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**Annual Disclosure Report
Saskatoon Centennial Auditorium and Convention Center
Year Ending December 31, 2016**

1. Introduction

This report is being prepared in accordance with Article 5.6 of The Board Governance Manual; City Council Disclosure Requirements, and is intended to provide the City of Saskatoon with salient information regarding the operation of TCU Place during 2016.

2. Board of Directors

a. Membership at December 31st 2016

- Charlie Clark – Mayor
- Kirk Cherry – Past President*
- Ann Iwanchuk – Councillor
- Darren Kent - Director
- Om Kochar – President*
- Peggie Koenig – Vice President*
- Jennifer Pereira – Director
- Bryn Richards – Director
- Sultan Ali Sadat – Secretary*
- Morris Smysnuik – Treasurer*
- Murray Totland – City Manager

* Member, Executive Committee

b. Mandate

The Board is accountable to City Council and its mandate is to:

- provide stewardship of TCU Place on behalf of the City of Saskatoon
- to supervise and evaluate the management of the Auditorium's business and affairs
- to maintain the corporation's financial strength
- to oversee the Auditorium's strategic direction
- to oversee its organizational structure and the succession planning of senior management

The Board's key responsibilities are:

- Strategic Planning
- Risk Assessment/Management
- Internal Controls
- Management & Evaluation
- Stakeholder Strategies/Communications

The Board carries out its mandate through the Chief Executive Officer (CEO) using the following directives:

- Approving Board Policies
- Conducting an annual review of the Corporation's strategic plan
- Conducting an annual performance review of the CEO
- Approving the annual budget
- Monitoring the Organization's financial performance

c. Governance Structure, Policies and Practices

During the 2016 fiscal year, the Board used five Board Committees and four Working Groups to assist in fulfilling its mandate.

Board Committees

- **Executive Committee**
This is an advisory committee appointed by and accountable to the Board. It acts on important issues, if and when required between regular meetings.
- **Audit & Finance Committee**
The committee is appointed by the Board and is responsible for the policies and practices relating to internal controls and financial reporting. During the year, the Audit Committee reviewed both the monthly and audited financial statements with management and the external auditors. Based on these discussions, the Audit Committee agreed that the company's financial statements were fairly presented and conformed to Generally Accepted Accounting Principles.
- **Nomination Committee**
The Nominating Committee, chaired by the Past President, presented a slate of officers to the Board at the Annual General Meeting.
- **Chief Executive Officer Performance Evaluation Committee**
The committee consisting of four members was appointed by the Board to complete the annual performance review of the Chief Executive Officer. A 360 degree evaluation tool was used.
- **Governance Committee**
This committee consisted of four Board members and considered updates to the Governance Manual. A strong emphasis has been placed on the governance of the Corporation to the point of moving this mandate from a Working Group to a Committee in 2013.

Board Working Groups

- **TCU Place Futures Working Group - Co Chairs – Om Kochar and Bob Korol**

The Committee met with the former Mayor and Mr. Randy Grauer from the City of Saskatoon Community Services Department to guide discussions relating to the many potential changes that will be occurring around the TCU Place property. Changes in transportation corridors, including Idylwyld Drive as well as potential new private development in our neighborhood and the downtown area all impacted on our future planning and operation discussions.

Capital upgrades in 2016 for the building included new carpet in the Salon and Gallery areas (\$260K) and server and networking system upgrades (\$57K). Funding for these projects was provided by both TCU Place and Infrastructure Services.

- **Board Self Evaluation Working Group - Chair – Sultan Ali Sadat**

The working group administered a survey that was completed by all Board members. The comments from this process were very positive.

- **Strategic Planning - Chair - Om Kochar**

Management at the request of the Board participated in a half day strategic planning session. The full Board was not convened due to 2016 being an election year. Discussions focused on TCU's strategic direction in the context of City of Saskatoon's new Cultural Plan and the City's wider Strategic Plan. The core values to the strategic plan remained unchanged with all strategic goals populated with measureable outcomes.

3. Senior Management

a. Management Team

Bob Korol – Chief Executive Officer

Matt Petrow – Director of Finance

Rhonda Chelack – Director of Events

Suzanne Decker – Director of Sales

Tammy Watt – Director of Operations

b. Departments (See Organization Chart – Appendix A)

- **SALES**

The department consists of CEO, Director of Sales, Sales Manager, three Sales Coordinators, Communications Clerk and a Sales Clerk. This department is responsible for booking Theatre Events – Ballet/Dance, Concerts, Family Shows, Live Theatre, Movies/Film,

and the Symphony, and Non Theatre Events – Banquets, Cabarets, Conventions, Graduations, Meetings, Trade Shows, Weddings, Self-Created Events, and Outside Events.

- **EVENTS**

The events department consists of Director of Events and three Events Coordinators. The Events Department is responsible for coordinating the details of booked events from start to finish including catering, AV, room setup and any other services required to stage the event.

- **THEATRE**

The Theatre department consists of Stage Carpenter, Audio Technician, Lighting Technician and IATSE crews. This department is responsible for setting up and restoring the Stage for theatre events, as well as lighting and sound production.

- **BOX OFFICE**

This department consists of a Box Office Supervisor, Client Services Technician, and Client Services Attendants. This department is responsible for providing customer service and ticket sales utilizing TCU's Audience View ticketing system.

- **GUEST SERVICES/INVENTORY**

Guest Services: This department consists of Theatre Sales Manager, Event Captains, Head Hostess and Guest Services Attendants. This department is responsible for providing Bartender, Greeter, Coat Check and Ticket Taker services to guests.

Inventory: This department consists of an Inventory Assistant. This department is responsible for the inventory of liquor and bar services.

- **TECHNICAL SERVICES**

This department consists of Technical Services Manager and Facility Technicians. Responsibility includes Audio Visual, lighting and technical requirements for events.

- **SECURITY SERVICES**

This department consists of the Security Services Supervisor and Stage Door Attendants. This service is responsible for security at events and stage door, shipping and receiving.

- **EVENT SERVICES**

This department consists of an Event Services Supervisor, Lead Event Attendants, and Event Attendants. Responsibility includes building cleaning and the setup of rooms for events.

- **BUILDING OPERATIONS**

This department consists of a Resident Building Operator and Building Operators. This department is responsible for building operations 24 hours per day 7 days per week - maintenance of building and equipment and building temperature control.

- **ADMINISTRATION**

This department consists of CEO, Director of Finance, Director of Operations, and Accounting Clerks. Responsibilities include the management, financial management and all office and computer systems maintained and operating for TCU Place. This area also produces financial and operational reports for/to staff and stakeholders, identify strengths and weaknesses in the operations, and maintain its assets and operations. It also implements the strategic plan and represents TCU Place as a key venue to the community and its members. This department ensures that TCU Place grows to its full potential in the direction identified by the Board.

4. Key Performance Indicators

Management has developed key indicators to measure the performance of the Corporation. Examples include the number of, attendance and the contribution from each type of event. The Audit and Finance Committee receives and reviews monthly financial statements that show the Corporation's budgeted and actual contribution for the current month, Balance Sheet as well as year to date and presents them to the Board. Also received is a monthly aged trial balance of all accounts receivable together with a report on collection initiatives.

5. Risk Management

The Audit & Finance Committee completed an annual review of our risk management matrix with revisions approved by the Board. This process will continue to be reviewed on an annual basis.

6. Financial Performance and Market Conditions

- The nature of TCU's business goes in cycles and this past twelve months has been another successful year (Annual Surplus – circa \$1.1M) in our overall performance and financial picture. Credit goes to our Board, our CEO Mr. Bob Korol and his leadership team for maintaining revenues and controlling overhead costs.

- TCU Place continues to see increased competition from facilities such as Prairieland Park, the Dakota Dunes Casino and Sasktel Center. TCU Place has benefited from other changes including an increased demand for more choice in entertainment, a growing population and the request for fine dining options in an upscale environment.

7. Reserves

- The Board contracted Suncorp Valuations in 2014 to prepare a reserve fund study to review the reserve fund concepts and major reserve fund items of the Corporation. The study provided current and future replacement reserve estimates as well as recommending various reserve fund actions. TCU Place reserves are currently fully funded.