



SASKATOON'S
ARTS & CONVENTION
CENTRE

October 29, 2018

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

Re: 2019 Operating & Capital Budgets – TCU Place (Centennial Auditorium & Convention Centre Corporation)

Enclosed please find TCU Place's 2019 Operating and Capital Budgets. These were approved by the TCU Place Board of Directors during its regular business meeting on October 25, 2018.

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

1. The 2019 Operating Budget and Operating Grant be approved;
2. The 2019 Capital Budget be approved.

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

Sincerely,

A handwritten signature in black ink that reads "Matt Petrow".

Matt Petrow, MPAcc, CPA, CA
Director of Finance
TCU Place

cc: Clae Hack, Director of Finance, City of Saskatoon

**TCU Place
2019 Operating Budget**

	2018 Budget	2019 Budget
Operating Revenues		
Sales		
Event Sales/Admissions	9,087,465	9,046,073
Private Functions/Rentals	-	-
Other Self-Generated Revenue	1,543,001	1,607,312
Total Sales	10,630,466	10,653,385
Other Income		
Sponsorship	352,879	366,711
Corporate Suite Rentals	76,804	78,000
Development/Fundraising Revenue	-	-
Interest income	229,933	314,797
City of Saskatoon - Funding	500,000	500,000
Other Grants	-	-
Total Other Income	1,159,616	1,259,508
Total Operating Revenues	11,790,082	11,912,893
Expenditures		
Salaries & Benefits	2,780,889	2,882,642
Direct Expenses/Cost of Goods Sold	5,386,041	5,379,219
Administration expenses/MaintenanceOverhead	1,463,817	1,471,471
Amortization expense	391,486	469,046
Payments to the City of Saskatoon	725,650	726,038
Total Expenditures	10,747,883	10,928,416
Transfers		
Transfers to Reserve	1,433,685	1,453,523
Transfers from Reserve	-	-
Amortization of tangible capital assets	(391,486)	(469,046)
Total Reserve Transfers	1,042,199	984,477
Net Budget	-	-



TCU Place Operating Budget 2019

	2017 Actual	2018 Budget	2019 Budget
REVENUE			
Theatre event sales	\$ 1,843,503	\$ 1,573,913	\$ 1,894,444
Convention centre event sales	6,920,324	7,513,551	7,151,628
Box office charges	716,281	673,883	791,914
Sponsorship	383,704	352,879	366,711
Interest income	227,394	229,933	314,797
Other operating revenue	847,598	945,922	893,398
City of Saskatoon funding	500,000	500,000	500,000
Total revenue	11,438,804	11,790,082	11,912,893
EXPENDITURES			
Theatre direct event costs	1,063,885	849,913	1,041,944
Convention centre direct event costs	3,912,541	4,282,724	4,056,428
Other direct	886,274	981,519	1,096,817
Facility	2,090,559	2,132,917	2,198,645
Selling, general, & administration	1,347,311	1,383,674	1,339,498
Amortization	374,496	391,486	469,046
City of Saskatoon loan payment	725,506	725,650	726,038
Total expenditures	10,400,572	10,747,883	10,928,416
Excess of revenues over expenditures before transfers	\$ 1,038,231	\$ 1,042,199	\$ 984,477
TRANSFERS TO (FROM) RESERVES			
Capital expansion reserve	781,259	760,746	704,242
Equipment replacement reserve	460,648	460,648	460,648
Stabilization reserve	6,458	43,978	45,184
Interest on reserves	164,362	168,312	243,448
Amortization of tangible capital assets	(374,496)	(391,486)	(469,046)
Total transfers to reserves	1,038,231	1,042,199	984,477
Net budget	\$ -	\$ -	\$ -



TCU Place
Operating Budget - Schedule of Revenue & Expenditures
2019

	2017 Actual	2018 Budget	2019 Budget
OTHER OPERATING REVENUE			
Food & beverage service charges	\$ 678,270	\$ 765,706	\$ 707,296
ATM commissions	13,099	12,000	12,000
Corporate box revenue	80,674	76,804	78,000
Digital signage commission	526	3,200	24,000
Catering commission	30,898	48,462	30,752
Tim Horton's commission	13,116	15,850	15,850
Overhead revenue	31,015	23,900	25,500
Total other operating revenue	\$ 847,598	\$ 945,922	\$ 893,398
OTHER DIRECT EXPENDITURES			
Salaries & benefits	\$ 712,622	\$ 728,115	\$ 815,970
Ticketing system	35,873	36,570	36,570
Supplies	23,964	35,910	36,310
Bad debt expense	2,265	4,500	3,000
Credit card charges	3,172	8,333	9,940
Advertising & promotion	77,904	116,571	136,349
Telephone	21,656	21,960	21,010
Equipment maintenance	7,744	7,520	9,320
Miscellaneous	1,074	22,040	28,348
Total other direct expenditures	\$ 886,274	\$ 981,519	\$ 1,096,817
FACILITY EXPENDITURES			
Salaries and benefits	\$ 886,612	\$ 926,475	\$ 955,762
Utilities	759,290	803,165	788,525
Maintenance	302,660	290,227	310,487
Insurance	102,100	71,800	101,200
Service contracts	39,897	41,250	42,670
Total facility expenditures	\$ 2,090,559	\$ 2,132,917	\$ 2,198,645
SELLING, GENERAL, & ADMINISTRATION			
Salaries & benefits	\$ 1,152,391	\$ 1,126,300	\$ 1,110,910
Travel expense	38,309	26,753	20,401
Training and staff morale	18,487	37,950	39,585
Office supplies and equipment	19,486	41,020	39,520
IT consultant and support	34,037	36,374	37,424
Printing & postage	5,217	13,200	7,160
Professional fees	32,449	25,440	26,500
Memberships, subscriptions & licences	11,251	10,573	10,898
Board of Directors	14,759	5,965	8,720
Bank charges and interest expense	20,925	20,100	18,380
Miscellaneous	-	40,000	20,000
Total selling, general, & administration	\$ 1,347,311	\$ 1,383,674	\$ 1,339,498



TCU PLACE

Equipment Replacement Reserve Budget

2019 - 2024

	2019	2020	2021	2022	2023	2024
RESERVE FUND CONTRIBUTIONS						
Opening balance	4,697,045	3,982,428	4,442,902	4,448,031	4,549,294	4,845,080
Annual reserve fund contribution	460,648	460,648	460,648	460,648	460,648	460,648
Interest on reserve fund balance	93,941	79,649	88,858	88,961	90,986	96,902
Total available balance	5,251,634	4,522,724	4,992,409	4,997,639	5,100,928	5,402,630
RESERVE FUND EXPENDITURES						
Caretaking and Maintenance	-	16,402	44,394	28,163	28,585	25,532
Computer	153,139	54,672	-	56,325	84,339	58,027
Kitchen	551,569	-	99,886	-	-	48,743
Theatre	-	-	-	197,136	102,905	474,661
Sound	166,980	-	56,047	67,590	-	-
Lighting	323,185	-	110,984	-	40,019	-
Furnishings and Miscellaneous	74,333	8,748	233,067	99,131	-	106,190
Total expenditures	1,269,206	79,822	544,378	448,345	255,848	713,153
Closing balance	3,982,428	4,442,902	4,448,031	4,549,294	4,845,080	4,689,477