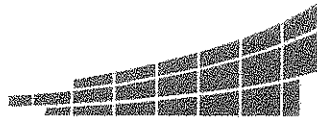




PEORIA CIVIC CENTER

OPERATING AND CAPITAL BUDGET

FISCAL YEAR ENDING AUGUST 31, 2018



PEORIA CIVIC CENTER®



PEORIA CIVIC CENTER
Operating and Capital Budget
Fiscal Year Ending 8/31/18

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**Peoria Civic Center
Budget
For Fiscal Year Ending 8/31/18**

Event Days		565
Attendance		591,488
Direct Event Income		
	Gross Sales	12,149,306
	Cost of Sales	10,847,807
	Direct Event Income	\$ 1,301,499
Ancillary Income		
	Concessions	\$ 1,167,296
	Catering	\$ 1,079,354
	Novelties	\$ 74,908
	Parking	\$ 342,804
	Advertising Commissions	\$ 40,169
	Facility Improvement Fee	\$ 520,430
	Ticket Incentives	\$ 501,824
	Total Ancillary Income	<u>\$ 3,726,784</u>
	Total Event Income	\$ 5,028,283
Total Other Income		\$ 729,399
H.R.A. Tax Subsidy Net to PCCA		\$ 578,131
Adjusted Gross Income		\$ 6,335,813
Indirect Expenses		<u>\$ (6,328,312)</u>
Net Income (Loss) Before Depreciation		\$ 7,501
Depreciation		\$ (5,777,922)
Net Loss		<u>\$ (5,770,421)</u>
Total Capital Improvements		\$ (600,000)
Net Cash Provided by Operations		<u>\$ (182,523)</u>
Net Increase (Decrease) In Cash		\$ (782,523)
Cash Balance Beginning of Year		<u>\$ 1,606,691</u>
Cash Balance End of Year		<u><u>\$ 824,168</u></u>

**PEORIA CIVIC CENTER AUTHORITY
CAPITAL EXPENDITURES BUDGET YEAR ENDING 8/31/18**

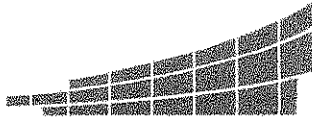
Number	Description			
801	Event Equipment			\$ 125,000.00
	Basketball Goals	\$	30,000	
	A/V	\$	60,000	
	ProDeck	\$	10,000	
	Tables	\$	15,000	
	Risers	\$	10,000	
803	Office Equipment, Computers & Storage			\$ 20,000.00
	PC's and Laptops	\$	20,000	
804	Mechanical/Electrical Systems			\$ 140,000.00
	HVAC	\$	30,000	
	Plumbing	\$	30,000	
	Electrical	\$	30,000	
	LED Arena	\$	250,000	
	(Energy Incentive)	\$	(200,000)	
805	Concrete	\$	10,000	\$ 10,000.00
806	Security Systems			\$ 75,000.00
	Cameras/Security system		\$75,000	
807	Life Safety Equipment	\$	5,000	\$ 5,000.00
809	Capital Project Contingency	\$	50,000	\$ 50,000.00
810	Catering And Concessions Equipment	\$	40,000	\$ 40,000.00
811	Doors	\$	20,000	\$ 20,000.00
812	* Sponsorship updates			\$ 115,000.00
	Lexus Club	\$	75,000	
	Winterfest Site	\$	40,000	
Total FY 2018 Capital Budget		\$	600,000	\$ 600,000



PEORIA CIVIC CENTER

OPERATING AND CAPITAL BUDGET

FISCAL YEAR ENDING AUGUST 31, 2018



PEORIA CIVIC CENTER®

SUPPORTING DOCUMENTS

FY18 Proposed Budget

Attached is the proposed FY18 budget for your consideration. The Finance Committee approved this budget at its meeting on August 22, 2017. The Authority Board approved this budget at its meeting on August 24, 2017.

The summary below shows a FY18 budget deficit of (\$543,230).

<u>Budget Summary</u>	<u>FY18 Proposed</u>	<u>FY17 Approved</u>
Revenue	\$5,757,682	\$6,248,417
Expense	<u>\$6,300,912</u>	<u>\$6,684,726</u>
Operating Income (Loss)	(\$543,230)	(\$436,309)

FY17 Overview

The convention center had a good year with conventions, consumer, sporting and trade shows coming in over budget. The arena experienced a cyclical increase in concerts and a decrease in entertainment events from prior year. The theater hosted a 2-week run of the blockbuster Broadway title Wicked which caused overall season ticket sales to be very strong. Theater concerts and entertainment events also experienced a strong year. Indirect expenses were kept in line with savings occurring in the wages/benefits, insurance, and electricity categories.

FY18 Overview

The FY18 budget projects an 11.4% decrease for revenues and a 0.6% decrease for expenses versus FY17. Advertising revenues have been budgeted to decrease by 10% and suite income by 18% due to having one open suite. Indirect expenses are projected to decrease by \$41,000 versus FY17 with total personnel costs increasing by 1.07%. Electricity and insurance expense are budgeted to decrease with heating fuel and repairs/maintenance expected to increase. The HRA subsidy is projected to decrease by 18% in FY18.

Convention Center

The Convention Center has been budgeted for a decrease of 3.7% over FY17. Strong goals have been set for short-term business in banquets and meetings in order to help offset the projected decrease in consumer and convention sales.

Arena

The Arena is projecting a cyclical decrease of \$248,000 in concerts, while we forecast a \$175,000 increase in entertainment events over FY17. Overall, the arena is budgeted for a \$26,000 decrease over the prior year.

Theater

FY18 booking goals for the Theater were increased in the concert and entertainment categories. The Broadway category includes commercially-strong titles for the upcoming season, but no multi-week major anchor such as *Wicked* in FY17. The year-over-year difference in this category is a \$562,000 decrease and fully accounts for the reduction in the Theater business in FY18.

**PEORIA CIVIC CENTER
FACILITY UTILIZATION STATS
FY18 GOALS COMPARED TO 4 PREVIOUS YEARS**

Convention Center						
Ballroom / Meeting Rooms		FY18	FY17	FY16	FY15	FY14
	Square Feet	Goal	Projected			
400	11,230		34%	34%	31%	27%
401	1,800		32%	36%	41%	35%
402	1,800		32%	36%	34%	33%
403	1,800		32%	34%	34%	30%
404	1,800		32%	34%	33%	30%
405	1,800		32%	33%	30%	22%
406	1,800		29%	30%	28%	22%
407	1,800		29%	29%	28%	21%
408	1,800		28%	28%	25%	20%
	25,630		32%	33%	31%	27%
Other Meeting Rooms						
	Square Feet	FY18	FY17	FY16	FY15	FY14
		Goal	Projected			
134	1,200		27%	24%	20%	31%
135	1,500		31%	31%	33%	26%
136	1,160		31%	30%	27%	24%
200	600		18%	21%	15%	16%
201	490		19%	22%	16%	16%
202	530		19%	22%	20%	16%
203	525		19%	22%	16%	16%
209	929		25%	39%	22%	27%
210	608		24%	26%	20%	16%
211	608		23%	25%	18%	15%
212	608		24%	29%	22%	18%
213	672		22%	31%	24%	20%
218	644		20%	36%	21%	27%
220	1,797		30%	33%	19%	29%
221	2,181		28%	32%	20%	30%
222	3,303		30%	45%	27%	37%
	17,355		27%	32%	23%	27%
Exhibit Halls						
	Square Feet	FY18	FY17	FY16	FY15	FY14
		Goal	Projected			
Hall A	18,681		30%	33%	25%	22%
Hall B	13,953		36%	34%	27%	31%
Hall C	31,034		36%	37%	30%	37%
Hall D	45,000		30%	30%	27%	32%
	108,668		32%	33%	27%	31%
Total	151,653	34%	32%	33%	28%	36%
THEATER						
		FY18	FY17	FY16	FY15	FY14
		Goal	Projected			
		32%	27%	30%	31%	28%
ARENA						
		FY18	FY17	FY16	FY15	FY14
		Goal	Projected			
		29%	25%	28%	28%	25%

**Peoria Civic Center
Budget Highlights
For Fiscal Year Ending 8/31/18**

Event Attendance	2018 Budget	2017 Projected	2016 Actual	2015 Actual	2014 Actual
Conventions / Trade Shows	183,380	220,783	185,895	143,673	133,635
Banquets	29,687	26,016	32,081	31,336	26,615
Meetings	11,934	11,018	9,486	10,901	12,851
Family	26,272	21,930	9,835	18,041	5,374
Sports	184,629	183,842	198,196	197,498	203,645
Entertainment	41,908	20,302	26,870	40,587	25,683
Concerts	59,481	76,580	65,860	71,022	51,344
Performances	46,997	72,095	61,938	55,946	56,198
Other	7,200	7,450	10,918	6,846	8,962
Total Event Attendance	591,488	640,016	601,079	575,850	524,307

Event Days	2018 Budget	2017 Projected	2016 Actual	2015 Actual	2014 Actual
Conventions / Trade Shows	188	221	264	190	195
Banquets	108	105	117	102	99
Meetings	59	63	73	140	125
Family	12	8	5	10	3
Sports	89	95	97	86	96
Entertainment	19	12	14	22	19
Concerts	20	23	19	21	22
Performances	42	55	67	72	55
Other	28	16	40	61	96
Total Event Days	565	598	696	704	710

**Peoria Civic Center
Budget Highlights
For Fiscal Year Ending 8/31/18**

MAJOR ASSUMPTIONS

Event Income

Assemblies - down 5% - a weekly church group found a permanent home.
Banquets - up 46% - sales goals focus on short-term business.
Consumer Shows - down 37% - two FY17 shows not returning in FY18.
Concerts - down 29% - FY18 will be a down cycle for arena concerts.
Conventions - down 8% - five less event days in FY18.
Entertainment - up 65% - Monster Jam and two new arena events in FY18.
Family shows - up 16% - one new arena event in FY18.
Meetings - up 7% - sales goals focus on short-term business.
Sporting - up 4% - new event booked for FY18.
Trade Shows - down 6% - one FY17 event not booked for FY18.
Performances - down by \$562,000 - no major anchor for BTS FY18.
Theater Season is a smaller package (3 season shows and one extra).
Rivermen - up 1% - based on average attendance of last 3 years.
Bradley - up 5% - based on average attendance of last 3 years.
Other - up 47% - rehearsals booked for FY18.

Other Income

Luxury box income is budgeted for a 21% decrease due to one open suite currently.
Advertising signage and sponsorships have been budgeted for an 10% decrease.

Indirect Expenses

Total salaries and wages have been budgeted to increase by 0.91% over FY17 due to leaving some positions unfilled.
Business insurance has been budgeted with a 17% decrease due to better risk assessment and locking in rates.
Electricity is budgeted with a 13% decrease over FY17 due to new LED lighting.
Heating Fuel is estimated to increase by 15% over FY17.
Repairs and Maintenance are budgeted to increase by 13%.

Non-Operating Revenues (Expenses)

The HRA tax receipts have been budgeted to decrease 21% due to the increase in bond payments.

**Peoria Civic Center
Statement of Income
For Fiscal Year Ending 8/31/18**

	2018 Budget	2017 Projected	2016 Actual
Event Income			
Direct Event Income	1,301,499	1,271,477	828,496
Concessions Income	1,167,296	1,492,814	1,094,528
Catering Income	1,079,354	1,043,488	1,293,229
Merchandise Income	74,908	99,941	85,597
Parking Income	342,804	418,335	389,008
Advertising Commissions	40,169	39,693	60,455
Facility Improvement Fee	520,430	616,930	502,022
Ticket Incentives	501,824	693,456	538,326
Total Event Income	5,028,283	5,676,134	4,791,661
Other Operating Revenues			
Non Event Parking	5,870	5,775	5,679
Suite Income	134,229	170,325	179,496
Advertising - Signage & Sponsorships	475,400	526,916	510,373
Guaranteed Ticket Club Membership Fees	0	0	350
Miscellaneous Income	13,900	16,182	41,825
SMG Capital Contribution	100,000	100,000	100,000
Concession Investment	0	0	0
Total Other Operating Revenues	729,399	819,198	837,723
Total Operating Revenues	5,757,682	6,495,332	5,629,384
Indirect Expenses			
Executive	208,177	211,200	199,124
Finance	357,851	427,023	385,617
Marketing	310,871	364,578	372,333
Convention Sales	200,190	147,238	246,883
Operations	2,420,651	2,333,161	2,183,385
Box Office	233,629	217,186	215,752
Authority	3,000	2,258	2,941
Overhead	1,668,823	1,775,255	1,780,716
Savor	897,721	863,566	841,450
Total Indirect Expenses	6,300,912	6,341,465	6,222,201
Operating Income Before Depreciation Net of TRF	(543,230)	153,867	(592,817)
Operating Income Before Depreciation	(1,385,583)	(733,215)	(1,368,528)
Depreciation	5,777,922	5,539,490	5,997,779
Operating Loss	(6,321,152)	(5,385,623)	(6,590,596)
Non-Operating Revenues (Expenses)			
Interest Income	0	702	456
Provision for Bad Debts	(5,000)	(5,516)	(36,060)
Interest Expense	(22,400)	(27,530)	(4,157)
HRA Tax Subsidy	578,131	733,995	2,361,632
Total Non-Operating Revenues (Expenses)	550,731	701,651	2,321,871
Net Loss	(5,770,421)	(4,683,972)	(4,268,725)
without depreciation	7,501	855,518	1,729,054

**Peoria Civic Center
Statement of Cash Flows
For Fiscal Year Ending 8/31/18**

	<u>Total Budget</u>	<u>FY17</u>
Cashflow from Operating Activities:		
Net Loss	(5,770,421)	(4,683,972)
Depreciation	5,777,922	5,539,490
Adjustments to Net Loss:		
Amortization of CenterPlate Investment	-	-
Changes in Assets & Liabilities:		
Accounts Receivable		
Prepaid Expenses		
Other Assets		
Accounts Payable & Accrued Expenses		
PCCA Expenses		
Advance Deposits & Ticket Sales		
Long Term Liabilities	(190,024) ¹	(350,073)
Net Cash Provided by Operating Activities	<u>(182,523)</u>	<u>505,445</u>
Cashflow from Capital & Related Financing Activities:		
FY17 Capital Expenditures	(600,000)	(1,041,117)
Funding from DCEO Grant	-	-
FY17SMG/Savor Capital Investment Expenditures	-	-
Funding from SMG/Savor Capital Investment	-	-
Net Cash used in Investing Activities	<u>(600,000)</u>	<u>(1,041,117)</u>
Net Increase (Decrease) in Cash	<u>(782,523)</u>	<u>(535,672)</u>
Beginning Balance (Unreserved Cash)	<u>1,606,691</u>	<u>2,142,363</u>
Ending Balance	<u><u>824,168</u></u>	<u><u>1,606,691</u></u>

1) Principal amount of land acquisition debt,
club room / suites debt, and scoreboard debt.

**Peoria Civic Center
Budget - Year Ending 8/31/2018
Indirect Expenses**

	2018 Budget	2017 Projected	2016 Actual	2015 Actual
Wages Full Time*	\$ 2,267,643	\$ 2,223,429	\$ 2,205,786	\$ 2,088,962
Wages Part Time**	\$ 264,071	\$ 285,442	\$ 284,080	\$ 280,525
Total Salaries & Wages	<u>\$ 2,531,713</u>	<u>\$ 2,508,871</u>	<u>\$ 2,489,866</u>	<u>\$ 2,369,487</u>
Payroll Taxes	\$ 279,342	\$ 260,290	\$ 240,130	\$ 238,518
Employee Benefits	\$ 386,646	\$ 393,416	\$ 388,227	\$ 347,539
401k	\$ 72,149	\$ 73,555	\$ 73,054	\$ 87,700
Workers Compensation	<u>\$ 84,989</u>	<u>\$ 83,126</u>	<u>\$ 78,552</u>	<u>\$ 61,914</u>
Total Personnel Costs	<u>\$ 3,354,840</u>	<u>\$ 3,319,258</u>	<u>\$ 3,269,828</u>	<u>\$ 3,105,158</u>
Advertising	\$ 94,359	\$ 117,911	\$ 104,386	\$ 70,178
Bank Service Charges	\$ 4,800	\$ 4,245	\$ 3,381	\$ 7,112
Business Insurance	\$ 214,681	\$ 258,574	\$ 280,791	\$ 276,253
Client Gifts	\$ 4,000	\$ 3,181	\$ 3,813	\$ 3,650
Community Relations	\$ 4,200	\$ 3,746	\$ 8,892	\$ 6,555
Computer	\$ 68,721	\$ 64,838	\$ 62,267	\$ 64,413
Corporate Travel	\$ 4,000	\$ 2,404	\$ 4,025	\$ 6,096
Dues & Subscriptions	\$ 13,949	\$ 10,937	\$ 5,612	\$ 7,488
Education & Training	\$ 10,000	\$ 10,931	\$ 7,027	\$ 17,154
Electricity	\$ 630,000	\$ 725,000	\$ 741,451	\$ 632,169
Employee Relations	\$ 13,730	\$ 19,197	\$ 11,560	\$ 16,507
Entertainment	\$ 3,250	\$ 2,705	\$ 2,307	\$ 2,769
Garbage Hauling	\$ 32,000	\$ 32,179	\$ 30,821	\$ 30,192
Heating Fuel	\$ 217,733	\$ 189,333	\$ 163,140	\$ 196,979
Job Advertisements	\$ 1,500	\$ 1,449	\$ 1,997	\$ 1,856
Maintenance	\$ 581,950	\$ 513,819	\$ 477,028	\$ 487,364
Meetings & Conferences	\$ 10,549	\$ 3,333	\$ 19,222	\$ 32,494
Office Supplies	\$ 24,000	\$ 23,778	\$ 27,199	\$ 31,594
Outside Services	\$ 186,144	\$ 189,450	\$ 159,278	\$ 171,908
Postage	\$ 10,000	\$ 9,781	\$ 9,463	\$ 4,229
Professional Fees	\$ 392,626	\$ 385,597	\$ 440,677	\$ 363,413
Supplies - (Non-office)	\$ 223,600	\$ 244,700	\$ 205,849	\$ 191,914
Telephone	\$ 68,780	\$ 71,836	\$ 66,435	\$ 71,664
Water & Sewer	<u>\$ 131,500</u>	<u>\$ 133,283</u>	<u>\$ 115,754</u>	<u>\$ 83,695</u>
	<u>\$ 2,946,073</u>	<u>\$ 3,022,207</u>	<u>\$ 2,952,373</u>	<u>\$ 2,777,646</u>
Total Indirect Expenses	<u>\$ 6,300,913</u>	<u>\$ 6,341,466</u>	<u>\$ 6,222,201</u>	<u>\$ 5,882,804</u>
Bad Debt	\$ 5,000	\$ 4,683	\$ 4,157	\$ 1,854
Interest Expense	\$ 22,400	\$ 32,223	\$ 38,925	\$ 50,028