repaired floor ports and concession panel due to fire damage
- Replaced burnt out lamps and ballasts in Ovation main kitchen and in finance boardroom
- Adjusted occupancy sensors in sky and water boardrooms
- Replaced pull chain switch in parking kiosk
- Repaired lights parking garage escape tunnel
- Installed HVAC heating units
- Addressed bypass motion sensors so lights stayed on for exams in Salons 109 and 110
- Scheduled life safety work orders
- Installed card access system
- Installed way-finding power access
- Installed bug light in lunchroom
- Inspected lighting in salons and in Royal Agricultural Winter Fair Rotunda
- Connected 4 pumps in Royal Agricultural Winter Fair boiler room
- Installed power and communications for staff photo area
- Heritage Court map sign was not functioning; investigated and rectified the issue.
- Initialized wiring for new fire alarm rooms

Facility Services

Facility Services staff worked on the following activities and projects during August, September and October, which have been completed or are in progress:

- Prepared an application for 3R Certification with the Recycling Counsel of Ontario (RCO). We were audited on site to ensure all of the criteria in the application was accurate and our operation true to form. We achieved remarkable results showing leadership as the only complex in Ontario to be awarded at the platinum level.
- Assisted with moving office supplies and furniture from the Queen Elizabeth Building offices to Direct Energy Centre
- Prepared a cleaning quote for the upcoming Royal Agricultural Winter Fair (RAWF), one of our largest shows of the year
- Prepared Labour quotes for RAWF stall and pen set-ups
- Pressure washed all cattle stalls due to them being stored in close proximity to the Gardiner Expressway construction project
- Assisted Human Resources in conducting a Job Fair in an effort to increase our housekeeping staff for the RAWF and future shows/events; orientation and training sessions were also conducted for the new workers
- Housekeeping did a thorough cleaning of the Horse Palace including a complete pressure wash of both floors in preparation for the RAWF
- Completed a final clean of the entire Food Building
- Completed a wash down of the underground parking garage in Direct Energy Centre in preparation for our fall shows and events
- Installed new hand sanitizer dispensers in all of our buildings and prepared a map for showing all locations.
- Created and posted several maps for all our workers indicating various locations of sunscreen protection dispensers throughout the grounds
- Increased cleaning throughout the Galleria, as necessary due to construction of the new hotel and various concrete work on the exterior walkways
- Installed more way finding signs to assist our visitors with directions to all of our facilities
- Hired a professional carpet cleaning company to steam-clean approximately 45,000 sq. ft. of carpeting in the Allstream Centre
- Removed a tree that split in half in front of the Queen Elizabeth building

- Conducted regular weekly meetings with Toronto Parks & Recreation Department in an effort to enhance the overall appearance of all soft landscaping. We have given them instructions to replace most annuals with perennials to help reduce their workload and enable them to concentrate on the overall maintenance of our parklands.
- Conducted a comprehensive test of the Direct Energy Centre cable television system to verify the system could distribute high definition signals throughout the building from the upgraded injection points installed last fall by Rogers Cable systems, allowing the RAWF to distribute their video feeds onto the show floor from Ricoh Coliseum in HD
- Continue to work with Capital Works Department on the upgrade of the event paging system in the Industry Building and also the Salon AV upgrade in Direct Energy Centre
- Reduced production services labour costs to our clients with a very busy October show schedule at the Allstream Centre and Direct Energy Centre, including using the Multi-Area contract section which allowed for efficient scheduling of work and using staff to work on multiple installations and dismantles

EXcellence in Action

Francesca Colussi and David Lyew received an email dated September 15th from Salim Bhanji regarding Celebration 2014; “Hope you got a well-deserved break this past weekend. Feedback received from community members on Friday’s celebratory event has been overwhelmingly positive - we could not have done with you! Thanks again for the amazing support and cooperation in putting together the event.

Amelia Monteleone of GOSSIP Restaurant sent an email dated September 17th to Brian Smith and Ron Kostick, cc: David Lyew and Ed Wiersma regarding the Fall Home Show: “I would like to thank EX place security for all they have done during the last 2 days of move in.

Arianna McLaughlin sent an email to Denise DeFlorio on September 23rd regarding the Deloitte Toronto ERS L&G conference; “Thank you again for your support of this program. Your attention to detail and flexibility with our last minute changes was greatly appreciated! [...] I look forward to working with you again soon.”

Nancy Kloek received an email dated September 25th from Charles Darnelle regarding the WBE Canada - Keys to Success Conference; “Hi Nancy - thank you! For all of your help on Monday and Tuesday. You and your team were so very helpful with all the details and so patient during the pre-planning process. Hope to work together again soon :)”

Karim Macklai of His Highness Prince Aga Khan Shia Imami Ismaili Council for Canada sent an email dated September 26th to Tracy To, cc Jim MacGregor; Dennis Vandusen and Steven Nushis regarding Celebration 2014; “It was a pleasure working with you and your teams, this was truly a blessing. [...] We look forward in working closely with you in the future.”

Nancy Kloek received an email dated October 16th from Hermoine Wellman regarding the AIIM Seminar; “Thank you for all your help yesterday! As always the Allstream Centre was wonderful in helping AIIM complete another AWESOME seminar. We always enjoy working with you and your team.”

Roxanne Goodbrand of the Law Society of Upper Canada, Paralegal Exams, which took place on October 16th, commented as follows in her Client Satisfaction Survey; “My Event Coordinator, Craig Shepherd is excellent. I would like to be able to work with him on a regular basis going forward. “

Carl Bastedo made the following comment on his Client Satisfaction Survey for the Bicycle Blow Out Sale on October 18th; “Our co-ordinators have always been good and Brian is one of your pros who certainly understands a Show Managers concerns.”

Denise DeFlorio received a card from Catlin Pillon of the Royal College of Physicians and Surgeons of Canada regarding their event on October 22nd to 26th at Allstream Centre which read: “Thank you for all of your support and patience leading up to our event and while onsite. You were always there with solutions. It was a pleasure [...]”

Barb Outschoorn received a card from Louise Gervais of the Royal College of Physicians and Surgeons of Canada which read: “On behalf of the Royal College team, thank you so much for your support for our event at the Allstream. Thanks again for your help during the convocation”

Sandra Albione sent an email dated October 23rd to Kathy Treanor regarding the OPHEA Conference; “It was great working with you and your team as well! I hope that we behaved and you can look forward to having us back next year. [...]. Thanks again for all of your help this year and I’m sure we’ll be connecting again soon.”

Nancy Kloek received an email dated November 3rd from Chantal Montpetit regarding the Canadian Construction Association’s bSI Conference on October 27th to 30th; “Your service was amazing and you do make a BIG difference and smooth the process. Thank you for all your help. “

Doris Bertrand received an email dated November 3rd from Yaron Ashkenazi regarding the True Hero’s Tribute on October 30th; “It is not often that one gets to work with another professional and become truly like friends and family. We are privileged that that’s the case working with you. To say that you go above and beyond the call of duty is not saying much. You take our events into heart and your special consideration and care for their success leaves your thumbprint on all parts of the operation. We deeply appreciate you taking the initiative to walk us through the necessary steps, and coordinate and orchestrate other providers. You make it that much easier for us. [...] We look forward to working with you again and again.”

Heather Beaven sent an email dated November 3rd to Jim MacGregor; “Thank you to you and your team for taking such great care of us during the ZoomerShow on October 25th and 26th; “It is always a pleasure working with you.”

Exhibition Place’s Recognition Committee received 111 staff nominations for the August/September period. Following are the winners:

	August/September Winners
Section 1	James Enright , Housekeeping
Section 2	Brian Dow , Facility Services
Section 3	Doralice Lopez , Sales & Marketing
Section 4	Shariza Bharat , Operations
Section 5	Sherman Sue , Payroll Services / Facility Services

Ovations Food Services August

In August Ovations staff were very excited to welcome new team member Candice Hales as new Head Chef. The team was very successful with CNE opening ceremonies and the fair in general; Lake Shore Grill was a very popular concession, serving home-style hamburgers.

September

September was a busy month for shows and the welcoming of Harry Chung as the new General Manager for Ovations. During the month we hosted the Fall Home Show, Business Franchise Expo, Baby Show and Antique Show. With the new GM on board we have already increased food & beverage sales and re-established relationships with new and old clients. The team is setting new standards and focused on building strong long term relationships to move forward and improve the food services. We continue with building a new team and are recruiting for a new Catering Sales Manager and Operations Manager.

October

October was an extremely busy month for Ovations with Bridal Show, Paralegal Exams, Run Expo, Delicious Show, Bicycle Blowout Sale, College Fair, NCA Exams, Everything to do with Sex Show, Zoomers and Catwalk 2 Closet. Ovations staff performed extremely well, setting new standards in client relations, organizational skills and team work. Despite the team being short by two core management members, we were able to rise to the challenge; We again increased food and beverage sales and in return also received praise from new and old clients and peers.

With the volume of business one individual stood out and performed above and beyond expectations. Congratulation to Khera Gursimran, who has been with Ovations a year and has demonstrated to clients, event coordinators and the team that he is a well-rounded leader; Khera has been promoted to Operations Manager.

Cerise Fine Catering

August

During the month of August Allstream Centre hosted the Mercedes Ride and Drive event in Pre-function C and Pre-function D. Cerise served a breakfast of Chilled Orange and Cranberry Juice, freshly baked Banana Bread, Cranberry Orange Loaf, Carrot Loaf, assorted Breakfast Pastries, whole in-season Fruit and assorted beverages. Lunch offerings included Spring Greens Salad with Sprouts, Tomato and Cucumber served with a Sun-dried Tomato Dressing, Shepard's Pie and Fettuccini with mixed Vegetables.

September

Our first September event was during perfect late summer weather. We hosted a wedding reception in Ballroom D, Lakeside and South Lobby. The guests mingled outdoors for cocktails while the groom (a college street accordion sensation) played for the guests. During this time Cerise passed crisp Risotto Cake with Duck Comfit, Prosciutto and Mozzarella on Polenta, Mint crusted Lamp Chop, and Shrimp lollipop crusted with Pistachio Basil Pesto.

Dinner highlights included Crostini with Buffalo Mozzarella, Prosciutto, Fig, and a Balsamic reduction, a dual Pasta of Mushroom and Leek Agnolotti with Honey Mushrooms, Red Wine Onions, Amaretto and Sage Cream and Italian Fusilli in a Tomato Sauce. The entrée was Ontario Milk Fed Veal Chop with a Pomegranate Port Reduction served with Vegetable bundle and Roasted Parmesan Crusted Potatoes. We finished the evening with a Porchetta and Corona station. The guests, Bride and Groom were overjoyed.

The month was filled with events from Deloitte, to WE Canada Conference to our very last event and highlight of the month: Toronto East Generals Laughter is the Best Medicine II.

Will Arnett was the MC that evening and Emmy and Grammy award winner Chris Rock headlined. Following on the success of the event in 2012 with Jerry Seinfeld, this event was another huge accomplishment. The proceeds from Laughter is the Best Medicine II went to contribute to the establishment of the Ken and Marilyn Thomson Patient Care Centre at Toronto East General Hospital. Guests sat down to enjoy an evening of laughs while they enjoyed Cerise offering including Caprese Salad of Red & Yellow Heirloom Tomatoes and sliced Bocconcini, and an entre of Medallions of Beef Tenderloin with a Mushroom peppercorn Cabernet/Merlot Jus served with Potato Latke and Vegetable Bundle of Parsnip and Carrot in a Garlic & Rosemary Roasted Olive Oil. Vegetarians enjoyed Red Bell Pepper stuffed with Wild Rice Pilaf and Julienne Portobello Mushroom topped with a Red Pepper Puree. For dessert we served a Chocolate Cup filled with Vanilla Mousse topped with a shatter basket lined with Vanilla Mousse.

October

Allstream Centre hosted the Canadian Association of Exposition Managers Executive Forum (CAEM). Cerise served Caesar Salad with Romaine Hearts, Herb Croutons, Bacon and fresh grated Parmesan Cheese, Oven Roasted Filet of Salmon topped with Seafood cream, long grain Wild Rice and Sugar Snap Peas. Vegetarians enjoyed a Tower of Roasted Red Pepper, Portobello Mushroom, Tofu, Japanese Eggplant, Yellow Zucchini and Fennel, Fresh Thyme and Cracked Pepper Puree. Chocolate Cheesecake with Grand Marnier Whip Cream was served for dessert. As members of CAEM, Cerise was proud to be part of this event.

The month was packed with events such as Microsoft Conference, University Health Network, Ontario Physical Health Education Association Conference, Microfinance, Ontario Craft Brewers, Ontario College of Physicians and Surgeons, Public Policy Forum, Canada Construction Association to name a few.

Advertising Club of Toronto hosted their Out of Doors luncheon In Lakeside with a “Mad Men” theme highlighting areas of the building such as the South Lobby and outdoor garden space. Guests mingled outdoors prior to and after lunch to enjoy cocktails and snacks. Many guests were even dressed in theme.

Lunch consisted of a deconstructed Caesar Salad of Romaine Heart, Sliced Roma Tomato, homemade, Crostini, Parmesan curls, oven Roasted Boneless Breast of Chicken stuffed with Spinach and Sun Dried Tomato topped with a Roasted Red Pepper Cream with Veggie Bundle and Roasted Potatoes and Tiramisu for dessert. The food and theme were a hit and the event was a success.

At the end of the Month Cerise will be hosting the True Hero's Tribute Gala for the Canadian Society of Yad Vashem. Nicolas Sarkozy will be a guest speaker for this prestigious event honoring the Holocaust Martyrs and Heroes. Food will be provided by Royal Kosher Catering and will include Smoked Salmon with Salmon Tartare, Cannelloni & Sauce Vierge, Braised Short Rib with Chicken Lattice and Bordelaise Sauce, and a Vegetarian Option of Piquillo and Tomato Lasagna with Zucchini & Chervil Crust with warm Organic Quinoa. Dessert will include baked Apple with Berries and Baked Alaska with Almond and Pecan sauce.

APPENDIX A

Combined Exhibition Place and Allstream Centre Financial Summary

	Statement Of Operations Highlights For the ten months ended October 31, 2014					
	Actual	Current Month Budget	Fav (Unfav) Variance	Actual	YTD Budget	Variance
	\$	\$	\$	\$	\$	\$
Event Income	2,219,637	1,699,752	519,885	24,232,234	24,072,918	159,316
Direct Expenses	369,998	241,701	(128,296)	3,139,926	2,592,455	(547,471)
Indirect Expenses	1,766,194	1,728,101	(38,093)	21,591,655	22,189,571	597,916
Operating Income (Loss) before building loan interest & amortization and naming fees	83,445	(270,050)	353,495	(499,347)	(709,108)	209,761
Interest expense - Allstream Centre	146,363	146,363	-	1,477,980	1,477,980	-
Amortization expense - Allstream Centre	129,216	129,216	-	1,292,160	1,292,160	-
Operating Income (Loss) before naming fees	(192,134)	(545,630)	353,495	(3,269,487)	(3,479,247)	209,761
Contribution from (to) Conference Centre Reserve Fund	59,841	52,026	7,815	2,324,433	1,836,441	487,992
Net Income (Loss)	(132,293)	(493,604)	361,310	(945,054)	(1,642,806)	697,753

(1) Operating Loss for the Board before interest on City loan, amortization of building improvements net of contribution from naming fees is (\$499,347).

Compared to a budgeted Operating Loss of (\$709,108) for a favourable variance of \$209,761.

(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
OCTOBER 2014 AND COMPARATIVES**

	MONTH			YTD			2013 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	7	-	-	91	-	-	70	21
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	892,256	690,523	201,733	12,674,511	12,828,849	(154,338)	12,440,804	233,707
Ancillary Income	248,517	179,005	69,512	2,274,580	2,363,891	(89,311)	2,288,996	(14,416)
Advertising and Sponsorship	59,305	17,482	41,823	172,885	174,820	(1,935)	195,371	(22,486)
Rent-MLSE-Ricoh Coliseum	67,221	71,422	(4,201)	535,498	536,127	(629)	438,786	96,712
Naming Rights	88,922	101,667	(12,745)	889,213	1,016,667	(127,454)	1,016,663	(127,450)
Parking EP	415,155	231,100	184,055	4,894,613	4,138,250	756,363	4,773,026	121,587
Parking - BMO Events	49,823	31,583	18,240	852,328	658,592	193,736	678,643	173,685
Program Recoveries and Other	30,339	35,515	(5,176)	328,078	355,147	(27,069)	522,533	(194,455)
Total Event Income	1,851,537	1,358,297	493,240	22,621,706	22,072,343	549,363	22,354,822	266,884
Direct Expenses	316,101	202,425	(113,676)	2,844,617	2,383,429	(461,188)	2,577,194	267,423
Indirect Expenses	1,496,432	1,465,433	(30,999)	19,080,763	19,562,887	482,124	17,944,547	1,136,216
Naming Rights	88,923	101,667	(12,744)	889,213	1,016,667	127,454	1,016,667	(127,454)
Total Event Expenses	1,901,456	1,769,525	(157,418)	22,814,593	22,962,983	148,390	21,538,408	1,276,185
Net Income (Loss)	(49,919)	(411,228)	361,309	(192,887)	(890,640)	697,753	816,414	(1,009,301)

**ALLSTREAM CENTRE
FINANCIAL STATEMENT HIGHLIGHTS
OCTOBER 2014 AND COMPARATIVES**

	MONTH			YTD			2013 YTD	
	ACTUAL	BUDGET	VARIANCE	ACTUAL	BUDGET	VARIANCE	ACTUAL	YOY VARIANCE
Number of Events	8	-	-	95	-	-	85	10
	\$	\$	\$	\$	\$	\$	\$	\$
Direct Event Income	201,085	189,607	11,478	867,842	1,042,665	(174,823)	793,443	74,399
Ancillary Income	133,223	134,381	(1,158)	626,483	833,988	(207,505)	553,879	72,604
Parking Revenue	33,792	17,468	16,324	116,203	123,922	(7,719)	93,621	22,582
Total Event Income	368,100	341,455	26,645	1,610,528	2,000,575	(390,047)	1,440,943	169,585
Direct Expenses	53,897	39,277	(14,621)	295,309	209,026	(86,283)	108,090	187,219
Indirect Expenses	180,840	161,001	(19,839)	1,621,679	1,610,017	(11,662)	1,387,147	234,532
Total Event Expenses	234,737	200,278	(34,460)	1,916,988	1,819,043	(97,945)	1,495,237	421,751
Operating Income (Loss) before building loan interest & amortization and naming	133,363	141,178	(7,815)	(306,460)	181,532	(487,992)	(54,294)	(252,166)
Interest expense	146,363	146,363	-	1,477,980	1,477,980	-	1,516,876	(38,896)
Amortization expense	129,216	129,216	-	1,292,160	1,292,160	-	1,292,160	-
Operating Income (Loss) before naming fees	(142,217)	(134,402)	(7,815)	(3,076,600)	(2,588,608)	(487,992)	(2,863,330)	(213,270)
Contribution from Conference Centre Reserve F	59,841	52,026	7,815	2,324,433	1,836,441	487,992	2,071,984	252,449
Net Income (Loss) before transfers	(82,376)	(82,376)	-	(752,167)	(752,167)	-	(791,346)	39,179

Note 1. 2014 Allstream Centre Total Event Income Budget was based on Proforma and 2013 actual.

**DIRECT ENERGY CENTRE AND ALLSTREAM CENTRE
EVENT STATISTICS
FOR THE TEN MONTHS ENDED OCTOBER 31, 2014**

DIRECT ENERGY CENTRE

	<u>MONTH ACTUAL</u>	<u>YTD ACTUAL</u>	<u>PRIOR YEAR ACTUAL</u>
Attendance [Note:1]	106,250	733,030	534,382

<u>EVENT</u>	(NOTE 3) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT PER CAP'S
	2014	2013	2012	ACTUAL	BUDGET	ACTUAL
	#	#	#	\$ (IN '000'S)	\$ (IN '000'S)	
Consumers Show	34	26	23	5,966	4,722	2.56
Trade Show	5	7	9	553	501	3.34
Exam	7	5	4	364	153	16.59
Photo/Film Shoot	0	3	2	4	-	-
Meeting/Corporate	4	3	12	30	25	-
	50	44	50	6,917	5,400	22.49

ALLSTREAM CENTRE

<u>EVENT</u>	(NOTE 3) ACTUAL # OF EVENTS			(NOTE 3) NET EVENT INCOME		(NOTE 2) REFRESHMENT PER CAP'S
	2014	2013	2012	ACTUAL	BUDGET	ACTUAL
	#	#	#	\$ (IN '000'S)	N/A	
Gala	4	4	5	122	-	63
Conference	31	26	30	825	-	124
Reception	9	4	11	30	-	70
Meeting	40	48	50	139	-	52
Photo/Film Shoot	1	1	0	20	-	-
Exam	6	2	6	30	-	-
	91	85	102	1,166	-	309

Note: 1 Attendance estimates provided by Show Management.

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

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

**COMBINED EXHIBITION PLACE AND ALLSTREAM CENTRE
CHEQUE DISBURSEMENTS - OCTOBER 2014
GREATER THAN \$50,000**

Cheque No	Date		\$ Amount	Description
	01/10/2014	ADP CANADA	263,681.06	HOURLY PAYROLL
	08/10/2014	ADP CANADA	210,333.26	HOURLY PAYROLL
	14/10/2014	ADP CANADA	325,378.89	SALARY PAYROLL
	15/10/2014	ADP CANADA	207,736.00	HOURLY PAYROLL
	22/10/2014	ADP CANADA	217,372.18	HOURLY PAYROLL
	28/10/2014	ADP CANADA	328,468.37	SALARY PAYROLL
	29/10/2014	ADP CANADA	290,281.17	HOURLY PAYROLL
13610	16/10/2014	I.E.B.W. 353 TRUST FUND	52,308.06	SEPTEMBER UNION DUES
13599	16/10/2014	AIRTRON CANADA	52,418.75	CAPITAL WORKS - BACK PRESSURE STEAM TURBINE
13658	22/10/2014	AIRTRON CANADA	71,450.06	HOLDBACK RELEASED
13561	09/10/2014	CITY OF TORONTO	80,697.71	PREMIUM FOR DENTAL & LIFE FOR OCTOBER 2014
13571	09/10/2014	LOCAL 58 BENEFITS FUND	88,406.47	SEPTEMBER UNION DUES
13683	22/10/2014	VR MECHANICAL SOLUTIONS	141,220.62	CAPITAL WORKS - DISTRICT ENERGY SYSTEM
13654	22/10/2014	C.I.R. GENERAL CONTRACTOR	159,074.63	CAPITAL WORKS - FESTIVAL PLAZA
13667	22/10/2014	OMERS	162,074.82	SEPTEMBER PAYMENT
13673	22/10/2014	ROSS CLAIR	199,615.52	CAPITAL WORKS DEC WASHROOM RENOVATIONS
13650	22/10/2014	CANADA CUSTOMS AND REVENUE	205,790.66	SEPTEMBER H.S.T. REMITTANCE
13584	31/10/2014	CITY OF TORONTO	222,689.97	NOVEMBER LOAN PAYMENT
13680	22/10/2014	TORONTO HYDRO	350,561.86	SEPTEMBER HYDRO
		DISBURSEMENTS OVER \$50,000	3,629,560.06	
		OTHER DISBURSEMENTS	1,039,187.95	
		TOTAL DISBURSEMENT	<u>4,668,748.01</u>	

**BOARD OF GOVERNORS OF EXHIBITION PLACE
BALANCE SHEET
AS AT OCTOBER 31, 2014**

	2014 Oct.	2013 Oct.
FINANCIAL ASSETS		
CASH	1,369,435	2,279,932
SHORT-TERM INVESTMENTS	2,350,000	2,200,000
TRADE ACCOUNTS RECEIVABLE	5,685,751	1,550,126
ALLOWANCE FOR DOUBTFUL ACCOUNTS	(599,335)	(392,615)
NET ACCOUNTS RECEIVABLE	5,086,416	1,157,511
OTHER RECEIVABLE	2,321,872	4,164,878
RECEIVABLE FROM THE CITY OF TORONTO	7,299,481	7,502,116
CAPITAL	1,279,719	272,932
TOTAL FINANCIAL ASSETS	<u>19,706,924</u>	<u>20,033,760</u>
LIABILITIES		
ACCOUNTS PAYABLES - TRADE	2,258,849	916,912
ACCRUED LIABILITIES	2,554,287	3,617,973
SALES TAX PAYABLE	558,292	489,696
CONFERENCE CENTRE RESERVE FUND	(38,019)	(47,059)
DEFERRED REVENUE	7,472,090	7,140,472
OTHER CURRENT LIABILITIES	716,883	715,375
EMPLOYEE BENEFITS PAYABLE - PSAB	8,809,529	9,004,270
OTHER LIABILITIES	444,683	518,717
LOAN PAYABLE - ERP PROJECTS	6,939,615	7,139,823
GOVERNMENT ASSISTANCE	1,383,092	1,524,780
LOAN PAYABLE- FCM CAPITAL ASSET	1,638,214	1,724,719
LOAN PAYABLE- CONFERENCE CENTRE ASSET	34,817,262	35,751,531
NET INCOME (LOSS) CURRENT	(945,054)	(94,932)
PRIOR YEAR SURPLUS	(4,633,415)	(3,704,820)
TOTAL LIABILITIES	<u>61,976,311</u>	<u>64,697,456</u>
NET DEBT	<u>42,269,387</u>	<u>44,663,696</u>
NON-FINANCIAL ASSETS		
INVENTORIES	66,077	68,869
PREPAID EXPENSES	275,883	160,325
STEP UP RENT/OTHER RECEIVABLE	1,124,308	1,340,627
FIXED ASSETS		
EQUIPMENT	55,816,284	55,532,284
ACCUMULATED DEPRECIATION - EQUIPMENT	15,013,164	12,438,408
EQUIPMENT - NET	40,803,120	43,093,875
TOTAL NON-FINANCIAL ASSETS	<u>42,269,387</u>	<u>44,663,696</u>

Summary of Sole Source Commitment Activity by Reason - August 9, 2014 to October 17, 2014

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 August 9 to October 17, 2014 total is \$8,000.00. The percentage of dollar value of sole source purchasing activity for goods and services compared to the total purchasing expenditures of \$2,380,032.03 is 0.3% for this period. The revised annual percentage year to date is 2.0% on purchasing expenditures of \$7,141,869.96.

EP Program

Reason for Sole Source	Number of Commitments	Number of Suppliers	Total Value
Match Existing Equipment/Service	0	0	\$ -
Specialized Services	1	1	\$ 8,000.00
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 -	0	0	\$ -
Total	1	1	\$ 8,000.00