

SAINT PAUL RIVERCENTRE CONVENTION & VISITORS AUTHORITY  
AUTHORITY RESOLUTION

RCVA NO. 18-007

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**RESOLUTION ADOPTING 2019 CALENDAR YEAR BUDGET**

**WHEREAS**, the Agreement made by and between the RiverCentre Convention & Visitors Authority, a Minnesota non-profit corporation (hereinafter referred to as the "Authority") and the City of Saint Paul requires, among other things, that the Authority approve an operating budget no later than October 31st; and

**WHEREAS**, Section 6.2 and 6.5 of the Agreement requires the Authority to approve an operating and capital budget and submit it to the City of Saint Paul no later than October 31st; and

**WHEREAS**, the Authority's Finance Committee, based on the 2018 actual results to date and the forecasted results of operations for the remainder of the 2018 calendar year by the Saint Paul Arena Company, LLC, a Minnesota limited liability company ("SPAC"), which the Authority has retained to perform such management services as are needed to manage, operate, maintain and promote the RiverCentre Complex, hereby recommends the following for the Authority's 2019 annual financial budget and its 2019 Foundation budget below;

	<b>2019 RIVERCENTRE OPERATING BUDGET</b>
Revenues	
Building Rent	1,830,668
Service Income	3,450,374
Parking Ramp	3,175,183
Food & Beverage	2,238,581
Sponsorship	78,583
Other Income	<u>214,227</u>
Total Revenue	10,987,617
Expenses	
Facility Operations	2,602,225
Event Operations	2,787,211
Parking Ramp Costs	982,422
Overhead	1,231,671
Utilities	1,951,774
Administration/SPAC Marketing	940,549
Management Fee	<u>281,354</u>
Total Expenses	10,777,206
RiverCentre Net	210,411

**2019 AUTHORITY  
OPERATING  
BUDGET**

Revenues (HM tax, membership, advertising, etc.)	2,661,763
Expenses (marketing and promotion of hotels and convention center)	<u>2,661,763</u>
Authority Net	0

**2019  
FOUNDATION  
BUDGET**

Foundation Revenues	277,000
Foundation Expenses	<u>277,000</u>
Foundation Net	0

**2019  
NON-OPERATING  
BUDGET**

Revenues	
City Budgeted RC Sales Tax	1,300,000
City Budgeted Sales Tax from TIF	1,100,000
City Allocation from Parking & Transit Fund	500,000
RiverCentre Capital Reserve Funds	<u>203,495</u>
Total Available Revenue	3,103,495
Expenses	
Debt/Obligations	1,003,495
Capital and Equipment Expense	1,600,000
Convention Promotional Fund	<u>500,000</u>
Total Expenses	3,103,495

**NOW, THEREFORE, BE IT RESOLVED**, that the Authority hereby approves the 2019 financial budget as recommended and detailed above.

AUTHORITY	YEAS	NAYS	ABSENT	ABSTAIN
Bostrom	✓			
Carlson Otero	✓			
Dady	✓			
Fedie			✓	
Flynn	✓			
Ginsberg	✓			
Humphrey	✓			
Krizan	✓			
Luneburg	✓			
Marshall	✓			
Moran			✓	
Nayquonabe			✓	
Noecker	✓			
Schmechel	✓			
Tolbert			✓	
Xiong	✓			

FORM APPROVED BY

CITY ATTORNEY

BY:



APPROVED BY RCVA

DATE: November 13, 2018

BY:



Chair, RCVA

RiverCentre Convention & Visitors Authority  
2019 Operating Budget

RiverCentre Confidential OPERATING RIVERCENTRE	VS FORECAST			VS BUDGET			
	(a)	(b)	(c)	(d)	(e)	(f)	
	2019 Budget	(9+3) YTD + 2018 Forecast	Variance	2019 Budget	2018 Budget	Variance	
REVENUES							
Building Rent	1 1,830,668	1,889,584	(58,916)	1 1,830,668	1,937,954	(107,286)	1
Service Income	2 3,450,374	3,351,775	98,599	2 3,450,374	3,398,093	52,281	2
Parking Ramp	3 3,175,183	2,540,701	634,482	3 3,175,183	3,037,099	138,084	3
Food & Beverage (Net)	4 2,238,581	2,177,403	61,178	4 2,238,581	2,065,043	173,538	4
Sponsorship	5 78,583	61,755	16,828	5 78,583	98,087	(19,504)	5
Other Income	6 214,227	256,628	(42,401)	6 214,227	246,956	(32,728)	6
TOTAL REVENUE	7 10,987,617	10,277,846	709,770	7 10,987,617	10,783,232	204,385	7
EXPENSES							
Facility Operations	8 2,602,225	2,506,374	95,851	8 2,602,225	2,449,191	153,034	8
Event Operations	9 2,787,210	2,746,323	40,887	9 2,787,210	2,761,047	26,163	9
Parking Ramp Costs	10 982,422	1,556,584	(574,162)	10 982,422	962,312	20,110	10
Overhead	11 1,231,671	1,141,750	89,921	11 1,231,671	1,193,767	37,904	11
Utilities	12 1,951,774	1,880,029	71,745	12 1,951,774	1,957,091	(5,317)	12
Administration/SPAC Marketing-Sales	13 940,549	853,603	86,946	13 940,549	911,246	29,303	13
Management Fee	14 281,354	274,547	6,807	14 281,354	289,547	(8,193)	14
TOTAL EXPENSES	15 10,777,205	10,959,210	(182,005)	15 10,777,205	10,524,201	253,004	15
<b>RC NET OPERATING PROFIT (LOSS)</b>	16 210,411	(681,364)	891,775	16 210,411	259,030	(48,619)	16
AUTHORITY							
REVENUES							
Administration-Hotel Motel Tax from City	17 2,223,583	2,132,522	91,061	17 2,223,583	2,047,289	176,294	17
Convention Sales	18 -	-	0	18 -	-	0	18
Membership	19 362,900	420,203	(57,303)	19 362,900	350,764	12,136	19
Tourism/Marketing	20 67,000	80,708	(13,708)	20 67,000	123,000	(56,000)	20
Overhead	21 8,280	11,120	(2,840)	21 8,280	8,280	0	21
Convention Services	22 -	-	0	22 -	-	0	22
TOTAL REVENUE	23 2,661,763	2,644,554	17,209	23 2,661,763	2,529,333	132,430	23
EXPENSES							
Administration	24 741,573	654,164	87,409	24 741,573	670,604	70,969	24
Convention Sales	25 768,643	718,360	50,283	25 768,643	758,737	9,906	25
Membership	26 420,780	417,592	3,188	26 420,780	379,410	41,370	26
Tourism/Marketing	27 594,281	603,463	(9,182)	27 594,281	585,573	8,708	27
Overhead	28 50,976	61,371	(10,395)	28 50,976	50,976	0	28
Convention Services	29 85,510	70,593	14,917	29 85,510	84,034	1,476	29
TOTAL EXPENSES	30 2,661,763	2,525,543	136,220	30 2,661,763	2,529,334	132,429	30
<b>AUTHORITY NET PROFIT (LOSS)</b>	31 -	119,010	(119,010)	31 (1)	1	1	31
<b>COMBINED NET INCOME FROM OP (LOSS)</b>	32 210,411	(562,353)	772,765	32 210,411	259,029	(48,618)	32
RCVA Amortization/Depreciation	33 38,016	39,480	(1,464)	33 38,016	39,480	(1,464)	33
Net Income (Loss) after Depreciation	34 172,396	(601,833)	774,229	34 172,396	219,549	(47,154)	34
FOUNDATION							
REVENUES	34 277,000	251,078	25,922	34 277,000	333,067	(56,067)	34
EXPENSES	36 277,000	283,668	(6,668)	36 277,000	333,067	(56,067)	36
NON OPERATING							
<b>CAPITAL and EQUIPMENT BUDGET</b>							
CITY BUDGETED RC SALES TAX	37 1,300,000	1,200,000	100,000	37 1,300,000	1,200,000	100,000	37
CITY BUDGETED SALES TAX FROM TIF	38 1,100,000	1,100,000	-	38 1,100,000	1,100,000	-	38
CITY BUDGETED RC BOND PROCEEDS	39 0	0	-	39 0	0	-	39
CITY ALLOCATION FROM TRANSIT FUND	40 500,000	500,000	-	40 500,000	500,000	-	40
TOTAL AVAILABLE	41 2,900,000	2,800,000	100,000	41 2,900,000	2,800,000	100,000	41
RC DEBT AND OBLIGATIONS	42 (1,003,495)	(1,001,247)	(2,248)	42 (1,003,495)	(1,001,247)	(2,248)	42
CAPITAL AND EQUIPMENT EXPENSE	43 (1,600,000)	(2,850,000)	1,250,000	43 (1,600,000)	(1,600,000)	0	43
CONVENTION PROMOTIONAL FUND	44 (500,000)	(498,753)	(1,247)	44 (500,000)	(498,753)	(1,247)	44
TOTAL EXPENDITURES	45 (3,103,495)	(4,350,000)	1,246,505	45 (3,103,495)	(3,100,000)	(3,495)	45
REMAINING OR (FROM RESERVES) CONTINGENCY*	46 (203,495)	(1,550,000)	1,346,505	46 (203,495)	(300,000)	96,505	46

\* To be authorized by Finance Committee upon receipt of bids

10/19/18