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OTTAWA CONVENTION CENTRE CORPORATION

ANNUAL BUSINESS PLAN 2022/23

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1. EXECUTIVE SUMMARY

As we review the last 24 months, the future is starting to look brighter; however, full recovery for the convention industry remains 12-18 months away. Most difficult was the temporary lay-off notices delivered to our 271 unionized team members and the permanent staff reductions of our salaried team by 60%. As we approach 2022/2023, expenses remain curtailed and non-health and safety maintenance projects deferred. We recognize the need to invest in sales and marketing to rebuild our pipeline and build back our future. As we look to the new year and restrictions being lifted, it is anticipated that more human resources will be required to deliver events with the high calibre of service that in 2021 resulted in OCC winning the *Best Convention Centre in the World* award.

Sales and marketing will focus on both short and long-term recovery, driving the local, corporate and international conventions, building back revenue streams, and reopening safely. Marketing initiatives will remain focused on engagement with our clients through attendance at industry events virtually and in-person, hosting clients at Chef -lead cooking demonstrations, and filling tables at virtual dinners and other industry events. In-person events are increasing as we look to the future, and we will be there with our clients demonstrating that meetings and events can be hosted in a safe and secure manner. Working closely with our clientele to salvage requests to cancel has been the main focus of the prior year as well as in 2022. We have worked diligently to “postpone” conferences and events and move them to future years. While the booking calendar for 2022 is anticipated to generate approximately 50% of revenues pre-pandemic, 2023/2024 is tracking ahead of pace. We will continue to collaborate with our local hotel community in city-wide opportunities and more strategically with Ottawa Tourism as we collectively share resources; both financial and human, to position Ottawa as a key Canadian destination to host conventions and major sporting events.

Internationally, interest by planners and local hosts in looking at future dates for conventions is starting to escalate. This is also evident in the trade and consumer show sectors. In the United States, this trend is also increasing while Canada takes a more cautious approach. With the opening of the US/Canada border and vaccination uptick increasing, Canadian meeting planners are starting to gain greater confidence in returning to normal. It is predicted that Association meetings will take longer to rebound given that membership has declined, and they have suffered significant revenue loss through the cancellation of annual meetings and tradeshow—a significant financial source to association meetings. Corporate meetings are likely to rebound faster as they are looking to build up their brand, drive retail sales and reunite colleagues.

As we look to close the calendar on 2021/2022, we can be very proud to be named the *Best Convention Centre in the World!* This prestigious award through AIPC (International Association of Convention Centres) was welcomed news during a period of lost revenues, capacity restrictions and shutdowns ultimately affecting the morale of team members. Several have left hospitality and tourism for employment in other sectors. Human Resources will be challenged in 2022 to retain employees as well as attract new team members.

The initiatives detailed in this business plan will reflect the current situation of working through the pandemic as well as the outlook for the next three years. While we may have been thrown off track,

we have been nimble in our approach to creative views, new business opportunities, and a robust recovery plan. It is important to look forward to welcoming our clients back, as well as our valued colleagues, and to rebuilding the spirit of customer excellence which has been the main pillar of our tremendous success over the past years.

We wish to thank and acknowledge our closest partners, Aramark Entertainment Services Canada Inc., and Encore Canada. Our established vision of *Inspired People Creating Extraordinary Events* remains part of our culture and DNA. We also wish to thank our colleagues' ongoing commitment to customer service and delivering excellence. This couldn't be truer than over the last 24 months when resources were stretched, and team members asked to wear many different hats. These individuals are the lifeblood of our business and no matter how busy they are, they make magic happen every day and help the OCC continue to be a genuinely wonderful place to work!

We are very appreciative of the support from Ontario's Minister of Heritage, Sport, Tourism and Culture Industries, The Honourable Lisa MacLeod, and her dedicated staff. The initiation of the Minister's Roundtables with agency Chairs and CEOs in April and October were of great benefit providing opportunities to share best practices while also hearing directly from Minister MacLeod on the priorities of government during the pandemic and beyond. It also served as a reminder of our accountability to the Ministry as well as to our Board of Directors. We thank our Board of Directors for providing strategic guidance and oversight as we continue to build on our successes leading into our 12th year of operations. We acknowledge our accountability to our shareholders and value their ongoing support and guidance.

2021/2022 RESULTS

With travel almost coming to a full stop, as well as the capacity restrictions and shutdowns, the revenues achieved in this year were predictably dismal. We will have booked \$1.4M to a budget of \$2.7M.

Our marketing efforts were reduced to updates on social media around safety protocols and recovery plans. All other marketing efforts were halted due to cash flow restrictions and the unknown around reopening and business returning to normal. We also acknowledge that meetings were not top of mind to associations and corporations during an unprecedented financial downturn.

LOOKING AHEAD TO 2022/2023

A cautious return to in-person meetings and events is anticipated and welcomed. Our local and regional markets will be first to respond to capacity restrictions being lifted. Our national markets will take 12-24 months to come back to pre-pandemic attendance numbers and our most lucrative economic impact driver, the International Congress market, will likely take three to four years to rebound. It is important to note that while the window is long for significant conventions to return to normal, sales and marketing resources must be deployed now to compete with other centres and destinations across Canada.

2. MANDATE AND VISION

VISION

Inspired people creating extraordinary events.

Our vision is supported by the following four pillars:

1. Generate economic impact through incremental growth from the external visitor economy
2. Deliver extraordinary customer experience
3. To operate sustainably
4. To be the best convention centre in Canada

CORE PURPOSE

We are Canada's Meeting Place. The Ottawa Convention Centre provides the stage where Canadians and guests from around the world come together in Ottawa, our Capital, to learn and grow by sharing their knowledge, views and practices.

ECONOMIC MANDATE

The Ottawa Convention Centre operates profitably, and in cooperation with our tourism industry partners, generates positive economic impact for all three levels of government.

SHARED VALUES

WE always treat each other with respect and fairness

WE strongly celebrate innovation and initiative

WE act upon our responsibility to our government and are responsive to our community and the environment

WE contribute as a team to our shared success and collective passion to grow our business

WE go the extra mile to deliver extraordinary experiences

LEGISLATIVE AUTHORITY AND MANDATE

OCC is an Agency of the Government of Ontario governed by the Ottawa Convention Centre Corporation Act (1988). OCC is operated by a twelve-member Board of Directors with nine provincial and three municipal appointees. The Centre opened in 1983, was demolished in 2008 and re-opened in 2011. Its legislated mandate is to “operate, maintain and manage an international-class convention centre in a manner that will promote and develop tourism and industry in Ontario”.

OCC is an operational enterprise agency of the Ministry of Heritage, Sport, Tourism, and Culture Industries. OCC is committed to providing excellent, high calibre bilingual customer service, and to ensuring that services are timely, responsive, accessible, and accountable.

The Memorandum of Understanding (MOU) between the Ottawa Convention Centre Corporation and the Ministry of Heritage, Sport, Tourism, and Culture Industries, provides an accountability and governance framework, including the following accountability relationship:

- a) The Minister is accountable to the legislature and Treasury Board/Management Board of Cabinet for the Centre’s fulfillment of its mandate, its compliance with government and Ministry policies and for reporting and responding to the Legislature on the Centre’s affairs.
- b) The Chair is accountable to the Minister for the performance of the Centre in fulfilling its mandate for carrying out the roles and responsibilities assigned to the Chair by the governing Act, MBC directives and the MOU.
- c) The Deputy Minister is accountable for advising and assisting the Minister regarding the Minister’s responsibilities for the Agency.
- d) The President & CEO is accountable to the Chair and the Board for the management of the Centre, the supervision of the Centre’s staff, and for carrying out the roles and responsibilities assigned by the Board, Management Board directives, the Act, MOU, and other relevant legislation.
- e) Staff of the Centre is accountable to the President & CEO for carrying out the roles and responsibilities as assigned to the staff by the President & CEO.

3. ENVIRONMENTAL SCAN

GENERAL OBSERVATIONS

This plan outlines OCC's revenue opportunities, financial projections and strategic and tactical sales and marketing plans for the year. Initial forecasts indicate revenues to be at 50% of 2019/2020. A poll conducted by the Convention Centres of Canada reveals that this is the case for most centres across the nation. As 2021/2022 will reflect an unprecedented challenge, there is some optimism as we look forward to high vaccination rates in Canada and the travel industry beginning to rebound in 2022. Industry experts forecast that it will take two to three years for the national meetings and exhibition industry to rebound and three to four years for international congresses to return to pre-pandemic rates.

As we enter our 12th year of operation, we will have addressed our growing need to replace capital, furniture, fixtures and equipment to ensure the stewardship of our facility and the competitiveness of our offerings. Our largest capital upgrade in 2021/22 will be the replacement of the centre's carpet. We are continuing to work with the Ministry to establish and prioritize projects which will address any health and safety risks.

Our international efforts in 2020/2021 were placed on hold. ThinkOttawa is currently not being resourced; however, we realize that neglecting this market, given its long lead time, will not serve us well into the future. While ThinkOttawa is currently on hiatus, we continue to work with Ottawa Tourism and Destination Canada to rebuild our presence. Trade show booth space managed by Destination Canada is being offered up to partners on a complimentary basis, representing significant cost savings from previous years and making it more feasible to attend in person. The OCC's economic mandate is to operate profitably, and in cooperation with our tourism industry partners, generate positive economic impact for all three levels of government. While generating an operating surplus may not be realized until 2023/2024, it is crucial to revisit in-person events in order to support this mandate.

We will work with Ottawa Tourism in rebuilding Ottawa's appeal to the highly lucrative and economic impact-generating international market. The pandemic has also resulted in several international flights being discontinued to Ottawa which will place us in a less favorable position when competing against other Tier 1 and 2 cities. As major conventions and events begin to build up, this will also support the Ottawa Airport Authority's efforts in attracting more airlines and routes to the Nation's capital.

Our hotel partners are slowly seeing a rebound in overnight guests; however, continue to yield occupancy numbers well below pre-pandemic times. This also results in a lower contribution to the Municipal Accommodations Tax. Marketing efforts and incentive offers through Ottawa Tourism utilizing a healthy convention development fund, will target key opportunities in our collective calendars to draw more visitors to our destination in 2022 and 2023.

4. RISK ASSESSMENT STRATEGIES 2022 -2023

Health & Safety (Guests & Staff)	
Description	OCC recognizes its obligation to provide and maintain a safe, healthy and secure workplace for our employees and for other individuals that visit the facility such as clients, delegates, third party suppliers, contractors and members of the public. We must have strong processes and procedures in place to protect the facility and our tangible and intangible assets and resources. Our goal is to function efficiently, mitigate risks and reduce liability.
Related strategic priority	Financial Sustainability
Impact and scope	Medium The impact is risk to our reputation and financial stability, health risk, risk of injury and/or damage to assets and the facility.
Mitigation	Continue to ensure health and safety is a priority by remaining compliant with all government legislation, standards and acts. Provide refresher training for Occupational Health & Safety, Emergency Response & Fire, Life, Safety as well as all department-specific Standard Operating Procedures. Review processes annually updating as required with current data and new requirements. Monitor and update public health guidelines and Covid-19 processes/procedures that include training, visual aids, and signage as well as contact tracing, screening, and vaccine verification protocols. Continue to monitor and act on recommendations from the Health and Safety Committee. Continue to schedule quarterly facility walks with the Senior Leadership Team. Continue to participate in food quality and safety audits, monitored through a safety portal and reviewed and audited by a third party. Provide training and update protocols for our new advanced leading-edge security camera software installed.

Emergency & Crises	
Description	OCC has a comprehensive Emergency Preparedness Plan which is shared with our clients. A convention centre’s strength has been and continues to be the safety and security of the asset, contents, and most importantly guests and personnel. It is the expectation of clients, guests and colleagues that we provide a safe and secure environment. It is incumbent upon the Centre to communicate our plan to our clients and colleagues and continually prepare for emergencies. Accordingly, we have plans in place to resume business as quickly as possible if an emergency were to occur.
Related strategic priority	Client & Colleague Satisfaction
Impact and Scope	Moderate It is impossible to predict an emergency or the intensity of the occurrence; however, planning and preparation to manage an issue is important in order to minimize the threat and build leadership skills to take control of the issue and to ensure business continuity.
Mitigation	We continually improve our emergency preparedness planning by reviewing and updating our information and procedures. We continue with floor warden training to ensure everyone has the knowledge and confidence to respond effectively to all emergencies. We continue to conduct risk assessments of the facility and our practices to ensure we are minimizing the impacts of an emergency and responding effectively. We will also continue our collaborative efforts with our neighbouring facilities (Westin Ottawa and Rideau Centre and TD Place) to assist each other during emergencies and whenever possible our team will participate in seminars and workshops offered by the City of Ottawa Emergency Management division as well as other outside organizations.

Cyber Risk	
Description	<p>Cyber Risk is defined as any risk of financial loss, disruption, or damage to the reputation of an organization from a failure involving its technology systems.</p> <p>The most common risks we are currently facing are ones that involve e-mail spam and spoofing, in which the user utilizes the name of a manager to try and obtain funds through a wire transfer, infection through a virus through downloadable content, or by asking for account information.</p>
Related strategic priority	Financial Stability, Client & Colleague Satisfaction
Impact and Scope	Low
Mitigation	<p>Monthly, weekly and incremental daily backups of all data are performed. Weekly and monthly backups are stored offsite to ensure data protection in case of a fire or similar structural event which could impact the servers and data stored in the building, as well as to aid in the protection against viruses and ransomware. Anti-virus software is kept current on all PC's, and a strict policy is in place to help manage the threat of unlawful malware/software from infecting our systems which can often occur through employees connecting remotely. An online security course will be taken by all employees upon orientation and on a yearly basis by all employees who have access to a computer and data within the centre.</p>

BUSINESS RECOVERY	
Description	Globally, a pandemic was declared in March 2020 which will likely remain through to mid-2022 and potentially beyond. While vaccines have been introduced in 2020/21, it will take time before many countries are substantially vaccinated. Canada has been trending positively in its vaccination status which bodes well for national events.
Related strategic priority	Financial Sustainability
Impact and Scope	The pandemic has affected the business events sector. Although the association market continues to meet annually, it has greatly reduced operating budgets with revenues declining significantly with the restriction of exhibitions which can be a significant revenue source for associations. The corporate sector, however, will likely rebound somewhat faster with a need to re-engage with its workforce and customer base.
Mitigation	Complete multi-year contracts with the association market to ensure the sales pipeline is strong. Develop a sales and marketing offer with Ottawa Tourism to incent meetings and conventions to stay in Ottawa vs. circulating throughout the country.

5. ANNUAL GOALS & METRICS

In the upcoming year, OCC will focus on the strategic priorities outlined below. The Executive Leadership Team (ELT) has identified strategies and performance measures to achieve these goals. The ELT meets on a weekly basis to review financial goals and performance goals as well as client satisfaction and human resources updates.

Strategic Goal #1: Financial	
Goal	<p>OCC's long-range financial imperative is to generate the revenues to support a surplus and maintain cash flows sufficient to provide for lifecycle requirements.</p> <p>OCC's mandate is to generate economic benefits to the City of Ottawa and the Province of Ontario.</p> <p>OCC will generate the following financial results in 2022/23:</p> <ul style="list-style-type: none"> • Gross revenue of \$ 8.2M; • Economic impact of \$ 33M; • Booking pace target of \$ 17.8M • Net operating loss of \$ (3.95)M
Strategies	Our current year's strategy is to cut expenses where possible, while maintaining our building and continuing to communicate with our clients. We continue to re-book events in the future as the re-opening timeline shifts.
Performance measures	OCC will monitor progress utilizing financial statements and internal reports which are reviewed with senior management on a monthly basis and with the Finance & Audit Committee of the Board of Directors quarterly.

Description	Actual 2020-21	Forecast 2021-22	Budget 2022-23	Plan 2023-24	Plan 2024-25
Economic impact (\$M's)	0	3	33	134	108
Gross revenue (\$M's)	1.5	1.9	8.2	18.1	18.0
Net operating income (\$M's)	(3.66)	(4.72)	(3.95)	0.84	0.82
Booking pace (\$M)	10	12.4	17.8	19.5	21.0

Strategic Goal #2: Occupancy					
Goal	Occupancy is based on the number of square feet sold compared to the number of square feet of available space in a given year. No allowance has been made for holidays or down periods between events. Under regular circumstances, full occupancy at the OCC would be approximately 70%.				
Strategies	In light of capacity restrictions and government regulations, the OCC will need to rely heavily on the local market in order to generate occupancy for Q1 and Q2. As distribution of the incoming vaccine becomes more widely accessible, we can reasonably anticipate a slow transition back to what used to be a primarily convention business base.				
Performance measures	Occupancy is tracked for each event, then summarized and reported quarterly.				
Description	Actual 2020-21	Forecast 2021-22	Budget 2022-23	Plan 2023-24	Plan 2024-25
Occupancy rate	0%	11%	38%	45%	50%

Strategic Goal #3: Customer Service					
Goal	<p>Customer service is an integral component of business success. Our goal is to maintain a client satisfaction score of 4.5 and to remain aligned with our visions of <i>"Inspired People Creating Extraordinary Events"</i>.</p> <p>With the approval of capital funds through 2019-2021 we have been able to increase equipment inventories and invest in new equipment to remain an innovative and leading-edge facility. As we enter the post-pandemic period where funds will be limited, this has positioned us favorably.</p> <p>The pandemic has altered the work landscape as people's values and motivations have changed with balance, flexibility, and protection being priorities. Resources and productivity will prove challenging.</p>				
Strategies	<p>We will continue to ensure adherence to exceptional service in all phases of the sales and service cycle by initiating and engaging client focus groups, employing impromptu inspections, and providing uncompromising leadership. We will continue to build a culture of customer service with campaigns to deliver the extraordinary through employee engagement.</p> <p>We will chart a new a post-pandemic work plan elevating training, changing processes to align with labour resources and to support productivity.</p> <p>In 2020-2021 we made an investment in safety and security technologies, and we will continue to monitor and update safety protocols. We will reinforce occupant understanding of safety with improved communication. This will be necessary in an environment where protection is a priority, and to maintain client confidence and ensure a safe experience for our facility occupants.</p> <p>We have updated our current client survey with safety-specific questions to monitor occupant's experience and confidence levels in this changing environment and will continue to launch a new delegate/attendee survey to gain a broader perspective.</p>				
Performance measures	<p>Client satisfaction surveys are sent electronically following each event in the building. Results are reviewed by the General Manager and Director of Events and then circulated to the management team weekly for review and action as required. We will develop metric goals for the new delegate survey once launched.</p>				
Description	Actual 2020-21	Reforecast 2021-22	Budget 2022-23	Plan 2023-24	Plan 2024-25
Overall satisfaction	5.0	4.5	4.5	4.5	4.5
Response rate	100%	23%	23%	25%	25%

Strategic Goal #4: Human Resources					
Goal	<p>We are committed to maintaining an environment that is healthy and positive for all colleagues at the OCC. Our workforce has experienced many changes during the pandemic. Many colleagues continue to be on lay-off, while others have been recalled after being off work for a period of time. Others worked during the pandemic with inconsistent hours that do not reflect pre-pandemic levels. Change is not always easy for every employee to adapt to. As we look to move forward in a positive way, the OCC will make a pronounced effort on employee engagement. Keeping employees engaged is the foundation for a positive and healthy workplace, with many benefits. Employees that are engaged produce greater productivity and have a happier well-being. This in turn leads to greater retention rates and increased customer satisfaction.</p> <p>In years past, we utilized a colleague survey to gain employees' perspectives and understand their engagement levels, but due to unforeseen circumstances, this survey will be postponed until 2023, given the number of employees still on layoff. It is estimated only a portion of our colleagues will have returned to work by spring of 2022, therefore the survey would be disproportionate of our employee population.</p>				
Strategies	<p>In the interim, the centre will focus its efforts on keeping a finger on the pulse. Employee check-ins, open-door policies, feedback, and staff events are all ways we will remain in touch with our employees. We will look to implement positivity wherever we can. Employee Assistance Programs will be utilized for those that require assistance. We will continue with consistent communication to ensure our colleagues remain knowledgeable. We will assess the value of developing an employee intranet to connect and engage employees remotely. The OCC will redefine expectations and boundaries and provide transparency on the future of our business. Strong employee engagement will provide enhanced commitment levels to the centre as we move forward with our business.</p>				
Performance measures	<p>The survey is conducted on a biennial basis. We were scheduled to conduct our next survey in the Spring of 2020-2021 but have postponed until 2023/24 due to the layoffs in March 2020, due to the pandemic.</p>				
Description	Actual 2020-21	Plan 2021-22	Budget 2022-2023	Plan 2023-24	Plan 2024-25
Overall satisfaction	Postponed	Postponed	Postponed	7/10	Next survey 2025/26

Strategic Goal #5: Corporate Social Responsibility

Goal	<p>OCC recognizes the role we play in the life and economy of our host community and that the community plays in supporting and enhancing the event experience of our clients. In doing so, we undertake to demonstrate ongoing corporate responsibility and maintain a positive community interface. While many organizations now practice some form of social responsibility programs, at the OCC we have decided to make it a core of our operations. Undertaking socially responsible initiatives not only allows us to appeal to socially conscious consumers but also makes a tangible difference in the world.</p>
Strategies	<p>We continue to offer three flexible CSR programs that enable clients to have a positive impact with minimal effort, all of them facilitated by the OCC team. These programs not only help those less fortunate in our neighbourhood, but they are also aimed at reducing waste destined for landfills.</p> <p>Leave a legacy Program: clients may donate anything left after their event including obsolete marketing collateral, promo items, and non-perishable food.</p> <p>Mealshare: clients can help put an end to youth hunger by donating a lump sum to Mealshare. In exchange, OCC will create tent cards to share how many meals the donation provided to youth in need.</p> <p>FoodRescue.ca: allows us to donate unused food to charities such as the Ottawa Mission which issues the surplus to people in need.</p> <p>To reduce our requirement for green bins, OCC uses ORCA (Organic Refuse Conversion Alternative). ORCA takes all organic waste and breaks compost waste down into environmentally safe grey water, which then flows out to the sewage system. We have upgraded our cardboard baler and will continue with our waste program and recycling wall. OCC continues to be part of Carbon 613, a network of Ottawa businesses committed to working towards a reduction in greenhouse gases. This program provides us with educational support and direction as the OCC keeps sustainability top of mind.</p> <p>Our focus post pandemic will be to remind and re-educate occupants and colleagues of the importance of diversion and the impact it has on our environment through updated marketing and elevated training.</p>
Performance measures	<p>Review participation in the three CSR programs noted above at year end.</p> <p>OCC participates in a very rigorous food waste program and monthly food quality audits whereby the entire kitchen area is critiqued with results being reviewed by senior leadership. Waste diversion reports are produced and reviewed monthly, and any anomalies are addressed immediately.</p>

Description	Actual 2020-21	Reforecast 2021-22	Budget 2022-23	Plan 2023-24	Plan 2024-25
Waste diversion	63%	40%	45%	50%	50%

6. BUDGET SUMMARY

STATEMENT OF OPERATIONS

	Actual 2020-2021	Reforecast 2021-2022	Budget 2022-2023	Plan 2023-2024	Plan 2024-2025
Food & Beverage	13,252	680,038	4,884,000	11,131,280	10,998,129
Facility Rental	762,149	532,785	2,207,000	4,727,190	4,809,769
Commissions	105,653	151,596	503,757	1,518,762	1,534,203
Advertising	464,080	476,500	515,345	625,570	511,521
Other Income	4,660,550	5,399,022	102,048	126,589	128,671
TOTAL GROSS REVENUE	6,005,685	7,239,942	8,212,150	18,129,391	17,982,292
Revenue Growth	-66.78%	20.55%	13.43%	120.76%	-0.81%
COST OF SALES	9,938	510,029	3,663,000	8,079,117	8,009,189
NET REVENUE	5,995,747	6,729,913	4,549,150	10,050,274	9,973,103
Net Revenue Growth	-41.13%	12.24%	-32.40%	120.93%	-0.77%
EXPENSES					
Facilities	2,626,362	2,868,048	3,965,646	4,875,906	4,617,524
Utilities	455,716	758,454	1,001,000	1,016,015	1,036,335
Sales & Marketing	638,605	903,289	1,686,549	1,430,535	1,579,146
General & Administration	1,386,057	1,618,577	1,847,171	1,884,114	1,921,796
TOTAL EXPENSES	5,106,740	6,148,368	8,500,366	9,206,570	9,154,802
Percent of Gross Revenue	85.0%	84.9%	103.5%	50.8%	50.9%
OPERATING SURPLUS	889,007	581,545	(3,951,216)	843,704	818,301
Percent of Gross Revenue	14.80%	8.03%	-48.11%	4.65%	4.55%
Interest expense	(1,052,357)	(1,043,879)	(1,034,995)	(1,025,687)	(1,015,934)
Amortization of deferred contributions	3,380,533	3,450,151	3,615,151	4,154,191	4,538,361
Gain on Debt restructuring					
Amortization of property, plant and equipment	(5,550,134)	(5,687,660)	(6,009,048)	(6,470,653)	(6,889,898)
Excess of revenue over expenses	(2,332,950)	(2,699,844)	(7,380,108)	(2,498,445)	(2,549,170)

STATEMENT OF FINANCIAL POSITION

	Actual as at Mar 31, 2021	Reforecast as at Mar 31, 2022	Budget as at Mar 31, 2023	Plan as at Mar 31, 2024	Plan as at Mar 31, 2025
ASSETS					
Current					
Cash	3,578,209	3,500,740	(460,899)	(1,052,393)	(1,014,153)
Accounts receivable	1,396,539	38,342	281,927	497,246	397,999
Prepaid expenses	99,365	96,892	109,498	106,156	136,747
Total Current Assets	5,074,113	3,635,974	(69,475)	(448,991)	(479,407)
Property, Plant & Equipment	132,539,749	127,889,444	121,880,396	115,409,743	108,519,845
Total Assets	\$ 137,613,862	\$ 131,525,418	\$ 121,810,921	\$ 114,960,752	\$ 108,040,438
LIABILITIES & NET ASSETS					
Current					
Accounts payable and accrued liabilities	1,283,957	701,576	1,697,344	1,976,751	2,258,672
Deferred revenue and customer deposits	1,259,981	2,212,417	2,692,417	2,419,792	2,519,153
Current portion of long term debt	186,120	195,005	204,314	214,065	224,384
Total Current Liabilities	2,730,058	3,108,999	4,594,076	4,610,608	5,002,209
Deferred revenue and deposits	1,166,141	650,000	650,000	650,000	650,000
Long-term debt	28,420,903	28,225,902	28,021,588	27,807,523	27,583,139
Deferred Contribution - capital assets	93,343,447	90,287,046	86,671,895	82,517,704	77,979,343
Total Liabilities	122,930,491	119,162,948	115,343,483	110,975,227	106,212,482
Net Assets (deficit)	11,953,314	9,253,472	1,873,363	(625,082)	(3,174,252)
Total liabilities and net assets	\$ 137,613,863	\$ 131,525,418	\$ 121,810,921	\$ 114,960,752	\$ 108,040,438

STATEMENT OF CASH FLOW

	Actual as at Mar 31, 2021	Reforecast as at Mar 31, 2022	Budget as at Mar 31, 2023	Plan as at Mar 31, 2024	Plan as at Mar 31, 2025
Cash flows provided by (used in)					
Operating Activities					
Excess of expenses over revenue for the year	(2,332,954)	(2,699,844)	(7,380,108)	(2,498,445)	(2,549,170)
Items not affecting cash					
Amortization of property, plant and equipment	5,550,134	5,687,660	6,009,048	6,470,653	6,889,898
Amortization of deferred contributions related to property, plant and equipment	(3,380,533)	(3,450,151)	(3,615,151)	(4,154,191)	(4,538,361)
Gain on debt extinguishment					
Capitalization of interest to long-term debt					
	(163,354)	(462,335)	(4,986,211)	(181,983)	(197,633)
Net changes in non-cash working capital	(2,178,959)	1,214,500	1,219,577	(205,198)	449,939
	(2,342,313)	752,166	(3,766,634)	(387,181)	252,306
Capital Activities					
Purchase of property, plant and equipment	(574,745)	(1,037,355)	0	0	0
Deferred costs	1,231,105	393,840	0	0	0
	656,360	(643,515)	0	0	0
Financing Activities					
Increase (decrease) in long-term debt	(177,641)	(186,120)	(195,005)	(204,313)	(214,066)
Line of Credit					
Contribution Payment to Ministry of Tourism					
	(177,641)	(186,120)	(195,005)	(204,313)	(214,066)
Net cash inflow (outflow)	(1,863,594)	(77,470)	(3,961,639)	(591,494)	38,240
Cash April 1	5,441,803	3,578,209	3,500,740	(460,899)	(1,052,393)
Cash, March 31	3,578,209	3,500,740	(460,899)	(1,052,393)	(1,014,153)

7. HUMAN RESOURCES

SUMMARY OF STAFF NUMBERS

With exception of management and administrative staff, the OCC has been unionized since December 1995, represented by the United Steelworkers of America (Locals 8327 and 5297).

The collective agreement for Local 8327 expired on September 30, 2017, and a new agreement was ratified on February 2, 2018 for a three-year period ending in September of 2020. The current Collective Agreement in effect was extended for two years, due to the pandemic. Bargaining will commence for this Local in September 2022. Local 8327 represents service personnel and reports to the Facility Services Provider, Aramark Entertainment Services Inc.

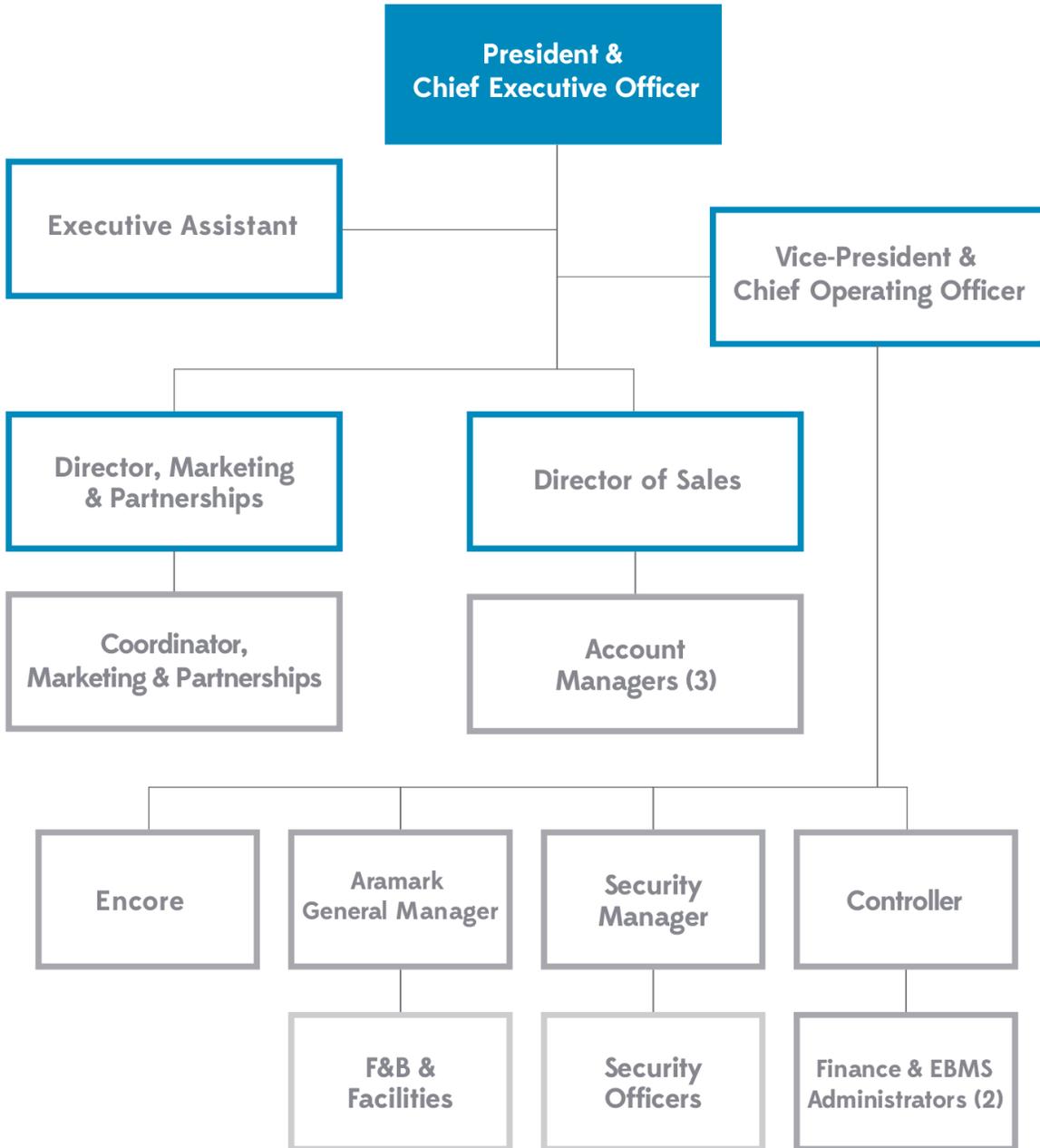
Local 5297 represents security personnel and reports to OCC. The collective agreement for Local 5297 expired on September 30, 2019, and a new agreement was ratified on November 2, 2020, for a three-year period ending in September 2022.

The following is a current overview of personnel as of November 2021.

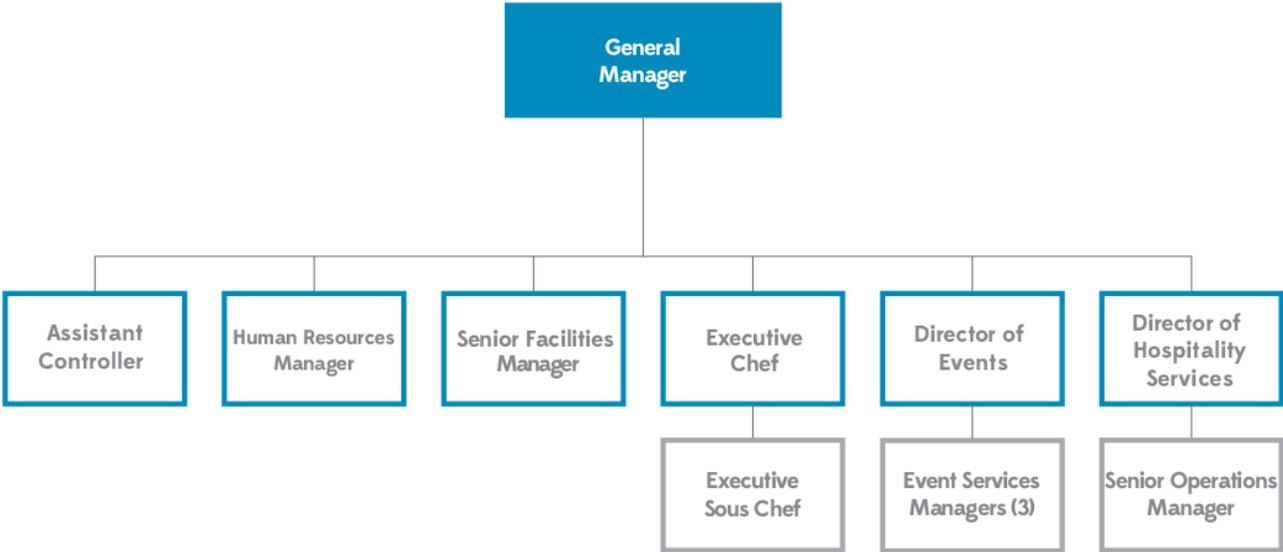
CLASSIFICATION	OCC	ARAMARK	TOTAL
Fulltime union	8	56	64
Part time union	1	100	101
Casual union	5	80	85
<i>Subtotal union personnel</i>	14 <i>(Local 5297)</i>	236 <i>(Local 8327)</i>	250
Fulltime non-union	11	17	28
Part time non-union	0	3	3
<i>Subtotal non-union personnel</i>	11	20	31
TOTAL	25	256	281

Note: On the existing chart, 4 non-union Aramark employees and 157 union employees (local 8327) remain on a temporary layoff.

OTTAWA CONVENTION CENTRE ORGANIZATIONAL STRUCTURE



OCC FACILITY SERVICES PROVIDER ORGANIZATIONAL STRUCTURE



8. INITIATIVES INVOLVING THIRD PARTIES

STRATEGIC PARTNERSHIP WITH OTTAWA TOURISM

A cohesive approach between the Destination Marketing Organization (DMO) and the Centre is critical as resources become fewer, and the competition emerging out of COVID-19 will be fiercer than ever before. Re-emergence from this pandemic will also require new and innovative approaches to safe meetings and the path forward.

With hotel occupancy hovering around 50%, the Municipal Accommodations Tax will generate lower revenues for Ottawa Tourism. Collectively, we acknowledge that the first market to rebound will be the local market and not likely until spring 2022.

Based on our current resources, we will work closely with Ottawa Tourism to ensure we are not duplicating efforts and utilizing our assets wisely. Sales activities will begin to transition from zoom and virtual touchpoints to face to face; ultimately supporting the premise that the centre was built for, in-person meetings. The requirement to ramp up human resources will be top of mind as we look to rebuild our business. Retention of staff has been challenging with employees looking to industries and sectors less affected by the pandemic. ThinkOttawa has been placed on pause until late 2022 or potentially 2023.

ARAMARK – FACILITY SERVICE PARTNERSHIP

OCC and Aramark entered into a 15-year partnership in 2010 in which Aramark provides comprehensive support services for the centre. OCC's reputation as a world-class convention centre is strengthened by our extraordinary customer service delivery and exceptional product offerings which are managed by Aramark. A key metric in monitoring this outcome is our customer satisfaction survey. The OCC has held steady year over year at 4.6 out of 5 on our key client survey responses related to overall satisfaction, loyalty and value received for price paid. Aramark continually delivers quality and consistency in an industry held to exacting standards. The pandemic has affected the services and revenues of our partners resulting in Aramark downsizing its management team to recognize these challenging times both in the OCC and corporate-wide.

Aramark's commitment to client service and operational excellence played a significant part in our winning the "Best Convention Centre in the World" award through AIPC. Our challenge is to maintain these scores in an ever-changing and competitive market as client expectations are becoming more demanding and service standards will be adjusted to reflect the era we will be operating in when business resumes and future pandemics are a strong reality.

OCC and Aramark are recognized for having comprehensive service recognition programs, such as the "Encore! Encore!" and "WEST" (Welcome, Engage, Smile, Thanks) programs. These programs are complemented by our highly regarded client service acknowledgement Golden Pin and Star programs.

OCC continues to be rated as Aramark's top performer in their North American convention centre business segment.

Mentoring leaders in the hospitality industry is a common goal for both OCC and Aramark. It is with this in mind that Aramark, with the support of OCC, is providing developmental leadership opportunities for managers and supervisors across its "sister" properties in order to gain valuable experiences in much larger facilities than the OCC or in producing events of a greater scale than would be accommodated in Ottawa. This is a reciprocal opportunity as occasionally OCC utilizes managers and supervisors from other "sister" facilities where additional requirements are necessary due to heavy event demand.

ENCORE – AUDIO VISUAL, INFORMATION & COMMUNICATIONS TECHNOLOGY, RIGGING & ELECTRICAL

In 2010, OCC and Encore entered into a 15-year partnership in which they provide the primary event service offerings for our events, including audiovisual (AV), information communications, and technology (ICT).

In January 2019, The Freeman Company (Encore's parent company) and PSAV entered in a purchase agreement for PSAV to acquire Encore Event Technologies including Encore AV Canada. In October 2019, the deal was approved and moved forward. While this represents no current change to the relationship between the OCC and Encore, it is anticipated that this merger and acquisition could enhance the technology options on site. On March 01, 2021, Encore was awarded the Rigging and Electrical contract adding to its broad range of "one-stop" service offerings at OCC, which now include Internet, Telecom, Digital Signage, Audio Visual, Virtual & Hybrid offerings.

Technology is a critical factor in securing conventions. It is extremely competitive and there is a high demand requirement to obtain bookings. Encore provides a turnkey service for conventions and events and OCC earns a commission on service sales which is an important revenue source. The effectiveness of this provided solution is demonstrated through our customer satisfaction surveys and in our negotiated bookings. Without these services being available at such a professional level, our ability to sell events in the facility would be impaired. Encore has provided our clients with audiovisual and ICT necessities of event production since April 2011. On average, they service 95% of the events taking place in the facility. Our partnership objectives are two-fold: i) to maximize Encore market share of events and increase revenues and ii) maintain client service levels and standards.

To achieve these goals, Encore and OCC maintain a Service Partner Program. This program has sustained our client survey scores at 4.5 out of 5. To address market share and more importantly increase the share of events currently using our service partner, OCC and Encore have engaged in a collaborative sales and service cycle. This collaborative sales approach has allowed Encore to service 95% of our clients.

Our ability to address the ever-changing needs of our client base is a key tenet of our partnership with Encore. There are shorter booking windows, more detailed and vigorous negotiations, greater technology demands and higher demands of quality and service expectations. As a result of our agreement, Encore can easily step outside of a rigid proposal system and provide flexible risk-appropriate offerings to exceed client needs that are not only domestic but international in scope. This approach is very healthy and conducive in an environment where being seen as easy to do business with is an essential ingredient in fostering a solid reputation.

Encore continually innovates to provide cutting edge solutions to its customers and venue partners and recently launched a global customer relationship management software, Compass that allows the venue and Encore's global teams to work seamlessly together by integrating the venue business system to a robust sales funnel functionality that will provide a level of integration, visibility, and reporting unique in our industry. This exclusive tool is a collaborative technology solution that is currently being used by Encore and OCC to grow mutual revenues and market share and has been funded solely by Encore. Encore has recently developed and integrated a new event operating sales system, Polaris that is fully integrated with Compass. This will provide real-time two-way data, financial reporting, and customer insights from the start of the sales cycle to the post event follow-up.

Encore also provides a series of Virtual and Hybrid Platforms, whether it's due to global travel restrictions or personal circumstances, Encore can help the show go on even if a key presenter or some of the attendees are unable to attend in person. Chime Live, Content1, and Cvent attendee Hub, are solutions that help everyone stay connected without losing audience engagement and interaction. In fact, virtual and hybrid events offer many benefits including sponsorship opportunities and the increased ability for audience engagement. With the high demand for internet connectivity related to Virtual and Hybrid events, Encore with approval from OCC, recently upgraded the Telco backbone service from 500Mbps to a 1Gigabit service with a 1Gigabit redundancy.

Due to the COVID-19 pandemic, Encore downsized its team at the OCC, however, Encore has recalled team members in order to support the increase in live events at OCC. Encore will keep increasing levels of on-site support equal to the increase of business levels.

SHAW COMMUNICATIONS – NAMING RIGHTS PARTNER

On October 16th, 2014 The Ottawa Convention Centre and Shaw Communications Inc. announced a 10-year naming rights agreement. Together with renaming the facility as the Shaw Centre, the partnership also provides the opportunity to showcase Shaw Communications products, such as Wi-Fi to clients and guests. In particular, visitors to the Shaw Centre have access to Shaw Go Wi-Fi – Shaw’s carrier-grade Wi-Fi network – throughout the building with complimentary access available to all guests in the Level 1 foyer and Trillium ballroom. This relationship will continue to position the OCC/Shaw Centre and our city for continued growth in the lucrative national and international meetings and conventions marketplace. OCC/Shaw Centre will leverage the strength of one of Canada’s leading brands and media organizations to enhance and increase its profile and standing as a world class convention facility.

On March 15, 2021 Shaw and Rogers Communications announced an agreement for Rogers to purchase Shaw Communications. The merger requires regulatory approval before it is finalized, however, it is scheduled for a closing date in the first half of 2022.

9. MARKETING AND COMMUNICATIONS STRATEGY OVERVIEW

The past two years have been extremely challenging from a marketing and communications perspective, but the future looks bright. Our goal of attempting to maintain brand awareness, with limited resources, was difficult but executed. Heading towards a brighter future will require resources to maintain brand awareness and market the Centre effectively, as our competitors are all working to build their pipelines as the economy begins to recover. We will continue with our pre-pandemic strategies by highlighting our facility's distinctive features, superb staff, and benefits to our target market segments. We do so while continuing to communicate with existing customers, responding to queries, anticipating/answering their needs, and engaging them for retention purposes. Throughout the year, we will be conscious that our targeted businesses may need to be adjusted to potential new industries as some will recover faster than others. We will continue to be conscious of the current environment and respect all health and safety protocols as well as be mindful of the various levels of comfort by those bringing events to our Centre.