

16

October 18, 1999

EXHIBITION PLACE

TO: The Board of Governors of Exhibition Place
Board of Directors, Canadian National Exhibition Association

FROM: Joe Pantalone, Chair
Robert Bowman, Honourary President

SUBJECT: CNEA Memorandum of Understanding

Recommendation:

It is recommended that the Board of Governors of Exhibition Place (the "Board") and the Board of Directors of the Canadian National Exhibition Association (the "CNEA") approve the Memorandum of Understanding attached as Schedule "A" between the Board and the CNEA.

Background:

At their meeting of September 16, 1999 and September 17, 1999 respectively, the CNEA and the Board gave approval to negotiate for the extension of the 1997 Memorandum of Understanding dated November 25, 1997. Each Board appointed representatives to an MOU Subcommittee to carry out these negotiations, namely Bob Bowman and Ken Lantz from the CNEA and Joe Pantalone, Carole Kerbel and Mario Giansante from the Board.

Discussion:

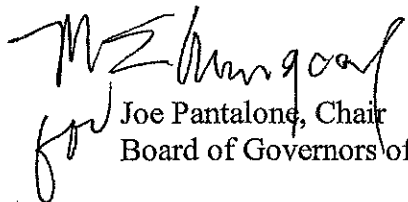
The MOU Subcommittee has met on several occasions and have negotiated the terms and conditions of the 1999 MOU attached for your consideration. As before, the intent of the 1999 MOU is to articulate the objectives for achieving operational and financial independence of the CNEA from the municipal government; to set out a process to address the major issues to achieve this objective; and to lay out the mode of operations during the transition period. This 1999 MOU is for a term of two years and generally, this document reflects the terms and conditions of the previous 1997 MOU as amended as a result of the disentanglement processes and new operating procedures that have been adopted by both Boards during 1998 and 1999.

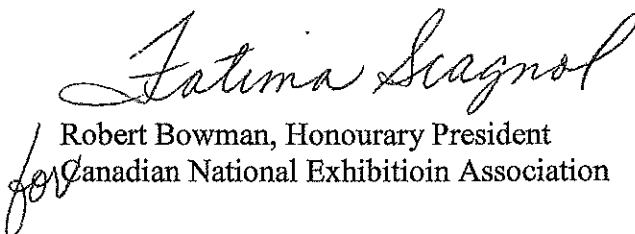
It is our belief that entering into an MOU has been a very positive direction for the CNEA and the Board as it has allowed the two organizations to more clearly understand and be responsible for each of their own programming and financing areas. Even though the CNEA will not achieve total independence from the City of Toronto by the end of 1999, it has made great steps

in moving in this direction in the last two years and entering into this 1999 MOU will allow it a further two years to fully achieve this objective.

Conclusion:

This report recommends that the Board and the CNEA enter into the 1999 MOU attached as Schedule 1 to this report.


for Joe Pantalone, Chair
Board of Governors of Exhibition Place


for Robert Bowman, Honourary President
Canadian National Exhibition Association

Yreports-2000MOUjp&rb

The foregoing report was reviewed by the Executive Committee at its meeting of October 22, 1999 and is recommended to the Board of Governors for approval.

SCHEDULE 'A'

MEMORANDUM OF UNDERSTANDING BETWEEN THE BOARD OF GOVERNORS OF EXHIBITION PLACE (the "Board") AND THE CANADIAN NATIONAL EXHIBITION ASSOCIATION (the "CNEA")

September 25, 1999

Whereas at its meeting of September 24 and 25, 1997, the former Metropolitan Toronto Council approved of the establishment of a CNEA Stabilization Reserve Fund (the "Reserve") for the purpose of funding unplanned CNEA budget deficiencies; and,

Whereas at a joint meeting, the Board and the CNEA approved of entering into a Memorandum of Understanding dated November 25, 1997 ("1997 MOU") which articulated the objective of achieving operational and financial independence of the CNEA from the municipal government; set out the process to address the major issues to achieve this objective; and lay out the mode of operations during 1997, 1998 and 1999; and,

Whereas at its meeting of December 10 and 18, 1997, the former Metropolitan Toronto Council adopted the terms and conditions of the 1997 MOU as amended by Metro Council; and,

Whereas by virtue of the City of Toronto Act, 1997, the Metropolitan Corporation was amalgamated into the City of Toronto and its assets, rights and obligations became the assets, rights and obligations of the City of Toronto;

Whereas the CNEA will not have achieved operational and financial independence from the City of Toronto at the end of the term of the 1997 MOU and has incurred a cumulative deficit during 1998 and 1999 of \$1.92 million; and,

Whereas the Board and the CNEA continue to agree that the CNEA should be self-governed and operationally and financially independent of the City of Toronto; and

Whereas the Board and the CNEA wish to enter into a further Memorandum of Understanding (the "MOU") to articulate the objectives of self-governance; to set out the process by which the parties will address the outstanding issues; and to establish the mode of operations during the term of this MOU.

Therefore, for good and valuable consideration the sufficiency of which is hereby acknowledged, the parties hereto agree as follows:

1.0 Parties

The Board and the CNEA or their respective successors.

2.0 Term

Subject to Section 25 of this MOU, the Term will be for a period of two years beginning January 1, 2000 and ending on December 31, 2001.

3.0 Relationship after Transition

The general principles that will govern the relationship between the Board and the CNEA at the end of the Term are as follows:

- (a) The CNEA will plan and stage an annual CNE worthy of community support at Exhibition Place at the sole cost and expense of the CNEA.
- (b) The CNEA will operate as a distinct and independent non-profit organization, separate from any government operation. The CNEA will not be subject to City of Toronto Council policies and directives, nor budget review or approval. If, following independence, the CNEA requests municipal support, either financial or in-kind services, Council may impose the usual grant request procedures that may include a review of financial status and business plans.
- (c) Subject to Section 16, the Board will provide the grounds, buildings, and such services as the CNEA may request for the staging of the annual CNE. The relationship of the Board and the CNEA will be that of landlord and tenant.
- (d) The CNEA may enter an agreement with the Board for the provision of specific administrative and operational services on a fee for service basis and for the use of permanent year-round administrative, storage, and exhibit space.

4.0 Principles during Transition (2000 and 2001)

The following principles will govern the processes of transition during 2000 and 2001:

- (a) The CNEA will continue to operate subject to existing policies and procedures of the Board and City of Toronto Council.
- (b) The operation and development of the annual CNE in an efficient and effective manner will remain a priority of the CNEA.
- (c) All employees will be treated with respect, honesty, and fairness.
- (d) The CNEA should have as much authority as possible to make its own decisions during the transition period on issues which will affect its long term structure, operations, and finances.
- (e) The Board will monitor the financial performance of the CNEA Program but will not unduly withhold approval of CNEA budgetary items.

5.0 Non-Unionized Staff

5.1 The parties acknowledge that during the term of the 1997 MOU, the CNEA and the Board approved the organizational structure attached as Schedule I with respect to the CNEA Program.

5.2 Subject to the policies and procedures of the Board and City of Toronto, the CNEA will be solely responsible for the hiring, performance evaluation and determination of the salary and benefits level of all staff directly assigned to the CNEA Program, including the CNEA General Manager. Without limiting the generality of the foregoing, when hiring for a particular position, the CNEA will, in addition to any external job call, post the position internally and within the City of Toronto

5.3 The CNEA will continue to assess its administrative and operational needs to determine the most appropriate means of service delivery which may include direct service delivery by CNEA Program staff; contracting out; using the services of the Board or other agencies; or a combination thereof. If external sources are selected as the most appropriate means of service delivery and such outsourcing results in the loss of employment for present Board employees, the Board must approve of such arrangements.

5.4 All staff hired by the CNEA or working directly for the CNEA Program will be employees of the Board up to and including December 31, 2001, following which date some or all of such Board staff members, as determined solely by the CNEA, will be employees of the CNEA.

5.5 The parties will during the Term jointly undertake and fund a study to determine all costs associated with the transfer of employees from the Board to the CNEA as of January 1, 2002, and will determine which party will be liable for the costs of such transfers.

6.0 Collective Agreements

The CNEA will be bound by any existing collective agreements between the Board and its unions and between the City of Toronto and its unions.

7.0 Administrative Services

7.1 The parties acknowledge that during the term of the 1997 MOU, the Board and the CNEA agreed that the Board will provide to the CNEA, at an annual Administrative Fee-for-Service Cost of \$900,000.00, the following administrative and office support services:

- (a) Accounting services
- (b) Telephone/Mail services
- (c) Records and Archival services
- (d) Information Technology services
- (e) Human Resources services
- (f) Corporate Secretariat/Executive services
- (g) Purchasing and Stores services

(h) Contract Management services

Attached as Schedule II to this MOU is the formula used by the parties for calculating this Administrative Fee-for Service Cost.

7.2 Set out in Schedule III attached to this MOU is the level of each of the Administrative Services⁸ provided by the Board in consideration of the Administrative Fee-for-Service Cost.

7.3 The CNEA may make alternative arrangements for the provision of any of the Administrative Services or increase the level of services provided by the Board and the parties will negotiate the appropriate decrease or increase in the Administrative Fee-for-Service Cost. The parties acknowledge that the Board, as the provider of the Administrative Services, has the right to determine the minimum standard level of service that can be provided.

8.0 Site Cost Reimbursement

8.1 The parties acknowledge that during the term of the 1997 MOU, the Board and the CNEA agreed that the CNEA will pay the Board on an annual basis a Site Cost Reimbursement Fee of \$1,930,000.00 which fee is based on consideration of the buildings and area of the grounds to be used by the CNEA and the length of occupancy of both as set out in Schedule IV attached to this MOU.

8.2 In addition to the Site Reimbursement Fee, the parties acknowledge that during the term of the 1997 MOU, the Board and the CNEA agreed that the CNEA will pay the Board an NTC Operations Fee of \$435,000 for the use of the National Trade Centre Complex (NTC) which fee is based on consideration of the per diem operating cost for the NTC (but excluding the per diem base rent) and the square footage area occupied by the CNEA during the CNE event and during move-in and move-out of the event as set out in Schedule V attached to this MOU.

8.3 In consideration of the Site Cost Reimbursement Fee and the NTC Operations Fee, the Board will also provide the CNEA with the site services outlined on Schedule VI to this MOU.

8.4 The Site Cost Reimbursement Fee and the NTC Operations Fee may increase or decrease depending on the buildings and grounds and NTC square footage space used by the CNEA, the move-in and move-out period and the period of occupancy of the buildings and the site and the services supplied by the Board and the NTC for the preparation of these grounds and buildings.

9.0 Direct Operational Costs

9.1 The parties acknowledge that during the term of the 1997 MOU, all charges from direct operational services provided to the CNEA by Board staff as outlined in Section 9.2 are included in the CNEA Program accounts and the parties will during the Term continue, where possible, to further identify any other accounts within the Site Reimbursement Fee, the NTC Operations Fee or Administrative Fee-for Service Costs that could be transferred to a direct CNEA account.

9.2 The Board will continue to provide or ensure the provision of operational services such as cleaning, additional event security, electrical, and other services as may be agreed upon by the parties. All staff and equipment necessary to carry out these services will remain with the Board. The Board may provide these services through a third party at the Board's discretion. The CNEA will pay the Board the direct cost of services (including staff benefits, materials, supplies, equipment and purchased services) and there will be no other allocation of costs for such operating services within the Administrative Fee-for-Service Cost or Site Reimbursement Fee.

9.3 During the Term the parties will determine the level of direct operational services required including staff time, equipment, supervision, etc. provided that the parties acknowledge that the Board, as landlord of Exhibition Place and all the buildings thereon, has the responsibility of maintaining certain standards for the grounds and buildings.

10.0 Equipment

Direct Operational Costs will include the cost of any equipment required for the service provided. The Board will provide the CNEA with any additional equipment requested by the CNEA that the Board may have available. The CNEA will reimburse the Board for any rental fee charged by a third party for rental of equipment, as required.

11.0 Use of NTC Space

The parties acknowledge that given the NTC Operations Fee does not include any base rental charge, it is in the interest of both parties to encourage the efficiency and minimization of move-in and move-out times of the NTC in order to maximize the profits from third party rentals of the NTC.

The CNEA and the Board agree that on or before the 1st day of the Term, the CNEA will confirm the move-in and move-out days and the event days in any and all spaces within the NTC for the 2000 and 2001 CNE event and the CNEA will make all reasonable efforts to reduce the move-in and move-out periods.

12.0 Annual Review

The Board and CNEA will, on or before the first of April in each year of the Term, review the following:

- (a) The level of Administrative Services to be provided to the CNEA by the Board and the Administrative Fee-for-Service Cost to be charged;
- (b) The required move-in, move-out and occupancy times for each area of the grounds and each building on the grounds (excluding the NTC) as determined by the CNEA;
- (c) The Site Cost Reimbursement Fee to be charged as determined on the basis of the buildings and grounds to be used by the CNEA, the move-in and move-out periods, the length of occupancy required, and the servicing of those buildings and grounds.

13.0 Financial Reports

13.1 During the Term, the CNEA shall prepare an operating budget in accordance with the requirements of the Board and the City of Toronto.

13.2 Separate accounts within the CNEA Program appropriation will be established to record all charges to the CNEA. Where the Board's costs are distributed to the CNEA, the Board will establish a revenue account and the CNEA an expenditure account that will balance. All such interdepartmental charge accounts will be identified as such to facilitate reporting and reconciliation.

13.3 If, during the Term, the CNEA assumes responsibility for its own accounting records, the CNEA shall:

- (a) Keep full and accurate accounting records showing all revenues and expenditures arising from operations.
- (b) Prepare reports in the form specified by the Board in order to prepare consolidated budgets, variances and annual statements required by the Board and the City of Toronto.
- (c) Prepare annual financial statements to be audited by the auditor appointed by the City of Toronto with the costs of such audit charged to the CNEA.
- (d) Make all accounting records available for inspection by the Board at all reasonable times during normal business hours.
- (e) Subject to a determination of final ownership pursuant to Section 14.2, any accounting records prepared or maintained by the CNEA will be the property of the Board.

14.0 Inventory/Records & Reports/Archives

14.1 The parties acknowledge that during the term of the 1997 MOU, the parties have agreed that the inventory/equipment set out in Schedule VII is used exclusively by the CNEA for the annual CNE event.

14.2 During the Term, the parties will continue to identify all assets, including all records, archival material, office equipment, and other assets in order to determine ownership of such assets.

14.3 Assets clearly belonging to the CNEA as identified in legislation will remain the property of the CNEA unless the parties agree otherwise. Where ownership is not clear, transfer of the assets must be approved by the City Council. Ownership of assets will be transferred at no cost to either party.

14.4 The CNEA may, at its own discretion, assemble and locate any assets determined to be the assets of the CNEA in a location convenient and cost effective for the CNEA that may or may not be within Exhibition Place. If any assets owned by the CNEA are moved to a location outside of Exhibition Place, the CNEA will bear the relocation cost.

14.5 The parties acknowledge that the 1997 MOU provided that any CNEA assets currently contained within either the NTC or Medieval Times will remain within these buildings for 10 years ending on December 31, 2008 with an option to extend that period further upon mutual agreement which term was approved by the former Metro Council. The 1997 MOU further provided that the Board, at its own discretion, may decide to remove such assets at any time and will deliver such assets to the CNEA at the Board's cost.

15.0 Year-Round Space

15.1 Subject to the limitations as to use imposed by the City of Toronto and subject to any developments of the site approved by the Board as set out in Sections 16.3 and 16.4, the CNEA will have exclusive use of the following buildings/areas on a year-round basis during the Term:

- (a) The Press Building for its permanent administrative offices;
- (b) The Food Building for storage of some inventory and permanent exhibitor fixtures;
- (c) One Cubicle located at 20 Manitoba Drive for the storage of inventory.

15.2 The parties acknowledge that all costs associated with daily and annual maintenance and repair of this Year-Round Space is included in the Site Reimbursement Fee as set out in Section 8.0 including the cost of any heat, air-conditioning, water, gas, electricity and any other utilities provided.

15.3 If for any reason during the Term, any or all of the Year-Round Space is not available for use by the CNEA, the Board agrees to pay all costs associated with any relocation required.

16.0 Use of the Grounds for Annual CNE

16.1 The area of the grounds to be occupied for the purposes of the annual CNE event will be determined by the two parties and will be dependent on future development of the site as well as availability of the Ontario Place site. In any event, the minimum area to be provided for use by the CNEA for the purposes of the annual CNE will be generally equivalent to that used in 1999 although on or before April 30, 2000, the parties will make every reasonable attempt to reduce the area used for the 2000 CNE to a westerly perimeter at Dufferin Street as it extends southerly to Lakeshore Boulevard.

16.2 The Board shall close Exhibition Place for the duration of the annual CNE event which shall not be more than eighteen (18) days duration ending on Labour Day, save and except for a CNE Casino which may be 20 days. The Board, its agents, tenants and contractors have the right of access to, and the continued occupation of, Exhibition Place during the annual CNE event for the purposes of using its own administrative offices, for its agents and managers and their personnel (e.g. NTC Management personnel), tenants of buildings in Exhibition Place, for any personnel employed by the Board and other persons authorized by the Board as necessary for the Board's purposes.

16.3 It is understood and agreed that the Board will continue to develop agreements with other tenants for the site and such agreements will consider the CNEA's requirement for a cohesive exhibition site.

16.4 The Board has the right to withdraw any building, or part thereof, from the availability list for use by the CNEA provided that the Board consults with the CNEA and that the parties endeavour to allocate alternative space for any buildings taken out of use and without limiting the generality of the foregoing, the CNEA will make every reasonable effort to relocate the casino operations from the Ontario Government Building on the condition that the Board will fund any cost of such relocation. The parties also acknowledge that the Board and City Council have approved the renovation of the Coliseum Arena for the site of an IHL franchise which proposal protects the CNEA's occupation of the Coliseum Arena for the present CNE uses during the period of the annual CNE event.

16.5 During the Term, a study of all buildings will be undertaken to determine the cost of operation, maintenance and repair and use for all purposes. This will assist the parties in determining the optimal use of the buildings for the annual CNE event or other purposes based on cost effectiveness.

17.0 Building/Site Improvement Costs

17.1 The CNEA may require minor structural renovations to the buildings and/or the grounds to enhance the CNEA programming. In such cases, the Board and CNEA will determine whether the requested changes will enhance the Board's ability to generate income or otherwise benefit the Board.

17.2 If the CNEA's request is deemed to benefit only the CNEA, the CNEA will bear the cost of the development and any future maintenance cost. If the change will also benefit the Board, the Board may contribute to the cost of any such change and the parties will determine the share of the cost to be attributed to each party.

17.3 The Board will be responsible for carrying out any renovations to the buildings and the grounds. Where the CNEA bears the cost, the Board will require the authorization of the CNEA to proceed based on estimated costs and/or quotes.

17.4 The structural renovations referred to in this section are in addition to any capital improvements undertaken by the Board and the City of Toronto within the annual capital budget allocation.

18.0 Parking

During the annual CNE all available parking areas inside Exhibition Place will be provided to the CNEA for its use. The Board will manage all parking operations on behalf of the CNEA. The CNEA will be entitled to the net income from parking earned during the annual CNE event after deduction of any costs associated with preparation, operation, or reparation of lands used for parking. The Board supports the use by the CNEA of Gore Park, Marilyn Bell Park and Battery Park for

parking during the CNE event as permitted by the City of Toronto and the Board further supports the waiving of any payment to the City of Toronto for such use.

19.0 Third Party Sponsorship/Advertising Agreements

19.1 Where agreements impact the operations of the CNEA alone or are intended to benefit the CNEA directly, then the CNEA will be entitled to the benefits derived from the agreement. Likewise, the benefits derived from any contract designated as attributed to the Board alone will accrue to the Board.

19.2 The CNEA and the Board will negotiate the relative share of benefits from any joint agreements.

19.3 The CNEA shall obtain approval of the Board before entering into any exclusive agreement which may impact the Board's ability to generate income. The CNEA will be advised before the Board enters into any exclusive agreement that may impact the CNEA operations.

20.0 Business Plan

The parties acknowledge that the Board and the CNEA at its meetings held on April 8, 1999 and May 28, 1999 respectively, approved the CNEA Business Plan dated March 25, 1999 which plan addressed the strategic directions for the 1999 CNE event and identified steps to strengthen the CNEA's finances including a review of key service areas.

21.0 Surplus or Deficit

21.1 The surplus or deficit of the CNEA Program will be determined after the annual financial audit and will include any payments required from the CNEA to City of Toronto reserves as required by Council policy. No charges for debt servicing will be attributed to the CNEA for this purpose. However, any site/grounds improvement costs as described in Section 17.0 will be included in the determination of deficits and surpluses.

21.2 If there is a deficit resulting from CNEA Program in any year during the Term, such deficit shall be paid from the Reserve and any deficit remaining after the Reserve is fully depleted shall be paid by the Board and/or the City of Toronto.

21.3 If there is a surplus resulting from the operations of the CNEA Program in any year during the Term, such surplus shall be used first to repay the Board for any deficit it has paid previously during the Term of this MOU or the 1997 MOU and the remainder deposited in the Reserve.

22.0 CNE Stabilization Reserve for Program Development

22.1 The Reserve is comprised of any surplus accumulated in accordance with Section 21 and any other monies credited thereto including earnings from investment of balances in the Reserve.

22.2 The Reserve shall be the property of the City of Toronto to be used for the purposes for which it was established. It is the intention of the parties that, if the CNEA achieves financial independence from the City of Toronto and the Reserve accumulates as intended, all monies in the Reserve shall be transferred to the CNEA at the end of the Term so as to provide protection against annual fluctuations in anticipated earnings and resources for program development.

23.0 Line of Credit

23.1 During the Term, the Board will continue to advance funds to the CNEA to pay liabilities incurred prior to realizing its revenue from the annual CNE.

23.2 Prior to the end of the Term, the CNEA will endeavour to establish a line of credit with a financial institution to finance the operations of the CNEA until such time as revenues for that year are realized. The CNEA may apply to the City of Toronto to guarantee any loans received by the CNEA up to the limit of the line of credit.

24.0 CNEA Act

The parties acknowledge that at its meeting of August 24, 1999, the CNEA approved the following amendments to its governance structure and have prepared a request to the Provincial Government to change the CNEA Act in accordance with these recommendations:

- (a) reduce membership in the Municipal section from 44 to 28;
- (b) reduce the number of Directors on the Board from 28 to 20;
- (c) delete the Metro Chairman's position on the Board;
- (d) reduce the number of past presidents on the Board from 3 to 2; and
- (e) appoint five members of the community-at-large to each of the three sections (non-Municipal section) of the Association.

25. Termination of this Agreement

This agreement may be terminated any time during the Term if the parties agree that CNEA independence is not financially viable. Notwithstanding the foregoing, the Board may terminate this agreement if it is determined that the CNEA has a financial loss at the end of the year 2000. If this agreement is terminated, the annual CNE will continue to be funded and managed through the Board, but continue to operate as a separate program within the Board structure.

IN WITNESS WHEREOF, the parties have hereunto affixed their corporate seals attested by the hand(s) of their proper officer(s) duly authorized in that behalf.

SIGNED, SEALED AND
DELIVERED

THE BOARD OF GOVERNORS OF
EXHIBITION PLACE

Dianne Young
Interim General Manager

Fatima Scagnol
Corporate Secretary

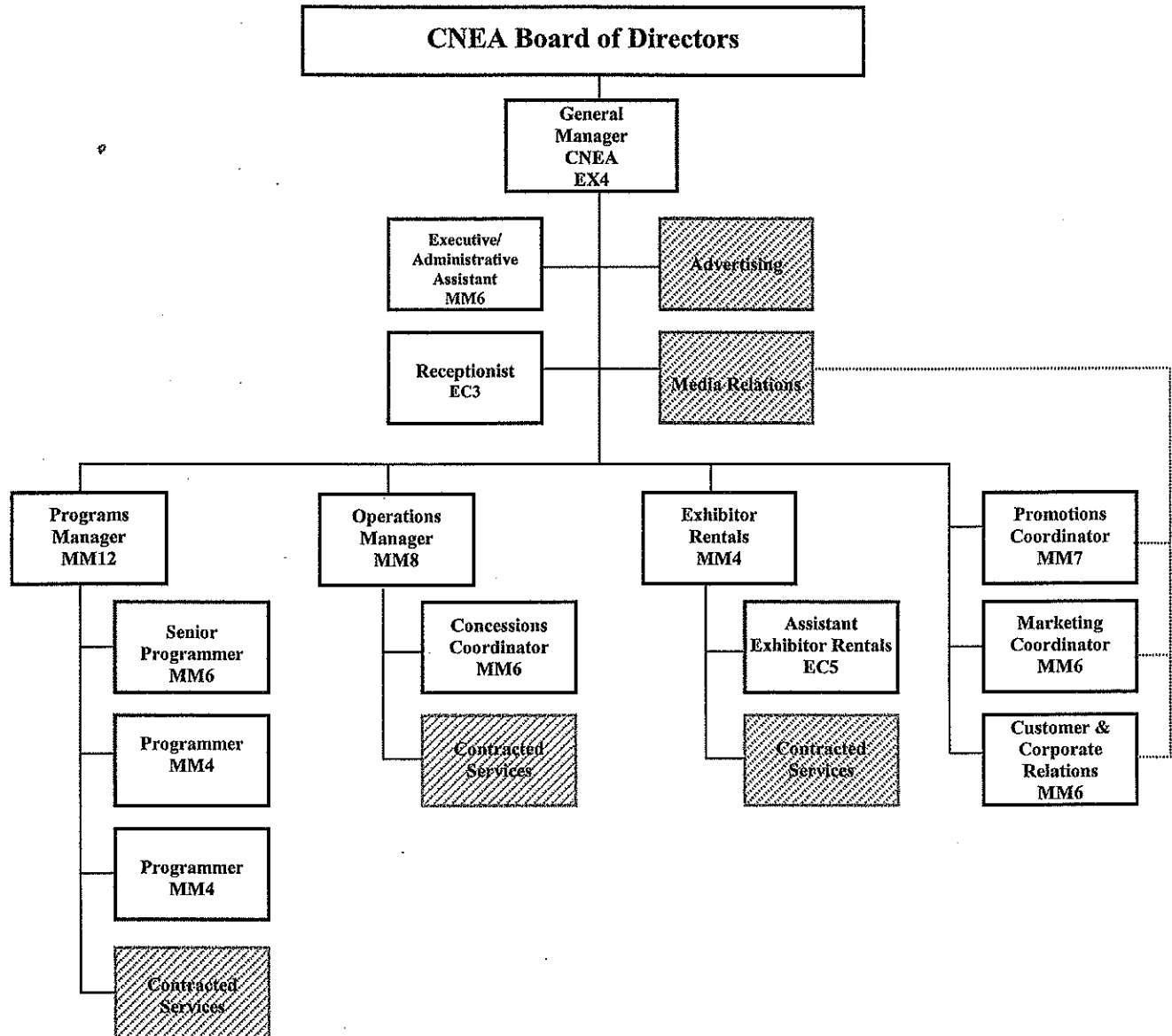
CANADIAN NATIONAL
EXHIBITION ASSOCIATION

John Downing
President

Name	Title
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I/We have the authority to bind
the corporation

Schedule I -CNEA Program Organizational Chart



Schedule II – Formulation of Administrative Fee-for Service Cost

DEPARTMENT	TOTAL	CNE %	CNE SHARE	BOG SHARE
EXPENSES				
CHIEF GM	282,235	0.15	42,335	239,900
BOARD OF GOVERNORS	73,000	0.25	18,250	54,750
CORPORATE SECRETARY	134,000	0.60	80,400	53,600
ARCHIVES & RECORDS	108,529	0.40	43,412	65,117
FINANCE & ADMIN. - SALARIES	105,946	0.59	62,084	43,862
FINANCE & ADMIN. - LEGAL,AUDIT ETC.	117,300	0.00	0	117,300
FINANCE & ADMIN. - BENEFITS	472,219	0.28	132,916	339,303
PURCHASING & STORES	193,334	0.25	48,334	145,001
HUMAN RESOURCES	129,135	0.50	64,568	64,568
TELEPHONE SERVICES	128,925	0.21	27,074	101,851
MAIL ROOM	95,087	0.32	30,428	64,659
ACCOUNTING	773,938	0.32	250,340	523,598
SYSTEMS	153,041	0.50	76,521	76,521
TOTAL EXPENSE	2,766,689	0.32	876,661	1,890,028
REVENUE / RECOVERIES				
MARK UPS	527,948	0.00	0	527,948
PROPERTY TAX	273,612	0.00	0	273,612
ACCOUNTING	25,000	-0.90	-22,500	47,500
TOTAL REVENUE / RECOVERIES	826,560	-0.03	-22,500	849,060
NET COST	1,940,129	0.46	899,161	1,040,968

Schedule III – Level of Delivery of Administrative Services

(a) Accounting Services

1. Financial Services

Prepare and analyze asset/liability schedules. Manage all related general ledger activities including account analysis, work order analysis and costing, journal entries preparation, posting and distribution of financial management reports.

2. Accounts Payable

Process all payables for the CNEA ensuring compliance with accounting policies and procedures. Preparation of statutory remittances for GST, PST and EHT. Retain all supporting documentation in accordance with Corporate retention schedules.

3. Accounts Receivable

Process and approve invoices for all space and concession rental licenses and sponsorship agreements. Control the daily collection of concession payments and finalize settlements at the conclusion of the CNEA. Process final settlements with Conklin, Ontario Place, Go Transit and other featured exhibitors. Review and approve Rental and Service Orders and ensure allocation of appropriate taxes and mark-ups. Review and approve billings for utilities and space rental. Process monthly CNEA accounts receivable statements.

4. Payroll

Process the management and hourly payroll for CNEA staff, journal entries, payroll adjustments and remittances for statutory deductions, T4's etc. Set up, process and terminate each staff member in the payroll system.

5. Audit Programming

Develop, administer and evaluate, in conjunction with City of Toronto Audit staff, the suitability of auditing procedures. Hire, train and supervise audit staff. Conduct physical checks to ensure existence of licenses, proper location of concessionaires, parking and ticket sales activities. Analyze results, prepare summaries and discuss differences with CNEA staff. Review daily operations of the Casino including revenue, payroll and associated operating costs. Undertake pre and post verification of ticket inventories used by Conklin, parking and admissions. Provide guidance on the conduct of audits and effective integration of City of Toronto audit resources.

6. Budgeting

Provide direction with respect to Board and Corporate expectations. Prepare annual budgets for gate operations. Integrate within overall Exhibition Place budget and assist with presentations

to various Boards and City Committees and Council. Provide monthly variance analysis and assist with development of periodic distribution.

7. Cash Office/Gate Management

Initiate, draft and issue the RFP for gate control/security. Analyze and recommend award of contract. Liaise with management to ensure timely/proper set up, operation and take-out of gates. Issue work orders and co-ordinate with Operations Division the physical set-up/removal of gates. Prepare, distribute and update manuals and provide staff orientation. Monitor process throughout the CNEA and adjust accordingly. Manage the cash office, recruit, train and allocate staff to appropriate locations and review and adjust accordingly. Verify daily gate sales against tickets/passes etc. collected. Co-ordinate daily pick up of all tickets deposited at gates and float and ticket distribution for sellers.

8. Financial Reporting

Prepare and review with CNEA staff financial and statistical summaries on operations during the CNEA and development of projections/trend analyses. Liaise with Ontario Place, Go Transit, Conklin and ticket operations to obtain information for statistical and financial reports. Prepare working papers, annual financial statements, annual financial information return and liaise with and support for the external auditor in the preparation of the audited financial statements.

9. Cash Management

Control all cash flow requirements, borrowing and/or investing of surplus funds for CNEA accounts and provision of refund floats for CNEA staff. Reconcile all cash against bank deposit receipts.

10. Policy Administration

Provide advice and direction to CNEA staff on the appropriate recording and reporting of financial transactions, the maintenance of internal accounting controls and the application of sales, income and non-resident taxes.

11. Pass Management

Design and determine types and quantities of passes required for the CNE. Order, distribute and record all transactions pertaining to pass issuance/distribution. Establish office for the sale of passes to concessionaires and building tenants and perform required ticket and cash reconciliations.

(b) Telephone/Mail Service

1. Provide regular and special mail pick-up and deliveries to internal and external addresses.
2. Administer provision of telephone services, installation of lines, and billing information.
3. Resolve telephone-user problems.
4. Administer purchase of office supplies, as needed.

(c) Records and Archives Services

1. Preparation and hosting of an annual exhibit during the CNE
2. Administers Records Centre, including accession of inactive records, accession to all the Minutes and Data Base, retrieval of files
3. Provides archival support, e.g. research on historical topics, creation of automated inventories of archival material; meeting with donors of material; paperwork on donations, appraisals, tax receipts
4. Administrative support to Archives & Foundation Committee including report preparation, attendance at meetings, preparation of agenda/minutes, etc.

(d) Information Technology Services

1. Network Administration

Establish new users and accounts, access to authorized programs/network devices, access to mailboxes, e-mail etc and post CNEA close down. Configuration, installation and network support for QNX and Windows NT operating systems.

2. Equipment Procurement/Rollout

Purchase /rental of computers, printers, cable, peripherals for all CNEA users. Configure and install hardware, software and network connectivity for all computers and printers. Relocation of equipment for CNEA staff and post CNEA close down and collection of equipment.

3. Troubleshooting

Resolve user problems related to all software/hardware issues. Service computers, printers and network hubs during systems failure.

4. Training and User Support

Provide training to all CNEA staff including summer, contract and part-time staff on all software programs operating on the two (2) networks – QNX and Windows NT. Provide support, assistance and instruction on the operation of all software programs, hardware and

operating systems.

Develop, maintain and support customized software such as Rising Star, Budget Monitors, Concessions and Rentals License Agreements and Reports, CNEA General Ledger, Work Orders, Cost Accounting, CNE Cleaning/Gates/Casino Job Tickets/Agriculture Horse Show, etc.

5. Graphic Design/Photo ID's

Create manuals, flyers, brochures and specialized name plates for CNEA staff and produce photo ID's as requested.

(e) Human Resources Services

1. Provides a range of human resources expertise and consultation to managers and employees in the functional areas of recruitment, labour/employee relations, benefits administration and preparation of the human resources budget.
2. Responsible for the administration of all benefit programs including the extended medical plan, Omers pension, updating of all vacation and sick leave on the HRIS system.
3. Prepares, analyzes and monitors the CNE summer employment office.
4. Provides consultation, interpretation, guidance and support to managers on day-to-day human resource management administration, interpretation of legislation and policies, programs and processes.
5. Assists with the downsizing and separation program processes and provides related direct delivery of consulting services to management and affected employees.

(f) Purchasing and Stores Services

1. Purchasing

Identify eligible suppliers, obtain competitive prices, process required procurement documents and ensure timely follow up for receipt of goods and services. Prepare and/or assist CNEA staff in the development of RFP/RFQ documentation. Liaise with suppliers and City of Toronto Purchasing staff for all requests in excess of \$10,000.00. Identify ongoing operational requirements and issue blanket agreements for CNEA purposes. Provide guidance/policy direction with respect to purchasing issues. Provide purchasing services to Exhibition Place Finance and Operations Divisions for service provision to the CNEA.

2. Material Supply

Provide material pick up and delivery services for CNEA. Establish a reserve for the provision of consumable products for the CNEA and act as a central receiver.

(g) Corporate Secretariate/Executive Services

1. Provides executive and administrative support to the President
2. Plans and coordinates
 - a) the Annual Financial and the Annual Membership meetings and documentation for Credentials & Nominating Committee and subsequent elections
 - b) monthly Executive Committee, Board, Committee, and Task Force meetings
 - c) CNE Opening Day Dignitary (negotiations re logistics) ceremony, and reception
 - d) CNE Volunteer Lounge, negotiations re food and dates, logistics, staffing
 - e) Volunteer Privileges for members (badges, ribbons, medals, etc.)
 - f) Telecommunications Services (all year-round telephone requirements)
 - g) Prepare, administer, monitor Annual CNEA budget specifically related to the Board of Directors
 - h) Researching materials and other documentation vis-à-vis report writing to the Board from the Corporate Secretariat or from the President
 - i) Maintain, update, ensure Board adherence to its By-Laws
 - j) Maintain, update CNEA Membership
3. Corporate Signing Officer for agreements, contracts, assignments, cheque payments

(h) Contract Management Services

1. Draft contracts for major sponsorships, events and concessions and assist CNEA staff in contract development for programs, events and concessions. Review all contracts for form and content and liaise with CNEA legal representative on relevant issues. Liaise with City of Toronto Risk Management staff to ensure levels and types of insurance, wording and indemnity provisions are correct. Review contracts for billing rates and ensure signed agreements/insurance certificates are in place. Review and process for payment all agriculture, performers and miscellaneous contracts to ensure compliance with Revenue Canada policies.

Schedule IV – 1999 Formulation of Site Reimbursement Fee

DEPARTMENT	TOTAL	CNE %	CNE SHARE	BOG SHARE
EXPENSES				
MAINTENANCE ADMINISTRATIOIN	216,273	0.35	74,722	141,551
GROUNDS MAINTENANCE	375,000	0.35	129,563	245,438
HEALTH & SAFETY	41,655	0.35	14,392	27,263
MISCELLANEOUS ACCOUNTS	84,750	0.35	29,281	55,469
UTILITIES	1,680,000	0.22	370,000	1,310,000
CLEANING SERVICES	541,343	0.35	187,034	354,309
SPECIAL APPROPRIATIONS	321,000	0.35	110,906	210,095
BENEFITS - PERMANENT SALARIES	239,859	0.35	82,780	157,079
LABOUR	492,587	0.35	170,189	322,398
PLANT MAINTENANCE	1,029,135	0.35	355,566	673,569
ELECT. & MECHANICAL MAINTENANCE	1,581,551	0.35	546,426	1,035,125
ENGINEERING	257,638	0.35	89,014	168,624
RENTAL / TECHNICAL SERVICES	187,154	0.35	64,662	122,492
SECURITY SERVICES	474,715	0.35	164,014	310,701
TOTAL EXPENSE	7,522,660	0.32	2,388,548	5,134,112
ALLOCATION EXCLUDING UTILITIES			2,018,548	
REVENUE / RECOVERIES				
UTILITIES	1,080,168	0.08	88,212	991,956
TOTAL REVENUE / RECOVERIES	1,080,168	0.08	88,212	991,956
NET COST	6,442,492	0.36	2,300,336	4,142,156
NET COST EXCLUDING UTILITIES			1,930,336	

Schedule V – 1999 Formulation of NTC Operations Fee

CNE USE DAYS AT NATIONAL TRADE CENTRE — 1999				
	MOVE IN	MOVE OUT	EXHIBITION DAYS	TOTAL DAYS
Hall E (West Annex)	4	2	18	24
Coliseum Arena	17	7	18	42
Hall F (East Annex)	11	4	18	33
Hall G (Industry Bldg.)	21	7	18	46
North Extension	0	0	18	0
Hall "A"	4	2	18	24
Hall "B"	12	4	18	34
Hall "C"	9	4	18	31
Hall "D"	4	2	18	24
Heritage Court	21	2	18	41
Automotive Building	16	4	18	38

Schedule VI – Level of Site Services Provided

Grounds and Other Buildings

(a) Electrical

Inspection and repair of all internal and external lighting systems, decorating lighting, power to all equipment and appliances and replacement of burnouts. Inspection of street lighting and burnouts, installation of power points, lighting and power to fountains and gates and provision of stakeouts of general areas. Pump out manhole and duct banks, install power distribution systems. The shut-down of electrical services includes turning down all temporary feeder service, distribution systems, shut down of non-essential internal/external lighting, and disconnecting power to seasonal equipment. Disconnect fountains, decorative lighting, disconnect and remove all power points and power distribution system.

(b) Plumbing

Plumbing maintenance includes the inspection, preparation and testing of all floor drains, underground services, kitchen equipment and grease traps, domestic hot water boilers, hot and cold water systems, roof drains and rainwater leaders. Activating standpipe systems and fire hose cabinets. Inspection and cleaning out of all catch basins, manholes and all water and sewer concessions and irrigation system. Provide stakeouts of general areas.

Winterization of floor drains, washroom facilities, all indoor plumbing and draining of hot and cold water systems. Winterization and drainage of all sewer pumps, drainage of outdoor fountains, drain and winterize all water and sewage concessions.

(c) HVAC

HVAC maintenance includes inspection, preparation and testing of window air conditioning units, building dampers, exhaust fans, ventilation fans, rooftop air conditioner units, refrigeration units, coolers, kitchen appliances and kitchen hoods. Shut down of exhaust fans, ventilation system and a/c systems, refrigeration units, coolers, removal of window units, tear down systems and close dampers. Disconnection and removal of a/c units from ticket booths.

(d) Carpentry

Maintenance of doors, arena boards, ramps, washroom stalls, and stages. Removal of fan covers, courtyard hoarding, Bandshell hoarding and vent covers and repair of screening. Removal of winter fountain panels, stair and railing repairs. Remove plywood manhole covers and general repairs to all outdoor inventory items such as bleachers, staging, tickets booths etc. Shut-down maintenance includes installation of fan and vent covers, replacement of winter hoarding, courtyard hoarding, and installation of winter fountain light covers and plywood manhole covers.

(e) Lockshop

Check and prepare all doors and hardware for show related buildings and cut keys as requested. Following event, to revert all doors and locks to the Exhibition Place system.

(f) Garage

Check/inspect and prepare trains and equipment and winterized and store trains. General tune up and repairs of equipment such as roadsweeper, flushers and other necessary equipment.

(g) Welding

Repair and upgrade as required for set up and tear downs, such as barriers, fences, frames, manhole covers, overhead door repairs, and any other welding, bending, and preparation of metal works.

(h) Fire Protection

Regular inspection of sprinkler systems, fire panels, kitchen heads and suppression systems and then winterize systems.

(i) Parking

Prepare parking lots, road markings and signage and remove and store following events.

(j) Cleaning

Preparation of all required equipment and supplies. Ordering all supplies to service the CNE (i.e. chemicals, toilet paper, paper towels, etc.). Stock and clean all washrooms and general cleaning of buildings and the site.

(k) Labour

General preparation of the grounds, such as wood, concrete, dirt, safety trip hazards, pot holes, uneven ground, etc. Minor sidewalk repairs interlocking brick and stairs. Roof cleaning and drains for building preparation

(l) City of Toronto Parks – Contracted Services

Prepare and maintain landscaping, sodding, pruning and trimming of trees, shrubs and flowers.

(m) Third Party Contracted Services

Contract services for repairs of potholes, paving, curbing, sidewalks, patio stones and for catchbasin maintenance.

(n) Landscaping

Fertilizing, sodding, lawn maintenance, trees and shrub pruning, decorating, tilling soil, irrigation, planting flowers and maintaining overall landscaping throughout the grounds.

(o) Technical Services

Preparation, maintenance and testing of all sound, lighting and audio visual equipment utilized during the CNE.

NTC Complex

- (a) Facility and Event Coordination within the NTC Complex and upon request on the rest of the grounds.
- (b) Order Processing for all exhibitor orders, including payment and account reconciliation.
- (c) Electrical and utility service provision within the NTC Complex and upon request on the rest of the grounds.
- (d) All show services within the NTC Complex.
- (e) Provision of telecommunication services during the event and throughout the year for the administrative offices.
- (f) Provision of information services during the event and throughout the year for the administrative offices.

Schedule VII – CNEA Inventory

Agriculture/Farm Exhibit (Industry Building)

- 2 piles blue boxes – tall and thin
- 1 pile fencing
- 2 piles lumber
- 1 pile lumber (2X4 attached to plywood)
- 4 piles lumber (2X4 with fencing)
- 2 piles lumber (2X6)
- 1 pile lumber stages
- 2 piles lumber and exterior metal siding
- 20 posts with wood footings
- 2 roof pieces – green
- 2 piles rubber mats
- misc. stages with metal pieces (for animals)
- 4 steel drums
- 1 pile trusts and roof angles
- 1 pile wood (exhibit type) – blue
- 1 pile wood, fencing, mesh, logs
- 4 wooden boxes “Agriculture Canada”
- 1 pile wooden frames
- 16 poles on stands – white

Arts & Crafts Exhibit

- hardware and wall panels
- 220 metal bases (black walls)
- 1 box curtain rods – metal
- 320 drywall boards
- 3 boxes metal channels - short
- 1 pile metal channels - square
- 2 boxes metal channels – square

Highway Signs – CNE

Garden Show Display and Signs

Million Dollar Vault Display

Two Storage sheds (1 shed with CNE banners & Flags)

Agriculture CNE East Annex

- pink and green lattice panels