

# River's Edge Convention Center

## Executive Director's Report September 2015

### Notes to Financial Statement

We do not yet have the August statement, but I will provide July detail in advance of Tuesday's meeting.

I included the in your packet the June 30<sup>th</sup> report that was sent previously. It compares revenues and expenditures for the current year and the three previous years since the opening of the expanded Convention Center. The 2014 year-end actuals and the 2015 annual budget are included for comparison. As we have discussed, our financial system does not track future receivables or obligations, so it is not possible to provide a detailed year-end projection. We are tracking better at the mid-point than 2014, however.

Expenditures tend to be booked fairly evenly distributed through the year; in 2014, 49% of the annual total was posted as of June 30<sup>th</sup>. Revenue booking lag, however; in 2014, only 30% of the final total was booked by June 30<sup>th</sup>. The result is that the mid-year report will always show an operating loss. The last quarter of the year is our highest-revenue quarter. In addition, there is typically a flurry of year-end postings in December. For example, in December 2014 19% of large room rentals and 23% of meeting room rentals were booked in the single month of December.

### Building Activity

You should receive monthly schedules of events via email regularly. July, of course, is our slowest month and we are approaching the start-up of convention season. Bill will provide more details at the meeting.

### Catering Commission Increase

The letters to our caterers informing them that the commission rate will increase from 12% to 15% on January 1, 2016 went out in July. We have received no comment.

### Lighting Upgrade

The first phase of significant lighting upgrade is in progress and will be complete (or close, anyway) at the time of our meeting. The improvement in clarity is astonishing; we will have a walk-through of Terry Haws C on Tuesday. In addition to the quality improvement, we anticipate operational cost savings of \$30,000 or more annually.

### Ramp Project

We anticipate that the second request for bids for the ramp project will be issued by September 22<sup>nd</sup>, with a closing date of October 13<sup>th</sup>. The City Design Team (which includes Bill Dunsmoor and me) has been meeting regularly with Donlar (the construction management firm) to identify cost reductions. As we have discussed previously, the expansion of the River's Edge facility is no longer part of the project

### Beaver Island Trail Extension

Meanwhile, the extension of the trail adjacent to the building continues and will likely extend into 2016. Bill meets regularly with the contractor and we have not had any significant imposition on our operations.

### Municipal Athletic Complex

Our exploration of operations at the MAC has been delayed and we will discuss the timing at our meeting.