

Scotiabank Centre

2023/24 Business Plan

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Message from the President & CEO

Time and again, our community has been reminded about the power and magic of live events. Whether it is watching our Halifax Mooseheads and Thunderbirds score the winning goal at home, singing along to our favourite performers live in concert or enjoying cultural performances and celebrations, there is nothing better than coming together to share in event experiences.

While we look forward to the big events, it is often the smaller moments that we look back on and remember. The feeling on event day in our downtown streets and spaces, the crowds in our restaurants and shops, the opportunities to connect with friends, old and new – those special moments that can only be created through events.

At Scotiabank Centre, our team takes great pride in helping to create those moments. After 45 years of hosting events, we've only just begun. While we're focused on attracting and hosting amazing events in the upcoming year, we're also planning for the future to ensure we can continue to serve as the backdrop for those memories and experiences for years to come.

Looking to the year ahead, we are thrilled to deliver another incredible lineup of sports, concerts, entertainment and cultural events that make our venue feel alive, our fans excited and our community proud.

A handwritten signature in blue ink, appearing to read "David Cusson". The signature is fluid and cursive, with a long horizontal stroke extending to the right.

*President & CEO
Events East*

Mission, Vision & Mandate

Who We Are

Events East is a special purpose government agency that manages and operates the Halifax Convention Centre, Scotiabank Centre and Ticket Atlantic.

We are known for attracting and hosting the best events in the region through our commitment to event excellence. Our facilities allow us to attract new visitors and opportunities to Nova Scotia, connecting us to the world.

We were created as part of a government partnership between the Province of Nova Scotia and Halifax Regional Municipality (HRM) and we work in collaboration with them to manage our business in a responsible and transparent manner.

Mandate

We were created in 2014 through the *Halifax Convention Centre Act* to operate, maintain and manage the activities of the Halifax Convention Centre in a manner that will promote and develop economic development, tourism, and industry in the province generally, and the municipality.

In April 2017, our mandate expanded to include the continued management and operations of Scotiabank Centre and Ticket Atlantic. We operate all three business areas under Events East Group. Oversight of Scotiabank Centre is governed by a long-term operating agreement with HRM, the facility's owner, which was approved in January 2020.

Planning Context

For 45 years, Scotiabank Centre has built a legacy of creating memorable event experiences that make our community, partners, and fans proud.

Following a successful year of event attraction and hosting, with more than 110 events and 550,000 attendees including the 2023 IIHF World Junior Championship, we will continue to partner with our tenants and event organizers to deliver a strong, diverse mix of events. Aligned with our long-term event attraction strategy, this includes delivering on our core tenant and recurring event activity, as well as identifying major event bidding opportunities and new partnerships.

Despite global and regional economic uncertainty, event organizers and corporate partners continue to demonstrate a commitment to live events and the value they bring to our community. Further, our fans and neighbours have reinforced the importance of events in driving vibrancy and instilling community pride.

Our role is to deliver a strong calendar of events and collaborate with organizers and partners to create memorable experiences through them. As such, we remain focused on our commitment to fan

experience with ongoing work to evolve our services, standards, and partnerships. We will continue to deliver on our core service model while also actively pursuing new ways to enhance the experience at Scotiabank Centre, reinforcing our important role in the community and positioning us as a leading event host across the country.

Our people are critical to delivering on our fan experience vision and we recognize the importance of continuing to invest time and resources to attract, build and nurture an engaged team. Building on the success of the prior year's resourcing strategy, we will work to stabilize our core event delivery teams and foster a culture of engagement that inspires employees to stay and grow with us for the long-term.

Looking to the future, this year we will design a long-term vision for Scotiabank Centre focused on opportunities that support efficient event delivery and an enhanced in-venue experience. This will allow us to proactively plan for investments in infrastructure and technology that ensure our venue is aligned with key industry trends and the expectations of our partners, fans, and community.

Strategic Priorities & Activities

Business Growth

With a strong mix of sports, entertainment, and marquee events in place for the current year, we are fostering relationships and proactively pursuing future event opportunities that support our business growth and long-term event attraction strategies. This includes a focus on advertising and partnership opportunities that drive revenue and support an enhanced fan experience.

Actions:

- Continue to implement our long-term event attraction strategy in partnership with key stakeholders, including major event bids for 2024 and beyond.
- Maintain strong relationships with our tenants to continue delivering value.
- Implement digital advertising strategy and transition to new assets, with sales and marketing plan in place to support revenue targets and fan experience vision.

Fan Experience

As our event mix continues to diversify and new trends emerge, we're committed to ensuring we understand the key drivers of fan experience. Through a formalized fan feedback program and ongoing evaluation of our service model and standards, we will continue to enhance the in-venue experience. This will include stabilizing existing programs and services while also identifying new ways we can deliver on our vision.

Actions:

- Implement a formal fan feedback program to validate key drivers of experience and opportunities for enhancement.
- Design and implement key service delivery standards to support fan experience vision

with a focus on guest services, concessions and other key touchpoints.

- Implement long-term ticketing strategy.

Community Connection

Events are a significant point pride for our city, and we recognize the role we play in ensuring that impact is felt throughout our community. This year, we will expand our Community Relations Program, looking for new ways to ensure everyone has the opportunity to experience the magic of live events. Further, together with our partners and neighbours, we will continue to leverage the events we host to drive vibrancy and excitement, both within our venue and beyond.

Actions:

- Implement year 2 of enhanced Community Relations Program to broaden reach and impact.
- Celebrate and leverage the events we host to maximize community pride and fan engagement.

Talent & Culture

Recognizing that our employees are critical to delivering on our fan experience vision, this year we will solidify our resourcing strategy to ensure we have a stable, committed team in place. This vision extends across our organization and to our event delivery partners, who we will work with to define the standards, processes and training required to ensure a seamless event experience for our fans and a culture of engagement across our workforce and operations.

Actions:

- Implement resourcing strategy to align with event mix and operational efficiencies, including training program to support.
- Review third-party service partnerships to ensure alignment with our service delivery model.

Accountability & Sustained Performance

As the hub for major sporting and entertainment events in the region, our focus remains on responsible, efficient operations of Scotiabank Centre balanced by continued enhancements and future planning. Together with HRM, we will work to define the long-term vision for our venue, including the infrastructure, capital and experiential enhancements required to support.

Actions:

- Develop long-term vision for key venue infrastructure and experience enhancements including multi-year capital program, in collaboration with HRM.
- Develop multi-year venue accessibility plan.

Core Outcomes & Measures

In 2023-24, we will monitor and measure our performance in the following areas, aligned with our long-term event attraction strategy and five-year strategic plan:

STRATEGIC PRIORITY	MEASURE	2023-24 TARGET
Business Growth	Economic impact	Generate approximately \$40M* in direct expenditures through the events we host.
Fan Experience	Number of events hosted at Scotiabank Centre	Successfully host 100+ events with 500,000 total attendees.
Fan Experience	Ticketing strategy	Long-term ticketing services partnership in place.
Fan Experience	Fan feedback	Feedback program designed and in place.
Talent & Culture	Employee feedback	Complete employee engagement survey and maintain an average employee engagement score of approximately 80% for core employees.
Accountability & Sustained Performance	Multi-year capital plan	Develop long-term vision for venue in collaboration with HRM.
Accountability & Sustained Performance	Financial performance	Meet approved budget targets.
Accountability & Sustained Performance	Accessibility audit	Priorities identified for future years.

**Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee and event organizer spending.*

The calculation used to estimate direct expenditures was updated in January 2023 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the economic impact target and performance analyses.

Economic Impact & Budget Context

Scotiabank Centre is focused on attracting a diverse mix of sporting, concert, and entertainment events to create community and economic impact. As such, our business and success are reflected not only in the mix of events and number of attendees, but through the economic impact generated. Economic impact measures the benefit of new money being spent in the Nova Scotia economy as a result of the events we host. Estimated total direct expenditures for the upcoming year is \$40M, as noted in the Core Outcomes & Measures.

Scotiabank Centre is expected to generate \$8.0M in revenues in the upcoming year. Budgeted revenues include assumptions around the number of events held in the facility, concessions spend and attendance. Overall event volume and mix have returned to historical levels and Premium Seating. Advertising revenue streams have been fully restored. Based on current event bookings and organizer intentions at the time of writing, we do not expect the economic uncertainty to have a material impact on our business this fiscal.

The 2023-24 budget reflects a shareholder investment of \$595K from HRM. This is a return to historical funding levels as compared to the 2022-23 budget of \$991K and 2021-22 actuals of \$2.4M.

Economic Impact Summary

	Target 2023-24	Forecast 2022-23	Target 2022-23
Total Events	100+	110	100+
Total Attendees	500,000	550,000	500,000
Total Direct Expenditures*	\$40M	\$50M	\$46M

**Direct expenditures measure the estimated impact of the events we host, using a methodology and calculation developed through analysis of historical and average attendee, exhibitor, and event planner spending.*

The calculation used to estimate direct expenditures was updated in January 2023 to reflect inflationary factors following an analysis conducted by [HLT Advisory](#), which included a review of regional market data and Statistics Canada Consumer Price Index data. As such, this updated calculation has been applied to the direct expenditure target for 2022-23 with the revised target stated above. Additionally, all direct expenditure targets and results moving forward incorporate this new calculation.

Operating Budget Summary

(For the year ended March 31)

	Budget 2023-24	Forecast 2022-23 Note 1	Budget 2022-23
Total Revenue	8,046,000	8,554,000	7,321,000
Event Expenses	3,809,000	4,565,000	3,873,000
Contribution	4,237,000	3,989,000	3,448,000
Indirect Expenses	2,844,000	2,712,000	2,621,000
Operating Income Before Building Costs	1,393,000	1,277,000	827,000
Building Costs			
Net Shared Services & Facilities	475,000	418,000	368,500
SBC Property Services	733,000	820,000	731,500
Energy	650,000	697,000	600,000
Shared Spaces Fees	130,000	121,000	118,000
Net Expense to Scotiabank Centre	1,988,000	2,056,000	1,818,000
Operating Loss	(595,000)	(779,000)	(991,000)

Note 1: Figures reflect the latest approved forecast which was completed in Fall 2022.

Note 2: The Shared Services and Facilities Agreement between HRM and Armco Capital, which guides operations and the allocation of costs relating to the shared plant and facilities between Scotiabank Centre and the Office Tower, is entering its sixth year.

Note 3: Scotiabank Centre is owned by HRM and operated by Events East under an operating agreement. All operating income or losses generated accrue to HRM, and all capital improvements are funded by the municipality.