

SAINT PAUL RIVERCENTRE CONVENTION & VISITORS AUTHORITY
AUTHORITY RESOLUTION

RCVA NO. 17-014

RESOLUTION ADOPTING 2018 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 2017 actual results to date and the forecasted results of operations for the remainder of the 2017 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 2018 annual financial budget and its 2018 Foundation budget below;

	2018 RIVERCENTRE OPERATING BUDGET
Revenues	
Building Rent	1,937,954
Service Income	3,398,093
Parking Ramp	3,037,099
Food & Beverage	2,065,043
Sponsorship	98,087
Other Income	<u>246,956</u>
Total Revenue	10,783,232
Expenses	
Facility Operations	2,449,191
Event Operations	2,761,047
Parking Ramp Costs	962,312
Overhead	1,193,767
Utilities	1,957,091
Administration/SPAC Marketing	911,246
Management Fee	<u>289,547</u>
Total Expenses	10,524,201
RiverCentre Net	259,030

**2018 AUTHORITY
 OPERATING
BUDGET**

Revenues (HM tax, membership, advertising, etc.)	2,529,333
Expenses (marketing and promotion of hotels and convention center)	<u>2,529,333</u>
Authority Net	0

**2018
 FOUNDATION
BUDGET**

Foundation Revenues	333,067
Foundation Expenses	<u>333,067</u>
Foundation Net	0

**2018
 NON-OPERATING
BUDGET**

Revenues	
City Budgeted RC Sales Tax	1,200,000
City Budgeted Sales Tax from TIF	1,100,000
City Allocation from Parking & Transit Fund	500,000
RiverCentre Capital Reserve Funds	<u>300,000</u>
Total Available Revenue	3,100,000
Expenses	
Debt/Obligations	1,001,247
Capital and Equipment Expense	1,600,000
Convention Promotional Fund	<u>498,753</u>
Total Expenses	3,100,000

NOW, THEREFORE, BE IT RESOLVED, that the Authority hereby approves the 2018 financial budget as recommended and detailed above.

AUTHORITY	YEAS	NAYS	ABSENT	ABSTAIN
Aiyese			X	
Bostrom	✓			
Brendmoen			X	
Carlson Otero			X	
Dady	✓			
Fedie	✓			
Flynn	✓			
Gandhi	✓			
Ginsberg	✓			
Humphrey	✓			
Krizan	✓			
Lunenburg			X	
Marshall	✓			
Moran	✓			
Nayquonabe			X	
Schmechel	✓			
Tolbert	✓			

FORM APPROVED BY

CITY ATTORNEY

BY:

APPROVED BY RCVA

DATE: November 14, 2017

BY:

Richard H. ...
Chair, RCVA

RiverCentre Convention & Visitors Authority
2018 Budget (NO RAMP DEMO)

	VS FORECAST			VS BUDGET			
	(a)	(b)	(c)	(d)	(e)	(f)	
RiverCentre Confidential							
OPERATING							
RIVERCENTRE	2018 Budget	YTD + 2017 Forecast	Variance	2018 Budget	2017 Budget	Variance	
REVENUES							
Building Rent	1,937,954	1,928,082	9,873	1,937,954	1,858,740	79,214	1
Service Income	3,398,093	3,442,035	(43,942)	3,398,093	3,185,982	212,111	2
Parking Ramp	3,037,099	3,441,247	(404,147)	3,037,099	3,224,974	(187,875)	3
Food & Beverage	2,065,043	2,340,345	(275,302)	2,065,043	2,000,585	64,458	4
Sponsorship	98,087	104,670	(6,583)	98,087	82,850	15,237	5
Other Income	246,956	206,881	40,075	246,956	204,956	42,000	6
TOTAL REVENUE	10,783,232	11,463,259	(680,027)	10,783,232	10,558,087	225,145	7
EXPENSES							
Facility Operations	2,449,191	2,457,961	(8,770)	2,449,191	2,399,639	49,553	8
Event Operations	2,761,047	2,767,938	(6,891)	2,761,047	2,509,100	251,947	9
Parking Ramp Costs	962,312	940,455	21,858	962,312	998,653	(36,341)	10
Overhead	1,193,767	1,249,813	(56,046)	1,193,767	1,247,853	(54,086)	11
Utilities	1,957,091	1,897,129	59,962	1,957,091	1,957,844	(753)	12
Administration/SPAC Marketing-Sales	911,246	948,329	(37,083)	911,246	906,947	4,299	13
Management Fee	289,547	308,969	(19,423)	289,547	308,969	(19,423)	14
TOTAL EXPENSES	10,524,201	10,570,594	(46,392)	10,524,201	10,329,006	195,196	15
RC NET OPERATING PROFIT (LOSS)	259,030	892,665	(633,635)	259,030	229,081	29,949	16
AUTHORITY							
REVENUES	2,529,333	2,554,454	(25,121)	2,529,333	2,352,463	176,870	17
EXPENSES	2,529,333	2,394,859	134,474	2,529,333	2,394,859	134,474	18
AUTHORITY NET PROFIT (LOSS)	0	159,595	(159,595)	0	(0)	42,396	19
COMBINED NET INCOME FROM OP (LO	259,030	1,052,260	(793,230)	259,030	229,081	29,950	20
RCVA Amortization/Depreciation	39,480	47,607	8,127	39,480	46,771	7,291	21
Net Income (Loss) after Depreciation	219,550	1,004,654	(785,104)	219,550	7,153	212,397	22
FOUNDATION							
REVENUES	333,067	267,100	65,967	333,067	317,508	15,559	23
EXPENSES	333,067	306,050	27,017	333,067	317,508	15,559	24
NON OPERATING							
CAPITAL and EQUIPMENT BUDGET							
CITY BUDGETED RC SALES TAX	1,200,000	1,200,000	-	1,200,000	1,200,000	-	27
CITY BUDGETED SALES TAX FROM TIF	1,100,000	1,000,000	100,000	1,100,000	1,000,000	100,000	28
CITY BUDGETED RC BOND PROCEEDS	0	2,300,000	(2,300,000)	0	2,300,000	(2,300,000)	29
CITY ALLOCATION FROM TRANSIT FUND	500,000	500,000	-	500,000	500,000	-	30
TOTAL AVAILABLE	2,800,000	5,000,000	(2,200,000)	2,800,000	5,000,000	(2,200,000)	31
RC DEBT AND OBLIGATIONS	(1,001,247)	(998,782)	(2,465)	(1,001,247)	(998,782)	(2,465)	32
CAPITAL AND EQUIPMENT EXPENSE	(1,600,000)	(2,746,218)	1,146,218	(1,600,000)	(2,746,218)	1,146,218	33
CONVENTION PROMOTIONAL FUND	(498,753)	(1,255,000)	756,247	(498,753)	(1,255,000)	756,247	34
TOTAL EXPENDITURES	(3,100,000)	(5,000,000)	1,900,000	(3,100,000)	(5,000,000)	1,900,000	35
REMAINING OR (FROM RESERVES)	(300,000)	0	(300,000)	(300,000)	0	(300,000)	36

11/7/2017