

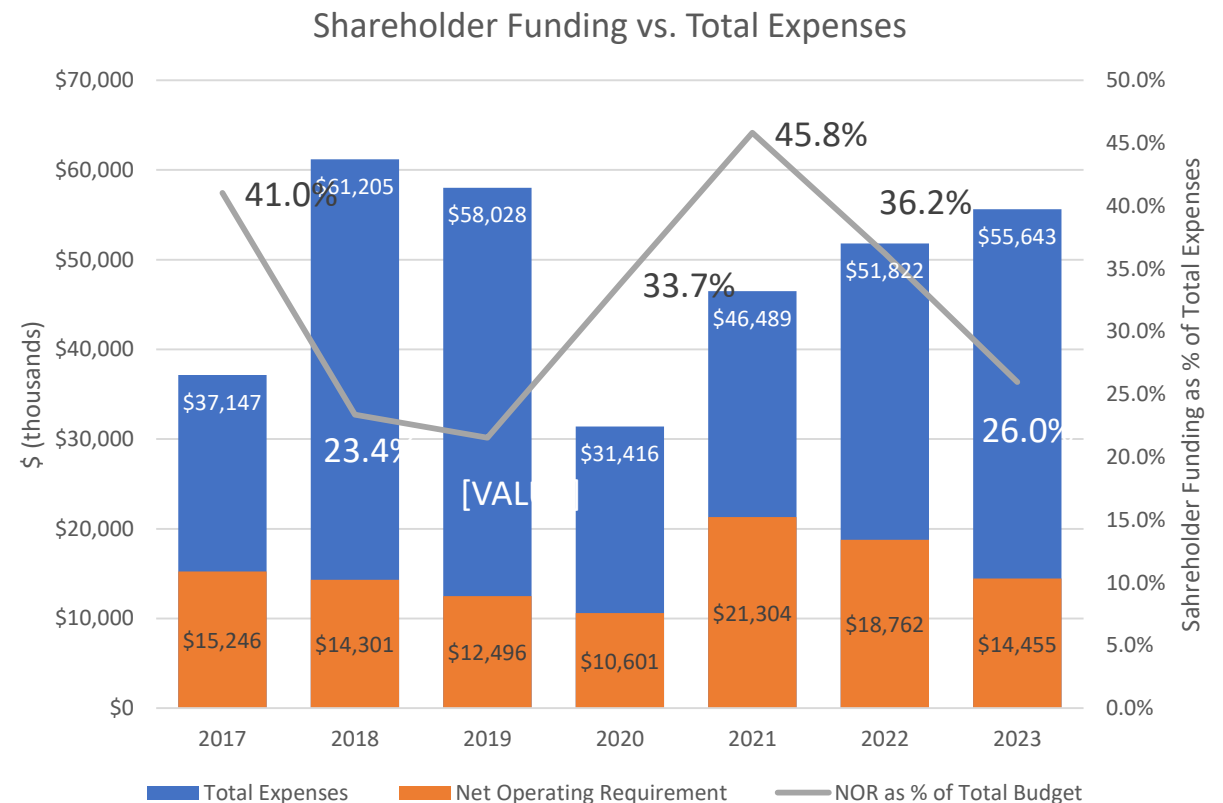
# For Tourism and Venues Tax Levy Typically 20% - 30% of Total Revenues

Pre-COVID – total expenses for Explore Edmonton were approximately \$60 Million

The NOR requirement from the COE was approximately 20% of this amount

COVID impacts on the operations of the venues, reduced funding from external partners increases this to 45% in 2021

However, by 2023 the share funded by the COE drops to 26%, near pre-COVID levels



# Venues – From Surplus to Deficit

Prior to COVID – ECC and EXPO operated with a small surplus

Lost revenue potential during COVID restrictions has resulted in a deficit position nearing \$8 million

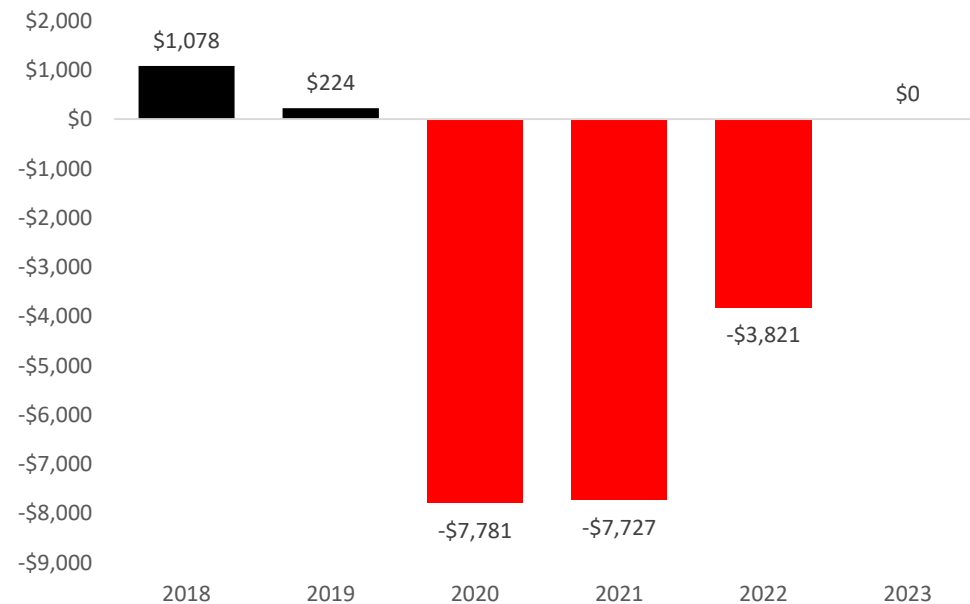
2020 expenses were reduced by nearly 50% however, revenues declined by nearly 70%

Variable costs for staffing, food services and operations were removed

Fixed costs for insurance, utilities overhead and admin cannot be reduced in proportion to the decline in revenue

These facilities require support to cover the fixed costs during COVID period

Net Operating Requirement - Venues  
(\$ ,000's)

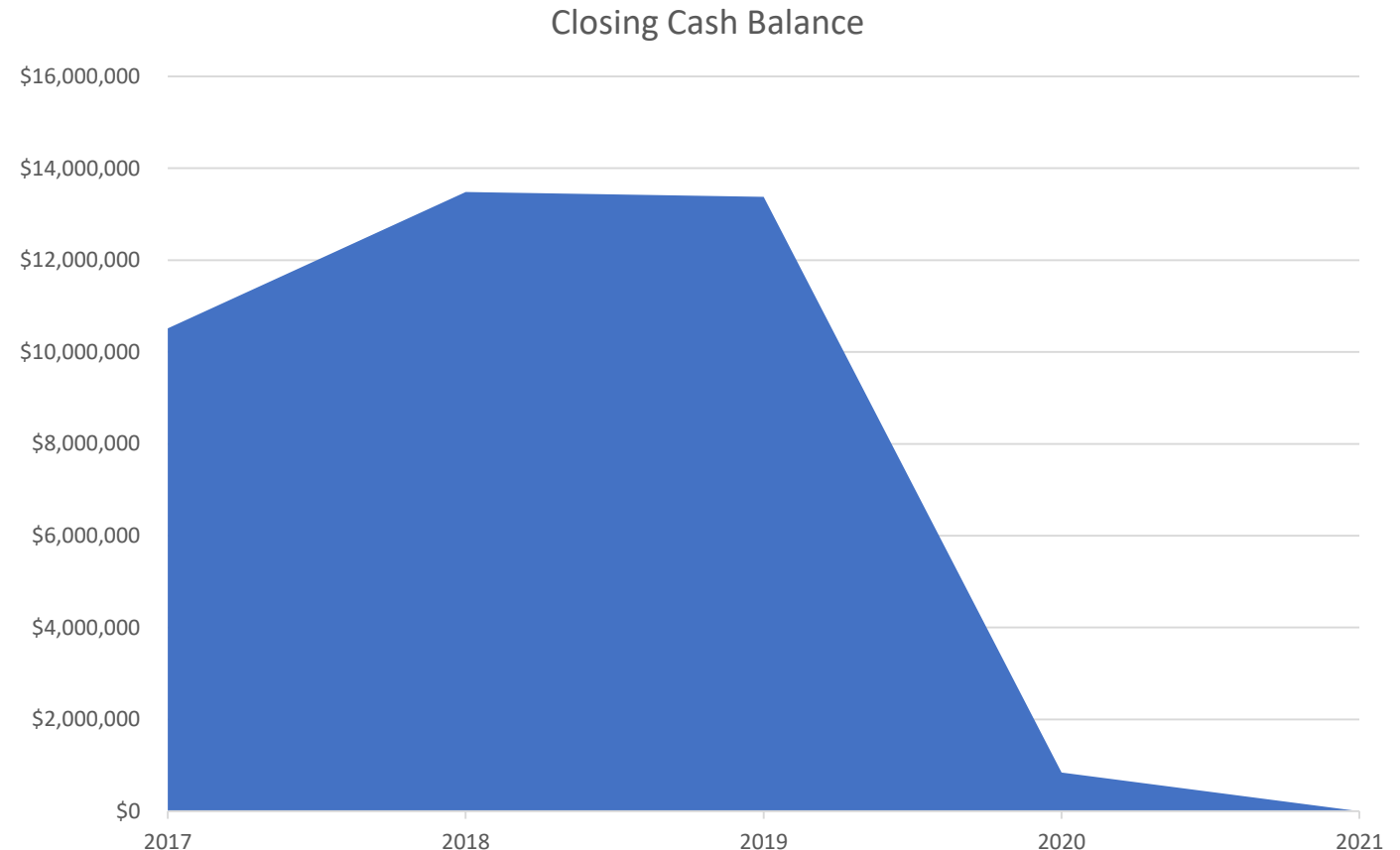


# CoE 2020 Guidance Has Exhausted Cash Reserves

Explore Edmonton entered 2020 with \$13.4 million in cash reserves, largely restricted for venue maintenance

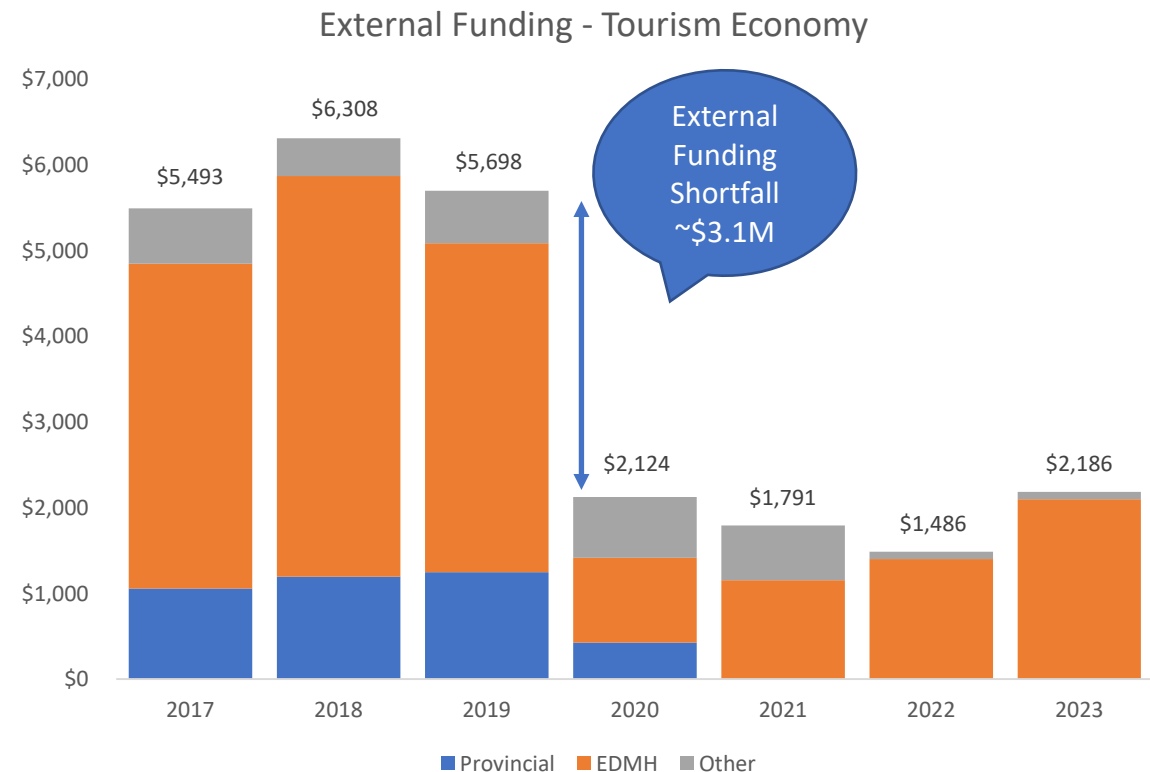
At CoE Request \$12.5 million of this has been used in 2020 to offset the revenue impacts from COVID

This leaves less than \$1 million for 2021 – insufficient to fund operation of venues in non-operating state

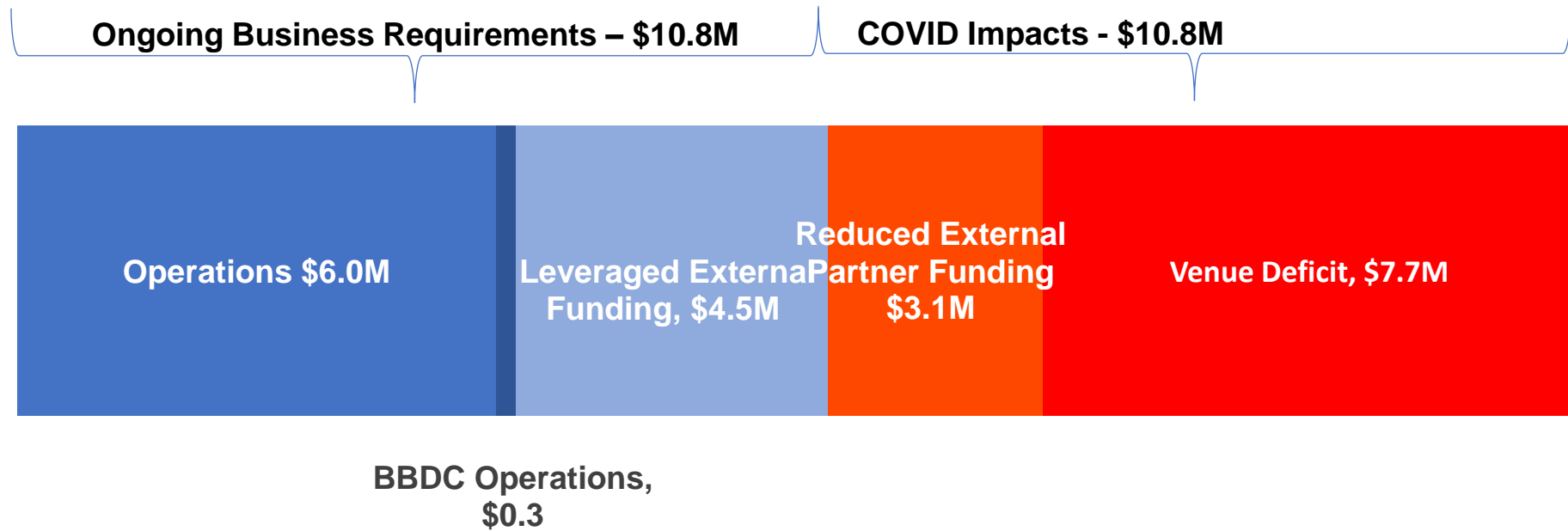


# Tourism Economy – Decline in External Funding

- Decreased hotel activity impacts funding available from EDMH
- Funding is based on prior years activity, so impacts are projected to continue through 2023
- No forward commitments in funding from Travel Alberta
- Other includes Federal Government programs, nothing committed beyond 2021



# 2021 Funding Ask - \$21.6 Million



# Economic Impact – Increasing ROI

Funding Amount (\$ Millions)	Direct Economic Impact (\$ Millions)	Direct Economic Impact/\$ Invested	Total Economic Impact (\$ Millions)	Municipal Tax Revenue (\$ Millions)
\$0.0	\$0.0	\$0.00	\$0.0	\$0.0
\$5.0	\$0.0	\$0.00	\$0.0	\$0.0
\$8.8	\$15.0	\$1.70	\$25.0	\$0.3
\$13.8	\$65.0	\$4.71	\$108.3	\$1.2
\$18.8	\$122.5	\$6.52	\$204.2	\$2.3
\$21.6	\$190.0	\$8.80	\$316.7	\$3.6

- \$11.4 million required to meet base operations not including deficits at venues
- ~\$18 million required to meet base operations and cover venue deficits
- Full amount of \$21.6 million covers planned programs including full investments in tourism economy

