

**Corporation of the City of Oshawa**  
**2025 Budget**  
**External Agency – Tribute Communities Centre**

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# Tribute Communities Centre

## Oakview Group 2025 Operating Budget and Business Plan

### Overview:

2023 was a strong operational year in which the venue hosted 102 events resulting in a (\$332,784) operating deficit thereby beating the budget by \$427,836. This tremendous outcome was attributed to several factors including but not limited to several highly successful live events, and strongly attended Oshawa Generals games, both of which fueled ancillary revenues; as well as an unbudgeted 8 show run of Cirque Du Soleil – Crystal in December.

Continuing with this trend, 2024 to date is on a trajectory to surpass 2023 outcomes. This year, for the first time, we hosted Disney on Ice with 7 highly successful shows in February. Live events and Oshawa Generals games continue to outperform expectations, and our current position was further bolstered by an additional 9 unbudgeted playoff games as the Oshawa Generals won the Eastern Conference Championship before bowing out to the London Knights in the OHL finals. Attendance throughout the regular season, as well as all rounds of the playoffs, were impressive. The average attendance during the regular season was 5,089 per game, a slight increase over 2023; while the average playoff attendance was 5,599 per game representing a significant increase over last season's average of 3,927. With the anticipated loss of only 3 players from this year's championship roster, it is anticipated that the team will once again be a force in the eastern conference.

The city has requested a two-year budget for the operating years 2025 and 2026. This budget is also being submitted earlier than in the year's past and therefore a larger portion of speculation based on historical trends regarding the scale and number of shows has been utilized in devising the events framework. A reasonable escalator has been applied to the 2025 expenses to populate expenses in 2026. In the 2025 event budget eight shows of Cirque Du Soleil in December are included as we have been informed that this event is probable, however; as of yet, it is still unconfirmed. Oshawa Generals per game revenues have been adjusted upwards to reflect what is expected to be another season with strong attendance and to better reflect actual 2024 outcomes. Although summer DCAHL league is currently at roughly 45% of its pre-pandemic registration levels, winter DCAHL has recovered fully, and ice rentals have rebounded substantially to offset summer league shortfalls. The restructuring of suite leases to "hockey only" with a 1<sup>st</sup> right of refusal on live events; makes suites more attractive and affordable. Suites was another area which was significantly negatively impacted by the pandemic but is recovering. Operating expenses continue to rise post pandemic as does Ontario minimum wage. The success of live events, Oshawa Generals hockey, and their associated ancillary revenues continue to somewhat insulate the venue from escalating operating costs.

The largest disappointment to date has been the underperformance both financially and operationally of the battery back-up system. Originally, intended and forecasted to reduce hydro costs to a point where they would not only produce a Net zero impact to the financing costs of the battery but also generate a modest revenue surplus; has not





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come to fruition. This has resulted in the financing charges being borne entirely from operating. Modern Niagara, who spearheaded this initiative and is working with Empowered to execute the utilities strategy, is still confident that projected outcomes can still be realized for 2025, however, until there is confidence that the intended results can be achieved, the budget has been constructed without the anticipated utilities relief.

## **Primary Tenant:**

As mentioned, the Oshawa Generals won the Eastern Conference Championship last season. Poised to lose only 3 players from that roster, the team is confident that it will have a strong 2024/25 season. The loss of head coach Derek Laxdal to an AHL head coaching opportunity is unfortunate but an internal promotion of associate coach Steve O'Rourke should hopefully provide a seamless transition and similar end results. Ticket sales for the 2024/25 season have been strong on the heels of the team's championship run with early season ticket numbers mirroring those following the 2015 Memorial Cup win. Shared marketing has also rebounded post pandemic and although we have reverted back to a profit share model, revenues from shared marketing are reasonable. As part of a major summer capital project, the venue installed a new Pro Series 6 rink board system which will enhance play, player safety, and is also better suited to the repeated removal and installation process of live event conversions which will save conversion time and expense. To enhance the fan experience the venue will also unveil the Michelob Ultra Lounge this season. Funded through the Labatt's pouring rights agreement, the lounge will add to the fan experience and overall venue presentation, while providing a more marketable area for group ticket sales for both hockey and live events.

## **Facility Maintenance:**

Oakview Group's operational staff in partnership with third party service providers continue to focus on both the emergency and day-to-day operational needs of the facility. Comprehensive preventative maintenance is the cornerstone of the efficient and effective operation of a complex, multi-purpose sports and entertainment facility. Long term relationships with competent, cost effective, and invested service providers is a key to ensure the optimal life cycle of operational equipment. Emergency repairs, whether due to end of life or mechanical failure, is inevitable and the venue operational team works closely with the city and service providers to ensure a quick response to eliminate or minimize programming disruption. The HVAC's and air handling units, now in their 18<sup>th</sup> year, have required considerable attention these past seasons and with 23 total units on site, this area presents a never-ending challenge. Over the past seasons, considerable resources have also been expended towards plumbing, roofing and hockey related assets with an end result of having a venue that stands the test of time. As these areas are addressed, it is anticipated that they will require less attention in the future.



## Capital Investments:

A robust capital replacement plan is critical to ensuring that this facility remains in a first-class standing and one of the crown jewels within the OHL and live event industry. Working closely with the city, a long-term capital plan has been developed and a funding plan developed to ensure that immediate and future needs are identified and addressed.

Below are the completed 2024 Capital Projects to date:

- Contribution to fleet of \$22,752.
- \$49,065 to replace 2 x main servers
- \$4,932 to replace aging/outdated laptops
- \$60,000 annual payment to new event deck
- \$70,000 to replace ammonia plate and frame chiller gaskets and safety valves
- \$100,867 annual payment to replace rink board system
- \$12,474 for new garbage and recycling containers
- \$29,033 to replace the microprocessor on compressor #1
- \$18,978 to replace the emergency generator radiator
- \$7,779 to replace a failed ice machine
- \$18,000 to replace refrigeration unit on the main level freezer
- \$6,000 for additional pieces of bike rack
- \$6,257 for new alto shams and a fridge
- \$13,945 for new starters for compressors #1 & #2
- \$169,791 to separate Zamboni room hot water supply from build main hot water supply
- \$93,615 to replace suite, upper Prospects and box office carpet
- \$88,694 to replace aging, no longer supported access points
- \$2,393 new IT switched for POS/Eigan integration

## Major Capital Investments forecasted for 2025:

\$65,000 - Recirculation line replacement on concourse and suite level  
\$60,000 - Event deck annual payment  
\$50,000 - Additional lifelines  
\$97,000 - Retractable seat replacement payment  
\$230,000 - Fixed seating replacement payment  
\$100,000 - Back lit signage electrical update  
\$100,867 - Rink board replacement annual payment  
\$60,000 - Purchase of 2 ride on scrubber machines  
\$20,000 - Walk behind scrubber and carpet extractor  
\$15,000 - Change tables for all washrooms  
\$10,000 - New heating lamp strip  
\$9,100 - New kitchen steamer





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- \$100,000 - Replace kitchen floor
- \$25,000 - Replace front line prep table
- \$150,000 - Replace draft line system
- \$25,000 - Replace Prospects blinds
- \$15,000 - Resurface lower Prospects floor
- \$22,752 - Contribution to fleet reserve

## 2025 Budget Objectives and Assumptions:

As in the past, the 2025 operating budget was constructed using reasonable annual assumptions with regards to the number, types and outcomes of events. Forecasting for suites and ice outcomes was based on 2024 sales and/or trending, and expenses were compiled using reasonable escalations and forecasting of areas which have traditionally and/or are anticipated to require attention.

The following assumptions were considered when developing the 2025 operating budget:

- The number of events is anticipated to be 94 which is a typical live event mix including 33 Oshawa Generals regular season games due to front end loading of the schedule plus 2 playoff games, and a yet unconfirmed 8-show run of Cirque Du Soleil
- Live event revenues were set to 2024 outcomes, and hockey revenues were increased to more closely reflect actual 2024 outcomes.
- Suite revenues were adjusted to reflect greater success in overall suite leases for the 2024/25 season, and as such suite rental revenue was reduced accordingly. The majority of suites are now on the new “hockey only plan” with 1<sup>st</sup> right of refusal on live events. Two suites have been retained specifically for rental only purposes.
- Ice Programming revenue levels were increased slightly from 2024 to reflect a greater availability of ice to rent as there are no major maintenance projects planned in 2025 which would negatively impact availability.
- Shared marketing revenues were increased to reflect 2024 outcomes and projected 2025 expectations provided by the Generals.
- No significant expense increases across most departmental budgets. Operational expenses, however, were increased by roughly 13% from the 2024 budget but below projected 2024 actuals. This increase was primarily due to utilities and specifically hydro to account for underperformance of the battery backup which has not realized projected savings to Global Adjustment.



## 2026 Budget Objectives and Assumptions:

The city has requested a two-year operating budget and as such a forecast for 2026 has been included in this budget submission. Budgeting two years in advance presents challenges in that events are not typically confirmed this far in advance and therefore, the budget is constructed on expected events based on historical outcomes as well as events which are not confirmed but likely to occur.

- Forecasted event totals in 2026 are lower than that of 2025 due to uncertainty with 90 events budgeted vs 94 in 2025.
- Event Income was set to historical averages for events reasonably expected to occur in 2026 including Disney on Ice, which is holding dates in 2026 and has indicated a strong desire to return to the market. Event Income is reflected higher than 2025 as we feel an increase in the Facility Fee from \$2.75 per ticket to \$3.00 would be warranted in that year.
- All other income lines were marginally raised for 2026 for an overall escalation of 3.4%
- 2025 Expenses were utilized as a benchmark and a 3.9% escalator was applied to 2026 figures.

## Executive Summary:

The 2024 operating budget was conservatively constructed and guided by cautious optimism for the future. Bolstered by a successful run of Disney on Ice and a long playoff run, the venue is poised for a record year. The 2025 budget is designed to build on this forward momentum and with the fortunate alignment of Cirque Du Soleil and Disney on Ice occurring in alternating years in the future; the foundation is set for a sound annual financial foundation. The swing factor continues to be the success of the live events which occur and the Oshawa Generals season. With attendance levels returned to pre pandemic or better live event and hockey generated ancillary revenues will continue to be a substantial revenue driver. We continue to adhere to the prudent practice of budgeting for only 2 playoff games when applicable, therefore, the length of a playoff run in number of games beyond the two budgeted games will greatly determine the year's level of financial success.

Enhanced contributions to capital investments have now created the mechanism for the ability to address many ongoing end of life and enhancement needs in a timely fashion. This allows the ability to provide a facility which is safe, and among the very best within the league and entertainment industry. Oakview Group at the Tribute Communities Centre continue to focus on sustainability and efficiencies in operations while setting the standard for best practices.



# Tribute Communities Centre

I want to take this opportunity to sincerely thank you and the entire city team for your continued guidance and support. This facility has a very bright future ahead and as Oshawa and the Durham Region grow and flourish, the Tribute Community Centre will continue to provide quality sports and entertainment options for all.

Sincerely,

A handwritten signature in blue ink, appearing to read "V. Vella", written over the word "Sincerely,".

Vince Vella  
General Manager

**TRIBUTE COMMUNITIES CENTRE  
BUDGET SUMMARY  
FY2025 & FY2026**

	FY2023 ACTUAL	FY2024 BUDGET	FY2024 FORECAST	FY2025 BUDGET	FY2026 BUDGET
<b>RENTAL INCOME</b>					
# of EVENTS	102	92	100	94	90
DIRECT EVENT INCOME	730,913	755,900	820,200	712,400	728,400
FACILITY AND CONVENIENCE FEES	409,796	410,900	446,100	443,300	460,600
<b>ANCILLIARY INCOME</b>					
CONCESSIONS	783,903	770,600	1,201,400	952,900	990,100
SUITES CATERING	151,782	138,900	258,900	139,700	145,100
RESTAURANT	257,587	241,200	341,200	249,700	259,400
NOVELTIES	51,933	46,900	56,900	58,800	61,100
<b>EVENT OPERATING INCOME</b>	<b>2,385,914</b>	<b>2,364,400</b>	<b>3,124,700</b>	<b>2,556,800</b>	<b>2,644,700</b>
Suite Revenue	486,637	338,500	339,300	337,400	352,600
Interest, Dividends & Miscellaneous	137,708	86,000	150,000	137,500	142,900
Ice & Room Rentals	1,077,603	1,134,900	1,162,900	1,214,000	1,258,800
Advertising (Net of Expenses)	234,500	203,000	184,000	218,300	226,900
Naming Rights	202,000	202,000	202,000	202,000	202,000
Exclusivity Rights	62,656	49,500	37,500	53,400	53,400
F&B Sales (Net of Cost of Goods Sold)	162,678	84,200	84,200	135,700	141,000
ATM Surcharge Revenue	1,647	1,600	1,600	1,600	1,700
Ticker Order & Fulfillment Revenue	114,744	79,900	79,900	91,600	95,200
<b>TOTAL OTHER INCOME</b>	<b>2,480,173</b>	<b>2,179,600</b>	<b>2,241,400</b>	<b>2,391,500</b>	<b>2,474,500</b>
<b>TOTAL INCOME (EVENT &amp; OTHER)</b>	<b>4,866,087</b>	<b>4,544,000</b>	<b>5,366,100</b>	<b>4,948,300</b>	<b>5,119,200</b>
<b>INDIRECT EXPENSES</b>					
Executive & Admin	288,304	304,300	305,100	323,500	336,300
Finance	331,472	346,100	355,400	360,800	375,200
Events & Ice Programming	458,763	548,200	524,000	581,600	603,300
Marketing & Sales	266,942	308,500	341,700	329,700	341,300
Operations	2,156,844	2,032,500	2,310,300	2,296,400	2,350,200
Food & Beverage	597,757	781,700	745,000	780,500	810,700
Box Office	239,925	298,200	296,500	308,500	320,700
Overhead	877,845	705,100	871,200	766,200	794,900
<b>TOTAL INDIRECT EXPENSES</b>	<b>5,217,852</b>	<b>5,324,600</b>	<b>5,749,200</b>	<b>5,747,200</b>	<b>5,932,600</b>
<b>NET OPERATING INCOME (LOSS)</b>	<b>(351,765)</b>	<b>(780,600)</b>	<b>(383,100)</b>	<b>(798,900)</b>	<b>(813,400)</b>



**2025  
City of Oshawa  
Operating Budget by Branch**

**Branch: Tribute Communities Centre**

	2024 Projected Actuals	2024 Approved Budget	2025 Base Budget	2025 Budget Adjustments	2025 One-Time Adjustments	2025 Operating Budget	2025 - 2024 Variance \$s	2025 - 2024 Variance %	2026 Forecast
Tribute Communities Centre									
118 Tribute Communities Centre	383,100	780,600	780,600	18,300		798,900	18,300	2.3	813,400
<b>Total Tribute Communities Centre</b>	383,100	780,600	780,600	18,300		798,900	18,300	2.3	813,400