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## Memorandum

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**To:** Chair and Members of the Budget Standing Committee  
**Cc:** Jeff Dixon, General Manager, Meridian Centre  
**From:** Adam Smith, Manager of Accounting & Payroll  
**Date:** November 20, 2018  
**Subject:** Allocation of Meridian Centre Ticket Fees

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At the November 19<sup>th</sup> meeting of the Budget Standing Committee, staff were directed to provide information on the allocation of Meridian Centre ticket fees, and whether they were directed to operating or a capital reserve.

Under the management agreement with SMG, the definition of “Operating Revenues” includes:

“... box office revenues, ticket surcharges (if any), ticket service fees, parking revenues...”

The existing Capital Replacement Fee (CRF) on Ticketed events at the Meridian Centre is classified as a ticket surcharge, and therefore is included in the operating revenues budgeted for and reported by SMG.

The Meridian Centre budget has not included a transfer to reserve, and therefore the only funds transferred to the Meridian Centre reserves are those that result from financial performance exceeding budget, after any incentive fees are paid.

Staff recommends that since the CRF is not used for capital, that its name be changed to “Facility Fee”.