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Management Report
for
The Board of Governors of Exhibition Place
April 2008

Executive Summary

- For the month ending April 30, 2008 the Operating Loss for BMO Field was \$126K (\$102K unfavourable to budget), resulting in a year to date operating loss of \$669K (\$111K or 20% unfavourable to budget).
- Total revenues of \$800K for the month were \$153K or 24% positive to budget (\$223K or 23% favourable to the year to date budget). The primary reasons for the higher revenues were increased community usage of the bubble and strong food and beverage sales from the two TFC games in the month.
- Total operating expenses of \$926K for the month were \$255K or 38% negative to budget (\$334K or 22% unfavourable to the year to date budget). The primary reasons for the increased operating expenses were the unexpectedly cold winter, higher than expected building maintenance costs, and higher cost of goods sold and royalties related to increased food and beverage sales.
- While BMO Field is unfavourable to budget year to date, we are still forecasting to achieve our 2008 budgeted net income of \$98K, which the manager and owner will share equally.

April 2008 Financials

BALANCE SHEET

The following provides an analysis of a few balance sheet items;

- Cash of \$2,131K includes amounts received for 2008 suite payments of \$897K which is shared with TFC at the end of the season and Excess cash of \$980K from 2007 which will be distributed to the manager and owner in early June.
- Accounts Receivable of \$519K includes: \$128K from City of Toronto for 2008 Capital Expenditures to be collected early June, \$144K from Toronto Soccer Association for 2008 field rentals to be collected in August, \$189K from TFC for April settlements and Sponsorship revenue due at the end of the season, no collection issues are anticipated.
- Accounts Payable and Accrued Liabilities of \$2,885K includes: \$934K in current payables and fiscal 2007 excess funds of \$980K payable to the owner and the manager.

PROFIT & LOSS

The Operating Loss for BMO Field for the month ending April 30, 2008 was \$126K (\$102K unfavourable to budget), resulting in a year to date operating loss of \$669K (\$111K or 20% unfavourable to budget). The following provides an analysis of the monthly and year to date figures;

- Ticketmaster rebates were \$7K or 62% negative to budget in the month (\$7K or 62% unfavourable to the year to date budget). The decrease was due to the lack of TFC tickets available for sale via phone, internet and box office locations; TFC season seat subscriptions increased from approximately 14,000 to 16,000, leaving limited amount of inventory available per event.
- Sponsorship revenues were \$30K or 37% positive to budget in both the month and year to date. As per the Team Agreement, the maximum sponsorship amount of \$750K plus annual CPI increase has been achieved compared to the \$560K in budget.
- Food and Beverage revenues were \$90K or 23% positive to budget in the month as result of increased per caps (\$15.02 compared to the \$10.24 budgeted) for two TFC games in the month. Year to date, food and beverage revenues were \$87K or 22% favourable to budget. The increased revenues were a result of increased per caps as above and an increase in the stile count from 18,000 to 18,394.
- Event Merchandise revenues were \$7K or 92% positive to budget in both the month and year to date. The increase is due to increased per caps (\$4.59 compared to the \$2.00 budgeted).
- Other Usage Fees (primarily bubble and field rentals) were \$29K positive to budget for the month. Year to date, other usage fees were \$91K or 27% favourable to budget due to the March Break soccer tournament and increased community usage.
- Other revenues were \$3K positive to budget for the month (\$15K favourable to the year to date budget) due to interest received on the operating account.
- Costs of Goods Sold and Royalty expenses were \$34K and \$20K higher respectively than both the month and year to date budgets (or 28% and 21% higher).
- Full-time salaries were even to budget in the month. Year to date, full-time salaries were \$33K or 13% favourable due to temporary reassignment of personnel.
- Part-time wages were \$41K or 46% higher than budget in the month (\$36K or 31% unfavourable to the year to date budget). The negative variance was due to additional staff to cover new food & beverage point of sale locations intended to increase sales and Unicco site manager's cost.
- Supplies and Services expenses were \$163K negative to budget in the month (\$256K or 56% unfavourable to the year to date budget) due to higher costs associated with snow removal and building operation costs (the budget was established before the bubble was in operation). Additionally, BMO Field incurred season startup training (\$89K) and uniform (\$47K) costs for part-time event and food and beverage staff; as a result of the new Unicco agreement which was not budgeted.

- Utilities were \$5K or 12% positive to budget in the month due to savings from less water consumption. Utilities were \$7K or 4% unfavourable to the year to date budget as a result of increased gas usage related to the bubble due to the colder than expected winter conditions; partially offset by lower water consumption.

Event Management Services

During the month, the bubble was operational from April 1-7 and hosted 49 hours of community rentals. On April 8th, the bubble was removed and the outdoor season officially began. There were 70 hours of outdoor community rentals for April 8-30, bringing the total rental hours for April to 119 versus budget of 92 hours. There were no corporate events during the month of April.

Toronto FC hosted two home games in April – Saturday the 19th vs. Real Salt Lake and the following Saturday, April 26th vs. the Kansas City Wizards. Preparations for these games included more than 60 hours of training event staff including ushers, security, ticket office and fan services staff. Additionally, police evacuation training took place on April 16th.

Building Operations

The Building Operations team prepared for the start of the outdoor season by “summerizing” BMO Field. This included turning all the water back on around the stadium, repairing any broken pipes, full clean and restock including power wash from top to bottom. The bubble was deflated and dismantled April 8th, and extensive line removal and field grooming took place in order to receive the FIFA two-star rating for the Turf. Finally, all capital expenditures projects were completed on time and on budget.

Food & Beverage

The Food and Beverage team was focused on preparations for start of the 2008 TFC season with twelve days of intensive set up of the concourse and concessions. More than 500 third party staff members were hired, of which 300 were scheduled for the April 19 home opener. In addition, there was specific supervisor training for third party staff dedicated to improving customer service, improving food quality, and responsible alcohol service, all staff hired was smart served certified.

To ensure even greater food and beverage service at BMO Field, there were a number of supplementary items brought in, including: doubling the draught locations from ten units to twenty, adding five beer can locations, selling water at all beer can locations, providing beer hawkers with an additional base location to ensure better stadium coverage, improved signage at all portable locations, as well as new dedicated food and beverage service for ten sit down tables in the North Patio and the 44 sideline tables.

Bubble/Community Usage Update

At its meeting of May 2, 2008, the Board requested that staff provide a comparison breakdown reflecting the usage for the winter season and a breakdown of volunteer & rental usages for the bubble season at BMO Field. As such, the following is a wealth of information pertaining to the usage of the Bubble Season which ran from November 15th, 2007 through April 8th, 2008

During the bubble season, evenings from 6:00 pm to 11:00 pm and weekends from 8:00 am to 12:00 am, the field time was booked solid. In addition there were supplementary daytime rentals which were available at competitive community rates. The number of hours used for community usage totaled 1370 for the inaugural bubble season at BMO Field.

BMO Field was used primarily by six community groups which comprised the majority of the regular bookings. The breakdown for these groups is as follows:

- Best Body Boot Camp – 6 hours per week
- North Toronto Soccer Club – 3 hours per week
- North York Soccer Association – 3 hours per week
- Toronto Central Sport and Social Club – 10 hours per week
- Toronto Soccer Association – 27 hours per week
- Toronto Ultimate Club – 6 hours per week

Some of the major community events that took place at BMO Field this bubble season include the Toronto Soccer Association Holiday Tournament, and the Toronto Soccer Association Soccer Camp which accounted for 50 and 30 hours, respectively, during the end of December and start of January. In addition there were 75 hours booked between the Toronto Soccer Association March Break Camp and training for the Canadian Under-17 Women's team.

As per the BMO Field Management Agreement, the city is eligible for 14 free days per year. In 2007, using a prorated system as BMO Field opened in April 2007; the City of the Toronto used nine (or 100%) free days. As of the time of this report, the City of Toronto has used or booked, nine of its allocated 14 free days, and BMO Field is committed to working with the city to ensure maximum usage of its days.

Submitted by:

Marc Petitpas
General Manager
BMO Field and Ricoh Coliseum

**BMO Field
Balance Sheet
as at April 30, 2008**

	30-Apr-08
ASSETS	
Current Assets	
Cash	\$2,131,372.05
Accounts Receivable	10,314.88
Other Accounts Receivable	519,216.14
Prepaid, Deposits	24,068.10
Inventory	258,321.20
Income and other taxes recoverable	15,530.89
	2,958,823.26
 Capital Assets	 90,000.00
	3,048,823.26
 LIABILITES AND NET INCOME (LOSS)	
Current Liabilites	
Accounts Payable and Accrued Liabilites	2,885,295.83
Deferred Revenue	573,630.90
	3,458,926.73
 Long-term Liabilites	
Long-term Suite Deposits	218,125.00
 Retained Earnings	 40,483.98
Net Income (Loss)	(668,712.45)
	3,048,823.26

BMO Field
Income Statement
For the Four Months Ending April 30, 2008

	April 08				YTD			
	Actual	Budget	Variance \$	Variance %	Actual	Budget	Variance \$	Variance %
Revenues								
TicketMaster Rebates	\$4,372.60	\$11,400.00	(\$7,027.40)	-62%	\$4,372.60	\$11,400.00	(\$7,027.40)	-62%
Club Fees	11,135.47	11,150.00	(14.53)	0%	11,135.47	11,150.00	(14.53)	0%
Sponsorship	109,821.43	80,000.00	29,821.43	37%	109,821.43	80,000.00	29,821.43	37%
Food and Beverage	478,895.39	388,810.00	90,085.39	23%	485,147.21	397,810.00	87,337.21	22%
Event Merchandise	15,180.44	7,920.00	7,260.44	92%	15,180.44	7,920.00	7,260.44	92%
Suites	71,779.79	73,207.00	(1,427.21)	-2%	71,779.79	73,207.00	(1,427.21)	-2%
TFC Usage Fee	30,750.00	30,600.00	150.00	0%	30,750.00	30,600.00	150.00	0%
CRF	32,948.39	30,960.00	1,988.39	6%	32,948.39	30,960.00	1,988.39	6%
Other Usage Fee	42,028.02	12,572.00	29,456.02	234%	431,232.17	340,712.00	90,520.17	27%
Other Revenue	2,901.89	0.00	2,901.89	0%	14,513.11	0.00	14,513.11	0%
Total Revenues	799,813.42	646,619.00	153,194.42	24%	1,206,880.61	983,759.00	223,121.61	23%
Expenses								
Cost of Goods Sold	150,270.95	116,462.00	(33,808.95)	-29%	152,574.17	119,612.00	(32,962.17)	-28%
Royalty	117,546.23	97,202.50	(20,343.73)	-21%	117,595.60	97,202.50	(20,393.10)	-21%
Full-Time Salaries	71,058.46	70,350.00	(708.46)	-1%	226,755.42	259,293.00	32,537.58	13%
Part-Time Wages	130,274.68	89,038.00	(41,236.68)	-46%	154,067.90	118,033.00	(36,034.90)	-31%
Travel and Entertainment	1,017.09	6,375.00	5,357.91	84%	3,416.26	16,790.00	13,373.74	80%
Supplies and Services	308,430.53	145,415.17	(163,015.36)	-112%	710,311.08	454,806.68	(255,504.40)	-56%
Insurance	10,612.95	6,750.00	(3,862.95)	-57%	41,026.05	27,000.00	(14,026.05)	-52%
Utilities	38,596.33	43,800.00	5,203.67	12%	188,238.07	181,300.00	(6,938.07)	-4%
Capital Reserve	33,333.00	34,000.00	667.00	2%	133,332.00	136,000.00	2,668.00	2%
Management Fee	17,083.33	17,000.00	(83.33)	0%	68,333.32	68,000.00	(333.32)	0%
Other	47,856.72	44,778.00	(3,078.72)	-7%	79,943.19	63,808.00	(16,135.19)	-25%
Total Operating Expenses	926,080.27	671,170.67	(254,909.60)	-38%	1,875,593.06	1,541,845.18	(333,747.88)	-22%
Net Operating Profit (Loss)	(126,266.85)	(24,551.67)	(101,715.18)	-414%	(668,712.45)	(558,086.18)	(110,626.27)	-20%

