



November 5, 2021

Budget Committee
Office of the City Clerk
City Hall
222-3rd Avenue North
Saskatoon, SK
S7K 0J5

Re: 2022 & 2023 Operating & Capital Budgets – TCU Place

Enclosed please find TCU Place's 2022 & 2023 Operating and Capital Budgets. The 2022 Budget was approved by the TCU Place Board of Directors on October 28, 2021.

At this time, the 2023 Budget is highly speculative based on uncertain market conditions for 2023. A budget has been proposed and is supported by the Board Chair plus the Chair of Audit and Finance Committee in a draft state.

Recommendations are that the Budget Committee refer to the City Council that:

1. The 2022 Operating Budget and Operating Grant be approved;
2. The 2022 Capital Budget be approved; and
3. The 2023 Operating Budget and Capital Budget be shared for information purposes only.

Sincerely,

A handwritten signature in blue ink, appearing to read "Melissa Meier".

Melissa Meier, CPA-CA
Director of Finance

CC: Tammy Sweeney, Chief Executive Officer, TCU Place
Kari Smith, Director of Finance, City of Saskatoon
Kerry Tarasoff, Chief Financial Officer, City of Saskatoon
James Nechiporenko, Corporate Budget Manager, City of Saskatoon



TCU Place
Statement of Operations
Budget 2022/2023

	Audited 2019 Actuals	Audited 2020 Actuals	Approved 2021 Budget	Approved 2021 Forecast	Proposed 2022 Budget	Proposed 2023 Budget
REVENUE						
Theatre event sales	1,888,829	417,850	675,676	404,494	2,412,360	2,224,944
Convention centre event sales	7,117,677	1,033,559	2,337,270	1,848,628	4,615,834	5,408,497
Box office charges	705,343	90,288	231,363	165,147	726,685	646,100
Sponsorship	364,206	240,540	260,700	239,682	368,891	439,726
Interest income	368,593	299,799	227,623	182,833	178,533	116,111
Other operating revenue - Schedule 1	971,474	185,038	791,700	336,981	649,351	1,057,544
City of Saskatoon funding	500,000	500,000	500,000	500,000	500,000	500,000
TOTAL REVENUE	11,916,121	2,767,075	5,024,331	3,677,764	9,451,654	10,392,922
EXPENDITURES						
Theatre direct event costs	1,048,335	278,711	425,676	224,494	1,338,860	1,234,844
Convention centre direct event costs	3,996,741	602,132	1,472,480	1,046,122	2,607,946	3,055,801
Other direct - Schedule 1	1,048,172	801,564	810,859	846,448	1,181,468	1,151,483
Facility - Schedule 1	2,213,753	1,585,323	1,950,209	1,782,033	2,437,776	2,470,058
Selling, general, & administration - Schedule 1	1,290,819	1,299,136	1,304,903	1,291,299	1,818,006	1,764,798
Amortization	393,735	391,120	491,252	491,253	515,627	491,409
City of Saskatoon loan payment	726,038	725,732	725,270	725,270	209,702	221,716
TOTAL EXPENDITURES	10,717,593	5,683,717	7,180,649	6,406,919	10,109,386	10,390,109
SURPLUS (DEFICIT) OF REVENUE OVER EXPENDITURES	1,198,528	(2,916,643)	(2,156,319)	(2,729,155)	(657,732)	2,812
ACCUMULATED SURPLUS, BEGINNING OF YEAR	13,876,243	15,074,771	12,158,128	12,158,128	9,428,974	8,771,242
SURPLUS (DEFICIT) OF REVENUE OVER EXPENDITURES	1,198,528	(2,916,643)	(2,156,319)	(2,729,155)	(657,732)	2,812
ACCUMULATED SURPLUS, END OF YEAR	15,074,771	12,158,128	10,001,810	9,428,974	8,771,242	8,774,054



TCU Place
Event Contribution
Budget 2022/2023

	Audited 2019 Actuals	Audited 2020 Actuals	Approved 2021 Budget	Approved 2021 Forecast	Proposed 2022 Budget	Proposed 2023 Budget
Theatre event sales	1,888,829	417,850	675,676	404,494	2,412,360	2,224,944
Theatre direct event costs	1,048,335	278,711	425,676	224,494	1,338,860	1,234,844
TOTAL CONTRIBUTION	840,493	139,139	250,000	180,000	1,073,500	990,100
	44.5%	33.3%	37.0%	44.5%	44.5%	44.5%
Convention centre event sales	7,117,677	1,033,559	2,337,270	1,848,628	4,615,834	5,408,497
Convention centre direct event costs	3,996,741	602,132	1,472,480	1,046,122	2,607,946	3,055,801
TOTAL CONTRIBUTION	3,120,936	431,427	864,790	802,505	2,007,888	2,352,696
	43.8%	41.7%	37.0%	43.4%	43.5%	43.5%



TCU Place
Statement of Operations - Schedule 1
Budget 2022/2023

	Audited 2019 Actuals	Audited 2020 Actuals	Approved 2021 Budget	Approved 2021 Forecast	Proposed 2022 Budget	Proposed 2023 Budget
OTHER OPERATING REVENUE						
Food & beverage service charges	695,796	86,299	207,550	190,635	481,893	574,744
ATM commissions	9,587	1,243	6,600	6,300	4,800	4,800
Corporate box revenue	82,804	21,557	58,000	32,000	84,000	84,000
Digital signage commission	24,000	11,000	20,400	19,300	20,400	20,400
Catering commission	119,911	(22,878)	-	328	40,158	96,000
Coffee commission	10,287	1,362	-	-	14,500	24,000
Special Project/Program Grant Funding	-	-	-	-	-	250,000
Overhead revenue	29,088	86,456	499,150	88,418	3,600	3,600
TOTAL OTHER OPERATING REVENUE	971,474	185,038	791,700	336,981	649,351	1,057,544
OTHER DIRECT EXPENDITURES						
Salaries & benefits	811,872	644,867	614,202	654,062	884,876	902,131
Ticketing system	36,570	36,570	36,570	36,570	40,800	40,800
Supplies	27,948	6,751	20,216	14,069	43,332	29,212
Bad debt expense	6,277	(6,647)	3,000	3,041	-	-
Credit card charges	4,125	1,672	2,500	2,123	6,000	6,000
Advertising & promotion	101,308	50,709	71,179	66,848	151,980	118,860
Telephone	20,420	21,950	22,068	22,915	20,700	20,700
Inventory shrinkage (recovery)	1,596	11,885	-	-	-	-
Equipment maintenance	6,092	4,201	9,020	7,996	5,600	5,600
Miscellaneous	31,964	29,607	32,104	38,824	28,180	28,180
TOTAL OTHER DIRECT EXPENDITURES	1,048,172	801,564	810,859	846,448	1,181,468	1,151,483
FACILITY EXPENDITURES						
Salaries and benefits	965,061	579,158	734,507	683,679	1,090,313	1,111,574
Utilities	812,849	668,395	738,677	693,875	838,326	869,819
Maintenance	293,774	200,309	299,187	232,273	318,117	294,317
Insurance	101,200	111,000	110,954	113,059	110,952	114,281
Service contracts	40,869	26,460	66,885	59,146	80,067	80,067
TOTAL FACILITY EXPENDITURES	2,213,753	1,585,323	1,950,209	1,782,033	2,437,776	2,470,058
SELLING, GENERAL, & ADMINISTRATION						
Salaries & benefits	1,110,746	1,121,945	1,099,819	1,112,329	1,468,894	1,439,486
Travel expense	8,376	4,973	12,150	3,850	19,200	17,700
Training and staff morale	23,890	17,584	43,695	33,673	69,000	66,500
Office supplies and equipment	30,997	13,671	30,200	26,786	63,365	13,565
IT consultant and support	37,407	46,738	36,470	33,808	85,510	120,510
Printing & postage	7,639	2,198	6,260	5,081	8,500	8,000
Professional fees	26,500	64,079	26,500	28,750	27,600	27,600
Memberships, subscriptions & licences	9,925	9,420	12,148	12,291	20,537	20,537
Board of Directors	8,468	4,173	2,780	2,263	2,900	2,900
Strategic initiatives	967	3,442	16,500	17,649	30,000	25,500
Bank charges and interest expense	25,905	10,913	18,380	14,818	22,500	22,500
TOTAL SELLING, GENERAL & ADMINISTRATION	1,290,819	1,299,136	1,304,903	1,291,299	1,818,006	1,764,798



TCU Place
Reserve Balances
Budget 2022/2023

	Audited 2019 Actuals	Audited 2020 Actuals	Approved 2021 Budget	Approved 2021 Forecast	Proposed 2022 Budget	Proposed 2023 Budget
CAPITAL EXPANSION RESERVE						
Opening balance	5,833,876	6,773,943	3,489,211	3,489,211	683,416	-
Allocation from operations	230,877	230,877	230,877	230,877	230,877	-
Transfer from stabilization reserve	606,685	(3,575,938)	(2,500,000)	(3,100,000)	(927,293)	-
Interest earned	143,267	154,412	63,328	63,328	13,000	-
Expenditures	(40,764)	(94,084)	-	-	-	-
CLOSING BALANCE	6,773,941	3,489,211	1,283,416	683,416	-	-
EQUIPMENT REPLACEMENT RESERVE						
Opening balance	4,613,897	4,807,450	5,008,774	5,008,774	4,723,267	4,970,337
Allocation from operations	460,648	460,648	460,648	460,648	460,648	460,648
Interest earned	113,722	111,929	100,845	100,845	94,000	99,000
Expenditures	(380,814)	(371,253)	(847,000)	(847,000)	(307,578)	(633,300)
CLOSING BALANCE	4,807,453	5,008,774	4,723,267	4,723,267	4,970,337	4,896,685
STABILIZATION RESERVE						
Opening balance	497,102	534,166	626,715	626,715	633,115	619,778
Allocation from operations	643,749	(3,483,389)	(2,520,765)	(3,093,600)	(940,630)	(65,427)
Transfer to capital expansion reserve	(606,685)	3,575,938	2,500,000	3,100,000	927,293	-
CLOSING BALANCE	534,166	626,715	605,951	633,115	619,778	554,352
TOTAL RESERVES	12,115,560	9,124,700	6,612,634	6,039,798	5,590,115	5,451,037
TOTAL INVESTMENT IN CAPITAL	2,959,211	3,033,428	3,389,176	3,389,175	3,181,126	3,323,017
ACCUMULATED SURPLUS, END OF YEAR	15,074,771	12,158,128	10,001,810	9,428,974	8,771,242	8,774,054



**TCU Place
Capital Expenditures
2022/2023**

Project Name	Area	2022 ERR	2022 CBCM	2023 ERR
AED	Care Taking and Maintenance	4,000		2,000
Power Jack	Care Taking and Maintenance	6,000		
Extractor (Karcher Chariot)	Care Taking and Maintenance	23,000		
Workstation Computers	Computer	8,268		
Media Creator Computer	Computer	7,000		
Asset Management System	Computer	11,200		
Ice Machine	Furnishings and Miscellaneous	7,600		
Portable Dance Floor	Furnishings and Miscellaneous	28,810		14,000
Food Safe Cutlery Polisher	Kitchen	6,800		
Laundry 3rd Arm	Kitchen	2,100		
Kitchen/Tableware	Kitchen	12,100		
Front Fill Speakers	Theatre	88,700		
Clearcom	Theatre	102,000		
Emergency Page & Control System	Care Taking and Maintenance		275,000	
Main Stage Fly System	Theatre		14,200	
Main Theatre Audio Consoles	Sound			213,000
Portable Bars	Furnishings and Miscellaneous			94,500
Mobile Audio Consoles	Sound			63,000
Wireless Microphone	Theatre			92,000
External Canopy Style Lighting	Lighting			94,500
External Sound Capability	Sound			12,600
Lifting Motor	Theatre			9,500
Theatre Bridge Drape	Theatre			4,200
Electric Piano	Theatre			4,000
Scissor Lift	Care Taking and Maintenance			30,000
Total		307,578	289,200	633,300