

# CONVENTION CENTER

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## MISSION

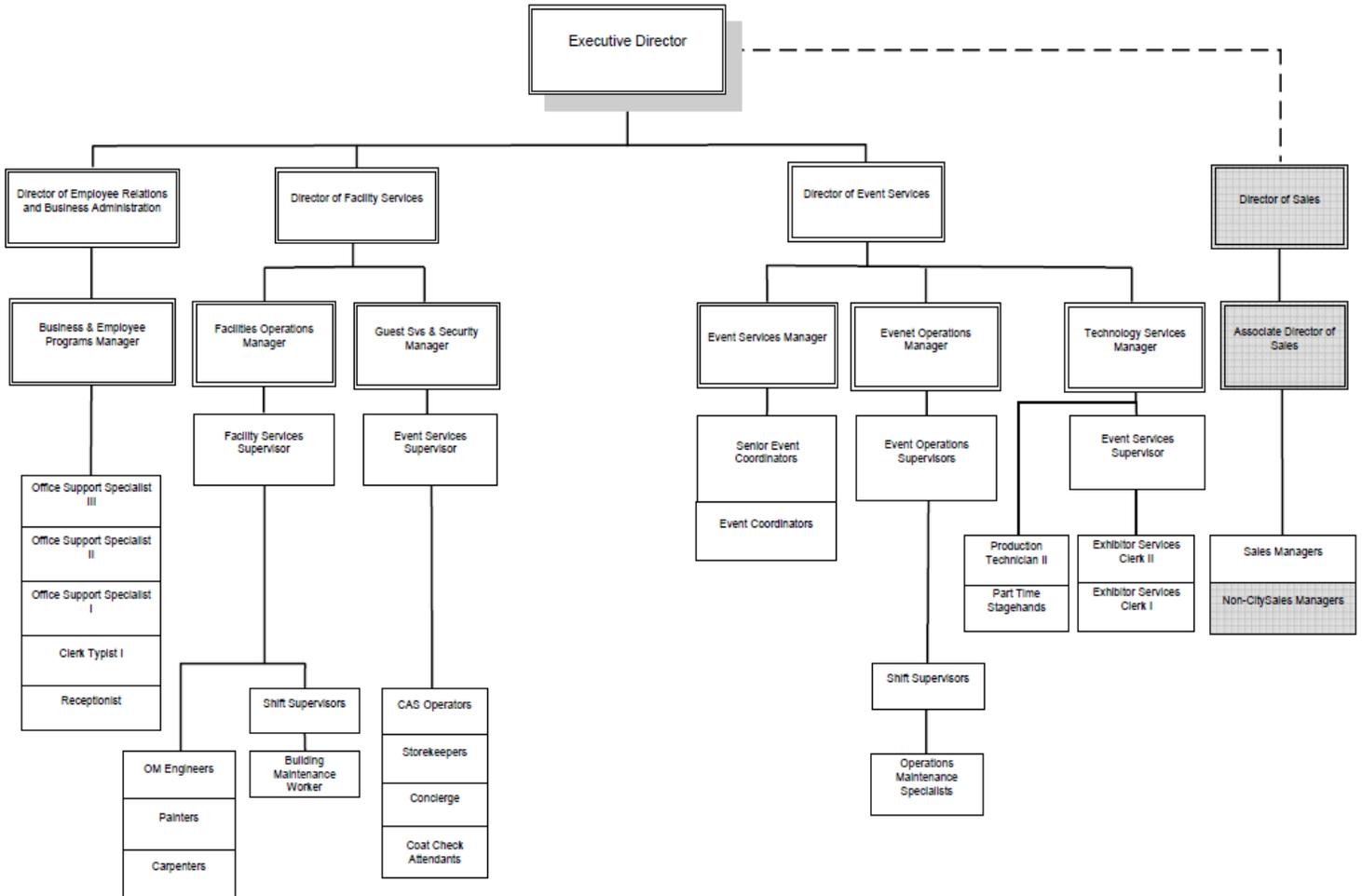
The Convention Center will be an exceptional facility, have outstanding internal and external customer service and responsibly use its resources.

## BUSINESS LINES

- ◆ **Event Services** is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Event Services, Event Operations, and Technology Services. These business units work to address the areas of production, set-up, event coordination, and other client needs.
- ◆ **Facility Services** ensures that sufficient building, safety, and capital resources are available to maintain a world-class facility for our customers. Proper maintenance, contract management, and capital planning are keys to maintaining a world-class facility. Facility Services coordinates the areas of safety and security, guest services, parking and marshaling operations, building and grounds maintenance, capital project planning and management, as well as custodial operations.
- ◆ **Sales and Marketing Services** provides the first point of contact for all business. This group is responsible for providing information about the facility, identifying and attracting events, maintaining relationships, and gathering data on how the MCC serves customers. The majority of these services are provided through our partnership with Meet Minneapolis, in coordination with the Convention Center's Executive Management Team.
- ◆ **Business and Employee Services** addresses the need for depth and sophistication of the business reporting requirements for our Executive Management Team and stakeholders, as well as responds to employee relations and employee development needs. The labor force at the Convention Center must be fully developed, fully utilized, and fully recognized in order to move the Convention Center to the next level of superior customer service.

# ORGANIZATION CHART

## Minneapolis Convention Center Organizational Chart



 Denotes Meet Minneapolis Personnel

## DEPARTMENTAL PROGRAMS BY GOAL AREA AND FUNDING

### Jobs and Economic Vitality

#### **Convention Center Events**

Other Funds: \$21,293,296

##### *Convention Center*

The Convention Center Events program provides sales, event coordination, delivery of audio visual, utility, security, and guest services to international, national, regional, state, and local clients and their attendees. Events drive economic impact into the City as these clients and attendees purchase goods and services from local businesses contributing to a vibrant downtown.

In 2010, the events program hosted 339 events with over 661,000 attendees and almost \$13 million in revenue. Each non-local delegate spent an average of \$1,131 per visit and generated approximately \$175 million in economic impact to the City.

*Measure: Client survey ratings*

#### **Convention Center Facilities**

Other Funds: \$19,753,942

##### *Convention Center*

The Convention Center Facility program provides the physical building and grounds of the convention center as well as the maintenance and cleaning staff to maintain this City asset. The events program uses the building.

*Measure: Recycling rate*

#### **Convention Center Tallmadge Building**

Other Funds: \$225,000

##### *Convention Center*

The Convention Center Tallmadge Building is currently operated as an office building that is leased to local businesses. Within the next several years, as lease contracts expire, we will implement our long-term competitive strategy to repurpose this building into a visitor center and restaurant to provide amenities and access to cultural/recreational activities to visitors. This will assist in attracting national business and economic impact to our City.

The Tallmadge Building has operated at break-even for several years. To implement our competitive long term strategy, the building will likely operate at a loss for the next several years since we anticipate difficulty in securing short-term leases.

*Measure: Completion of building repurposing*

#### **Target Center**

Other Funds: \$7,448,200

##### *Convention Center*

The Target Center program provides an operating subsidy and capital funds for this City-owned facility through a contractual agreement with its operator, AEG.

*Measure: Capital projects completed*

## FINANCIAL ANALYSIS

### EXPENDITURE

The 2012 Convention Center budget increases by \$0.5 million in 2012 to \$48.7 million, with the most significant changes being \$1.5 million increases in capital expenditures and \$0.5 million decreases in operating expenditures.

### REVENUE

The department's revenue budget is projected to increase by 7.8% in 2012, driven primarily by increasing sales tax revenue, which is projected to increase 9.9% or \$5.8 million over 2011 levels.

### MAYOR'S RECOMMENDED BUDGET

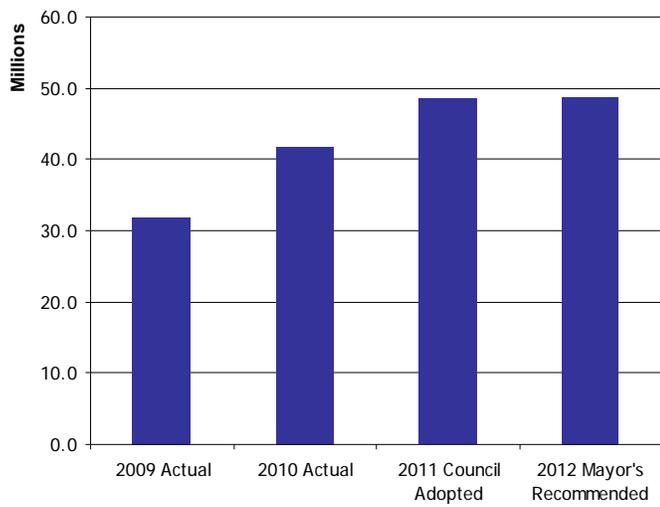
The Mayor's Recommended Budget for this department funds expenditures at the current level.

## CONVENTION CENTER EXPENSE AND REVENUE INFORMATION

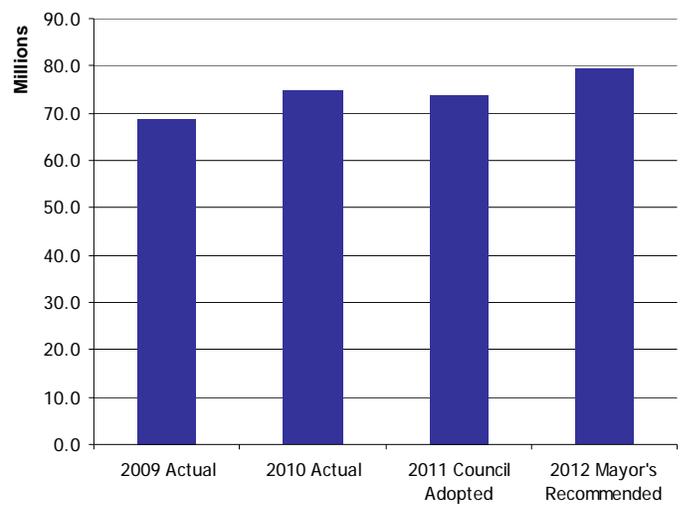
EXPENSE	2009 Actual	2010 Actual	2011 Council Adopted	2012 Mayor's Recommended	Percent Change	Change
<b>AGENCY</b>						
OPERATING COSTS	(2,763,618)	631,697			0.0%	0
<b>TOTAL AGENCY</b>	<b>(2,763,618)</b>	<b>631,697</b>				<b>0</b>
<b>SPECIAL REVENUE</b>						
SALARIES AND WAGES	9,274,756	9,082,314	9,496,592	9,913,227	4.4%	416,635
FRINGE BENEFITS	3,584,485	3,630,580	3,929,310	4,473,782	13.9%	544,471
CONTRACTUAL SERVICES	18,053,595	19,067,235	21,834,057	20,369,948	-6.7%	(1,464,109)
OPERATING COSTS	1,211,068	1,334,786	1,430,682	1,270,806	-11.2%	(159,876)
CAPITAL	2,449,811	8,025,309	11,779,119	12,692,675	7.8%	913,556
<b>TOTAL SPECIAL REVENUE</b>	<b>34,573,715</b>	<b>41,140,223</b>	<b>48,469,761</b>	<b>48,720,438</b>	<b>0.5%</b>	<b>250,677</b>
<b>TOTAL EXPENSE</b>	<b>31,810,097</b>	<b>41,771,919</b>	<b>48,469,761</b>	<b>48,720,438</b>	<b>0.5%</b>	<b>250,677</b>

REVENUE	2009 Actual	2010 Actual	2011 Council Adopted	2012 Mayor's Recommended	Percent Change	Change
<b>SPECIAL REVENUE</b>						
SALES AND OTHER TAXES	54,868,226	61,306,954	59,038,997	64,865,392	9.9%	5,826,395
CHARGES FOR SERVICES	4,583,253	4,499,809	5,280,000	5,140,000	-2.7%	(140,000)
INTEREST	435,261	402,611	359,760	314,359	-12.6%	(45,401)
RENTS	6,410,144	6,203,352	6,400,000	6,492,000	1.4%	92,000
CONTRIBUTIONS	75,000				0.0%	0
OTHER MISC REVENUES	2,558,556	2,490,962	2,520,000	2,509,000	-0.4%	(11,000)
<b>TOTAL SPECIAL REVENUE</b>	<b>68,930,440</b>	<b>74,903,688</b>	<b>73,598,757</b>	<b>79,320,751</b>	<b>7.8%</b>	<b>5,721,994</b>
<b>TOTAL REVENUE</b>	<b>68,930,440</b>	<b>74,903,688</b>	<b>73,598,757</b>	<b>79,320,751</b>	<b>7.8%</b>	<b>5,721,994</b>

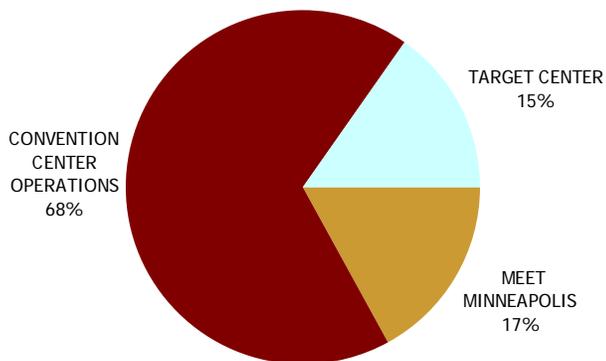
**Expense 2009 - 2012**



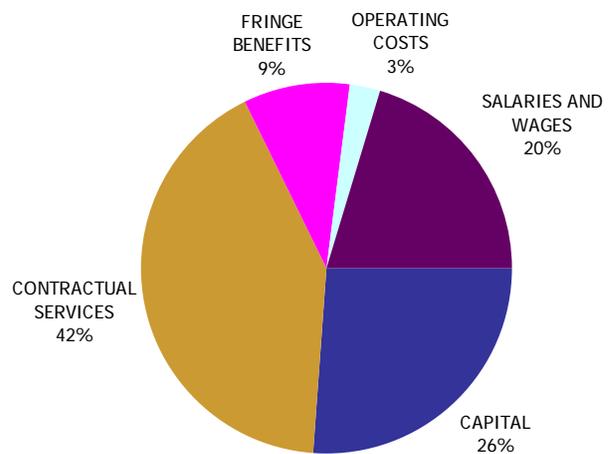
**Revenue 2009 - 2012**



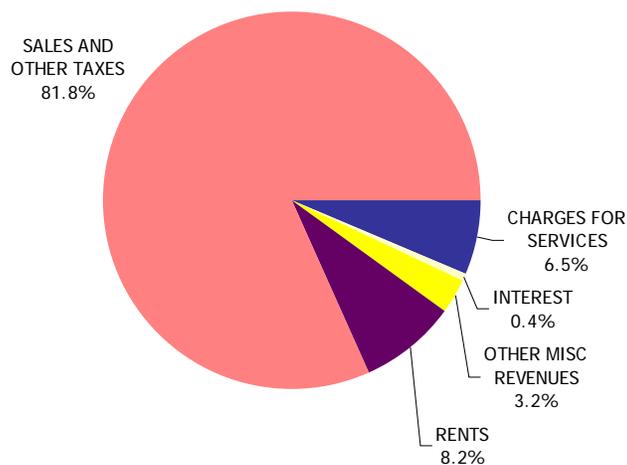
**Expense by Division**



**Expense by Category**



**Direct Revenue by Type**



## CONVENTION CENTER Staffing Information

Division	2009 Budget	2010 Budget	2011 Budget	2012 Mayor's Recommended	% Change	Change
CONVENTION CENTER OPERATIONS	208.18	208.18	193.00	194.10	0.6%	1.10
<b>TOTAL</b>	<b>208.18</b>	<b>208.18</b>	<b>193.00</b>	<b>194.10</b>	<b>0.6%</b>	<b>1.10</b>

**Positions 2009-2012**

