

# CALGARY CONVENTION CENTRE AUTHORITY REPORT

A large orange arrow pointing upwards and to the right, containing the text 'calgary TELUS convention centre' and 'be part of the energy™'.

**calgary** TELUS convention  
centre  
be part of the energy™

## **CALGARY CONVENTION CENTRE AUTHORITY (CCCA)**

### **Mandate (approved by City Council, 2005)**

To manage, market and operate the Calgary TELUS Convention Centre in an efficient and market-competitive manner in order to maximize overall economic benefits to the city of Calgary while maintaining financial performance with an acceptable range.

### **Vision (approved by City Council April, 2017)**

The Calgary TELUS Convention Centre is Calgary's meeting place which brings the community together in a central hub to connect, learn, innovate, celebrate, support and grow.

The Calgary TELUS Convention Centre connects Calgary with the global community; leveraging our assets to create opportunities that impact the lives of Calgarians and Canadians.



# CCCA CONTRACTUAL OBLIGATIONS

1. **Calgary TELUS Convention Centre** (through an agreement with the City of Calgary)
  - Management, marketing and operations
  - Building stewardship and protection of asset
2. **Glenbow Museum** (through an agreement with the City of Calgary)
  - Maintenance, engineering, housekeeping and capital project supervision
3. **Retail spaces in the North Building** (through an agreement with the City of Calgary)
  - Basic property management services
4. **Meetings and Conventions Calgary** (through an agreement with the Calgary Hotel Association)
  - Management and operation of destination sales and marketing for MC&IT
5. **Food and Beverage Services Agreement** (joint agreement – Marriott Hotel, City, CCCA)
  - Management & administration of contract
6. **TELUS Naming and Business Rights** (joint agreement – TELUS, City, CCCA)
  - Management of contract



## 2017 CALGARY TELUS CONVENTION CENTRE (CTCC) HIGHLIGHTS

- Clean audit; no misstatements
- \$596,765 operational surplus
- Building Improvements funded by;
  - CPRiiPS grant \$1,336,716
  - Operating Reserve \$1,665,022
  - MRR \$174,912
- Uptick in Q3 room booking activity(economy picking up slowly)





## Terms of Reference:

- Financial reporting process
- Internal controls
- Risk management
- Audit process
- Compliance with laws and regulations
- Oversees external auditor's services



**CCCA  
PLANNED  
GOVERNANCE  
ACTIVITIES**

## **Audit & Finance Committee:**

- Meets quarterly to review financial statements, financial performance, forecasts and other significant business concerns
- Recommends to the board the annual operating and capital budgets
- Meets with the external auditor to plan the audit process and receives auditor's report
- Risk Management Process reviewed annually with all board members



## **Risk Management Model:**

- Organizational risk are identified, quantified and risk ranked
- Appropriate mitigation measures are put in place and monitored for effectiveness
- The Board reviews overall status of identified risks annually with management
- Special Board Task Group was struck in June to investigate current best practices for Enterprise Risk Management



## CTCC FINANCIAL AND/OR OPERATIONAL RISKS

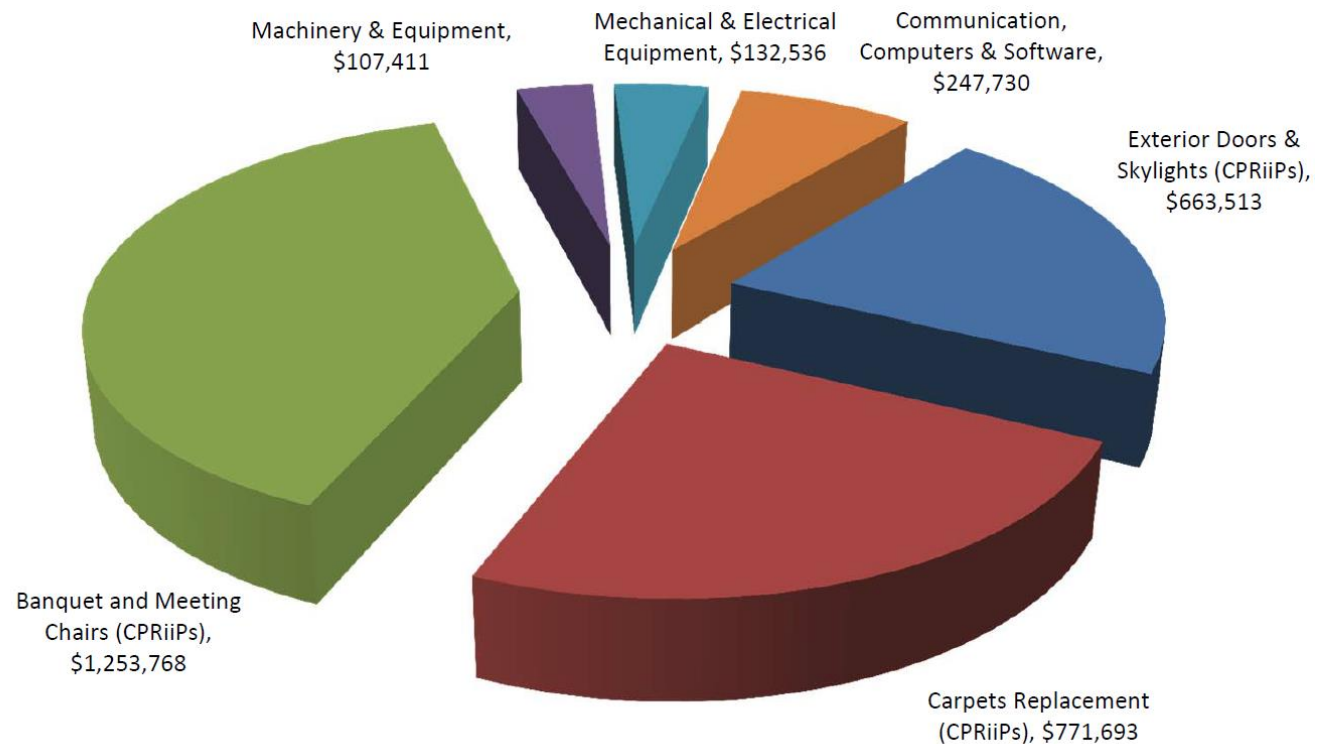
- Deferred Maintenance/Rejuvenation(ability to provide a quality product, business reputation, financial risk)
- Competitive Positioning of facility (hotels and venues increasing capacity, aggressively targeting other markets)
- Decline of economy(began strategy implementation in late 2017)





# CTCC PERFORMANCE HIGHLIGHTS

## 2017 Accomplishments - Capital Expenditures



# HIGHLIGHTS OF CCCA 2017 FINANCIAL RESULTS

		2017	2016
<b>Revenues:</b>	Operating Revenue	19,145,823	18,291,022
	City Grant	1,878,171	1,817,137
	<b>Total Revenue</b>	<b>21,023,994</b>	<b>20,108,159</b>
<b>Expenses:</b>	*Operating Expenses before Amortization	19,685,475	19,562,364
	Contribution to Major Replacement Reserve	180,000	180,000
	Amortization	734,704	677,160
	<b>Total Expenses</b>	<b>20,420,179</b>	<b>20,239,524</b>
	<b>Total Operating Reserves at year end</b>	<b>5,063,755</b>	<b>4,466,990</b>
	Net Financial Assets (cash)	341,521	2,125,729
	Non Financial Assets (TCA & prepaids)	4,742,264	2,356,203
	<b>Major Replacement Reserve at year end</b>	<b>20,030</b>	<b>14,942</b>
	<b>Capital Expenditures for 2017</b>		
	(renovations, building enhancements, equipment)	3,176,650	464,490
	<b>Funded through:</b>		
	Operating Reserve	1,665,022	237,654
	Major Replacement Reserve	174,912	226,836
	CPRiP Grant**	1,336,716	656,867

\* Meetings + Conventions Calgary is reported net per Public Standard Accounting Standards (PSAS)

\*\* Commitments of \$856,250 made at December 31, 2016 for capital expenditures and paid in 2017



# THANK YOU



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