



SASKATOON'S  
ARTS & CONVENTION  
CENTRE

November 5, 2019

Budget Committee  
Office of the City Clerk  
City Hall  
222 – 3<sup>rd</sup> Avenue North  
Saskatoon, SK  
S7K 0J5

**Re: 2020 Operating & Capital Budgets – TCU Place (Centennial Auditorium & Convention Centre Corporation)**

Enclosed please find TCU Place's 2020 Operating and Capital Budgets. These were approved by the TCU Place Board of Directors during its regular business meeting on October 31, 2019.

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

1. The 2020 Operating Budget and Operating Grant be approved;
2. The 2020 Capital Budget be approved.

Please feel free to contact me if there are any questions.

Sincerely,

A handwritten signature in blue ink, appearing to read "CK", with a long, sweeping flourish extending to the right.

Chris Knihnitski  
Director of Finance  
TCU Place



**TCU Place**  
**Statement of Operations**  
**Budget 2020**

	2018 Actual	2019 Forecast	2019 Budget	2020 Budget	Difference (\$)	Difference (%)	2021 Budget
<b>REVENUE</b>							
Theatre event sales	\$ 1,644,318	\$ 1,728,965	\$ 1,894,444	\$ 1,957,303	\$ 62,859	3.32%	\$ 2,090,909
Convention centre event sales	6,769,025	7,025,951	7,151,628	7,068,966	(82,662)	-1.16%	7,272,727
Box office charges	657,939	668,143	791,914	743,967	(47,947)	⊗ -6.05%	743,967
Sponsorship	375,830	358,329	366,711	358,797	(7,914)	⊗ -2.16%	368,797
Interest income	298,783	361,329	314,797	368,947	54,150	✓ 17.20%	383,947
Other operating revenue	870,780	974,048	893,398	966,925	73,527	✓ 8.23%	1,018,811
City of Saskatoon funding	500,000	500,000	500,000	500,000	-	0.00%	500,000
<b>Total revenue</b>	<b>11,116,675</b>	<b>11,616,765</b>	<b>11,912,893</b>	<b>11,964,905</b>	<b>52,012</b>	<b>0.44%</b>	<b>12,379,158</b>
<b>EXPENDITURES</b>							
Theatre direct event costs	920,502	923,757	1,041,944	1,086,303	44,359	4.26%	1,170,909
Convention centre direct event costs	3,871,061	3,920,327	4,056,428	3,993,966	(62,462)	-1.54%	4,072,727
Other direct	911,207	1,028,945	1,096,817	1,028,195	(68,623)	✓ -6.26%	1,059,041
Facility	2,012,731	2,163,992	2,198,645	2,274,097	75,453	3.43%	2,342,320
Selling, general, & administration	1,209,612	1,299,734	1,339,498	1,490,173	150,675	⊗ 11.25%	1,534,878
Amortization	395,815	469,046	469,046	503,179	34,133	⊗ 7.28%	528,179
City of Saskatoon loan payment	725,649	726,037	726,038	725,732	(306)	-0.04%	725,270
<b>Total expenditures</b>	<b>10,046,578</b>	<b>10,531,838</b>	<b>10,928,416</b>	<b>11,101,645</b>	<b>173,229</b>	<b>1.59%</b>	<b>11,433,325</b>
<b>Excess of revenues over expenditures before transfers</b>	<b>\$ 1,070,097</b>	<b>\$ 1,084,926</b>	<b>\$ 984,477</b>	<b>\$ 863,260</b>	<b>\$ (121,217)</b>		<b>\$ 945,833</b>
<b>TRANSFERS TO (FROM) RESERVES</b>							
Capital expansion reserve	230,877	230,877	230,877	230,877	-	0.00%	230,877
Equipment replacement reserve	460,648	460,648	460,648	460,648	-	0.00%	460,648
Stabilization reserve	575,965	610,467	518,549	404,819	(113,730)	⊗ -21.93%	487,392
Interest on reserves	198,422	251,981	243,448	270,095	26,647	✓ 10.95%	270,095
Amortization of tangible capital assets	(395,815)	(469,046)	(469,046)	(503,179)	(34,133)	✓ 7.28%	(503,179)
<b>Total transfers to reserves</b>	<b>1,070,097</b>	<b>1,084,926</b>	<b>984,477</b>	<b>863,260</b>	<b>(121,217)</b>	<b>⊗ -12.31%</b>	<b>945,833</b>
<b>Net budget</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>



**TCU Place**  
**Statement of Operations - Schedule 1**  
**Budget 2020**

	2018 Actual	2019 Forecast	2019 Budget	2020 Budget	Difference (\$)	Difference (%)	2021 Budget
<b>OTHER OPERATING REVENUE</b>							
Food & beverage service charges	\$ 656,763	\$ 714,260	\$ 707,296	\$ 738,000	\$ 30,704	4.34%	\$ 760,140
ATM commissions	10,522	8,948	12,000	12,000	-	0.00%	12,360
Corporate box revenue	87,746	78,540	78,000	92,000	14,000	✓ 17.95%	94,760
Digital signage commission	29,368	24,000	24,000	24,000	-	0.00%	24,720
Catering commission	53,930	114,191	30,752	70,725	39,973	✓ 129.99%	95,725
Tim Horton's commission	11,708	12,585	15,850	10,000	(5,850)	✗ -36.91%	10,300
Overhead revenue	20,741	21,523	25,500	20,200	(5,300)	✗ -20.78%	20,806
<b>Total other operating revenue</b>	<b>\$ 870,780</b>	<b>\$ 974,048</b>	<b>\$ 893,398</b>	<b>\$ 966,925</b>	<b>\$ 73,527</b>	<b>8.23%</b>	<b>\$ 1,018,811</b>
<b>OTHER DIRECT EXPENDITURES</b>							
Salaries & benefits	\$ 723,222	\$ 807,323	\$ 815,970	\$ 783,029	\$ (32,942)	-4.04%	\$ 806,520
Ticketing system	36,545	36,570	36,570	36,570	-	0.00%	37,667
Supplies	18,542	17,072	36,310	34,260	(2,050)	✓ -5.65%	35,288
Bad debt expense	(1,020)	9,362	3,000	3,000	-	0.00%	3,090
Credit card charges	3,848	5,045	9,940	8,710	(1,230)	✓ -12.38%	8,971
Advertising & promotion	111,170	98,238	136,349	111,364	(24,985)	✓ -18.32%	114,705
Telephone	20,612	21,170	21,010	21,168	159	0.75%	21,803
Inventory shrinkage (recovery)	(1,628)	-	-	-	-	0.00%	-
Equipment maintenance	5,947	7,214	9,320	9,320	-	0.00%	9,600
Miscellaneous	(6,030)	26,951	28,348	20,774	(7,574)	✓ -26.72%	21,397
<b>Total other direct expenditures</b>	<b>\$ 911,207</b>	<b>\$ 1,028,945</b>	<b>\$ 1,096,817</b>	<b>\$ 1,028,195</b>	<b>\$ (68,623)</b>	<b>✓ -6.26%</b>	<b>\$ 1,059,041</b>
<b>FACILITY EXPENDITURES</b>							
Salaries and benefits	\$ 956,922	\$ 953,963	\$ 955,762	\$ 972,113	\$ 16,351	1.71%	\$ 1,001,276
Utilities	684,460	813,399	788,525	820,973	32,448	4.11%	845,602
Maintenance	260,916	255,188	310,487	316,187	5,699	1.84%	325,672
Insurance	71,700	101,200	101,200	110,954	9,754	✗ 9.64%	114,283
Service contracts	38,734	40,241	42,670	53,871	11,201	✗ 26.25%	55,487
<b>Total facility expenditures</b>	<b>\$ 2,012,731</b>	<b>\$ 2,163,992</b>	<b>\$ 2,198,645</b>	<b>\$ 2,274,097</b>	<b>\$ 75,453</b>	<b>3.43%</b>	<b>\$ 2,342,320</b>
<b>SELLING, GENERAL, &amp; ADMINISTRATION</b>							
Salaries & benefits	\$ 1,036,095	\$ 1,121,825	\$ 1,110,910	\$ 1,261,636	\$ 150,726	✗ 13.57%	\$ 1,299,485
Travel expense	15,148	10,491	20,401	18,014	(2,388)	✓ -11.70%	18,554
Training and staff morale	21,609	21,854	39,585	38,875	(710)	-1.79%	40,041
Office supplies and equipment	22,723	29,754	39,520	36,520	(3,000)	✓ -7.59%	37,616
IT consultant and support	33,673	36,726	37,424	43,220	5,797	✗ 15.49%	44,517
Printing & postage	4,705	6,714	7,160	8,160	1,000	✗ 13.97%	8,405
Professional fees	25,672	26,500	26,500	26,500	-	0.00%	27,295
Memberships, subscriptions & licences	9,961	10,161	10,898	11,648	750	✗ 6.88%	11,997
Board of Directors	6,508	7,818	8,720	7,220	(1,500)	✓ -17.20%	7,437
Bank charges and interest expense	10,114	5,657	18,380	18,380	-	0.00%	18,931
Miscellaneous	23,404	22,234	20,000	20,000	-	0.00%	20,600
<b>Total selling, general, &amp; administration</b>	<b>\$ 1,209,612</b>	<b>\$ 1,299,734</b>	<b>\$ 1,339,498</b>	<b>\$ 1,490,173</b>	<b>\$ 150,675</b>	<b>✗ 11.25%</b>	<b>\$ 1,534,878</b>



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<b>Segmented Contribution Figures</b>							
Event Contribution							
Theatre Revenue	1,644,318	1,728,965	1,894,444	1,957,303	62,859	3.32%	1,957,303
Theatre Expense	920,502	923,757	1,041,944	1,086,303	44,359	4.26%	1,086,303
<b>Theatre Contribution</b>	<b>723,815</b>	<b>805,207</b>	<b>852,500</b>	<b>871,000</b>	<b>18,500</b>	<b>2.17%</b>	<b>920,000</b>
Budgeted margin	44.02%	46.57%	45.00%	44.50%			47.00%
Convention Revenue	6,769,025	7,025,951	7,151,628	7,068,966	(82,662)	-1.16%	7,068,966
Convention Expense	3,871,061	3,920,327	4,056,428	3,993,966	(62,462)	-1.54%	3,993,966
<b>Convention Contribution</b>	<b>2,897,964</b>	<b>3,105,624</b>	<b>3,095,200</b>	<b>3,075,000</b>	<b>(20,200)</b>	<b>-0.65%</b>	<b>3,200,000</b>
Budgeted margin	42.81%	44.20%	43.28%	43.50%			45.27%



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<b>Net budget</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>0.00%</b>	<b>\$ -</b>



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Corporate box revenue	87,746	78,540	78,000	92,000	14,000	✓ 17.95%	94,760
Digital signage commission	29,368	24,000	24,000	24,000	-	0.00%	24,720
Catering commission	53,930	114,191	30,752	70,725	39,973	✓ 129.99%	95,725
Tim Horton's commission	11,708	12,585	15,850	10,000	(5,850)	✗ -36.91%	10,300
Overhead revenue	20,741	21,523	25,500	20,200	(5,300)	✗ -20.78%	20,806
<b>Total other operating revenue</b>	<b>\$ 870,780</b>	<b>\$ 974,048</b>	<b>\$ 893,398</b>	<b>\$ 966,925</b>	<b>\$ 73,527</b>	<b>8.23%</b>	<b>\$ 1,018,811</b>
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Salaries & benefits	\$ 723,222	\$ 807,323	\$ 815,970	\$ 783,029	\$ (32,942)	-4.04%	\$ 806,520
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Supplies	18,542	17,072	36,310	34,260	(2,050)	✓ -5.65%	35,288
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Credit card charges	3,848	5,045	9,940	8,710	(1,230)	✓ -12.38%	8,971
Advertising & promotion	111,170	98,238	136,349	111,364	(24,985)	✓ -18.32%	114,705
Telephone	20,612	21,170	21,010	21,168	159	0.75%	21,803
Inventory shrinkage (recovery)	(1,628)	-	-	-	-	0.00%	-
Equipment maintenance	5,947	7,214	9,320	9,320	-	0.00%	9,600
Miscellaneous	(6,030)	26,951	28,348	20,774	(7,574)	✓ -26.72%	21,397
<b>Total other direct expenditures</b>	<b>\$ 911,207</b>	<b>\$ 1,028,945</b>	<b>\$ 1,096,817</b>	<b>\$ 1,028,195</b>	<b>\$ (68,623)</b>	<b>✓ -6.26%</b>	<b>\$ 1,059,041</b>
<b>FACILITY EXPENDITURES</b>							
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Service contracts	38,734	40,241	42,670	53,871	11,201	✗ 26.25%	55,487
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Office supplies and equipment	22,723	29,754	39,520	36,520	(3,000)	✓ -7.59%	37,616
IT consultant and support	33,673	36,726	37,424	43,220	5,797	✗ 15.49%	44,517
Printing & postage	4,705	6,714	7,160	8,160	1,000	✗ 13.97%	8,405
Professional fees	25,672	26,500	26,500	26,500	-	0.00%	27,295
Memberships, subscriptions & licences	9,961	10,161	10,898	11,648	750	✗ 6.88%	11,997
Board of Directors	6,508	7,818	8,720	7,220	(1,500)	✓ -17.20%	7,437
Bank charges and interest expense	10,114	5,657	18,380	18,380	-	0.00%	18,931
Miscellaneous	23,404	22,234	20,000	20,000	-	0.00%	20,600
<b>Total selling, general, &amp; administration</b>	<b>\$ 1,209,612</b>	<b>\$ 1,299,734</b>	<b>\$ 1,339,498</b>	<b>\$ 1,490,173</b>	<b>\$ 150,675</b>	<b>✗ 11.25%</b>	<b>\$ 1,534,878</b>



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<b>Theatre Contribution</b>	<b>723,815</b>	<b>805,207</b>	<b>852,500</b>	<b>871,000</b>	<b>18,500</b>	<b>2.17%</b>	<b>920,000</b>
Budgeted margin	44.02%	46.57%	45.00%	44.50%			47.00%
Convention Revenue	6,769,025	7,025,951	7,151,628	7,068,966	(82,662)	-1.16%	7,068,966
Convention Expense	3,871,061	3,920,327	4,056,428	3,993,966	(62,462)	-1.54%	3,993,966
<b>Convention Contribution</b>	<b>2,897,964</b>	<b>3,105,624</b>	<b>3,095,200</b>	<b>3,075,000</b>	<b>(20,200)</b>	<b>-0.65%</b>	<b>3,200,000</b>
Budgeted margin	42.81%	44.20%	43.28%	43.50%			45.27%



# TCU Place Capital Projects 2020

Project	2020
<b>CER</b>	
(18) Computer Networking System - Servers	10,000
(4) Ride-on Vacuum (2013) Chariot CV34 - repaired w parts from	19,398
(77) Portable Dance Floor (2013) refurbished	8,748
Event planning software	30,000
HVAC controls	22,000
(18) Computer Networking System - Internet upgrade	62,367
Dishwasher replacement	169,600
<b>Subtotal</b>	<b>322,113</b>
<b>CER</b>	
Convention Centre business requirements report	20,000
Theatre and lobby renovation business requirements report	20,000
Administration office refurbishment and workspaces	59,000
Corporate suite recarpetting	1,300
Security relocation	15,000
Downtown Entertainment District Steering Committee	100,000
Automatic parking lot gate	16,650
<b>Subtotal</b>	<b>231,950</b>
<b>Total capital</b>	<b>554,063</b>