MINNEAPOLIS CONVENTION CENTER

MISSION

The Minneapolis Convention Center will be the best Convention Center by providing an exceptional facility, outstanding internal and external customer service, and responsible use of our resources.

BUSINESS LINES

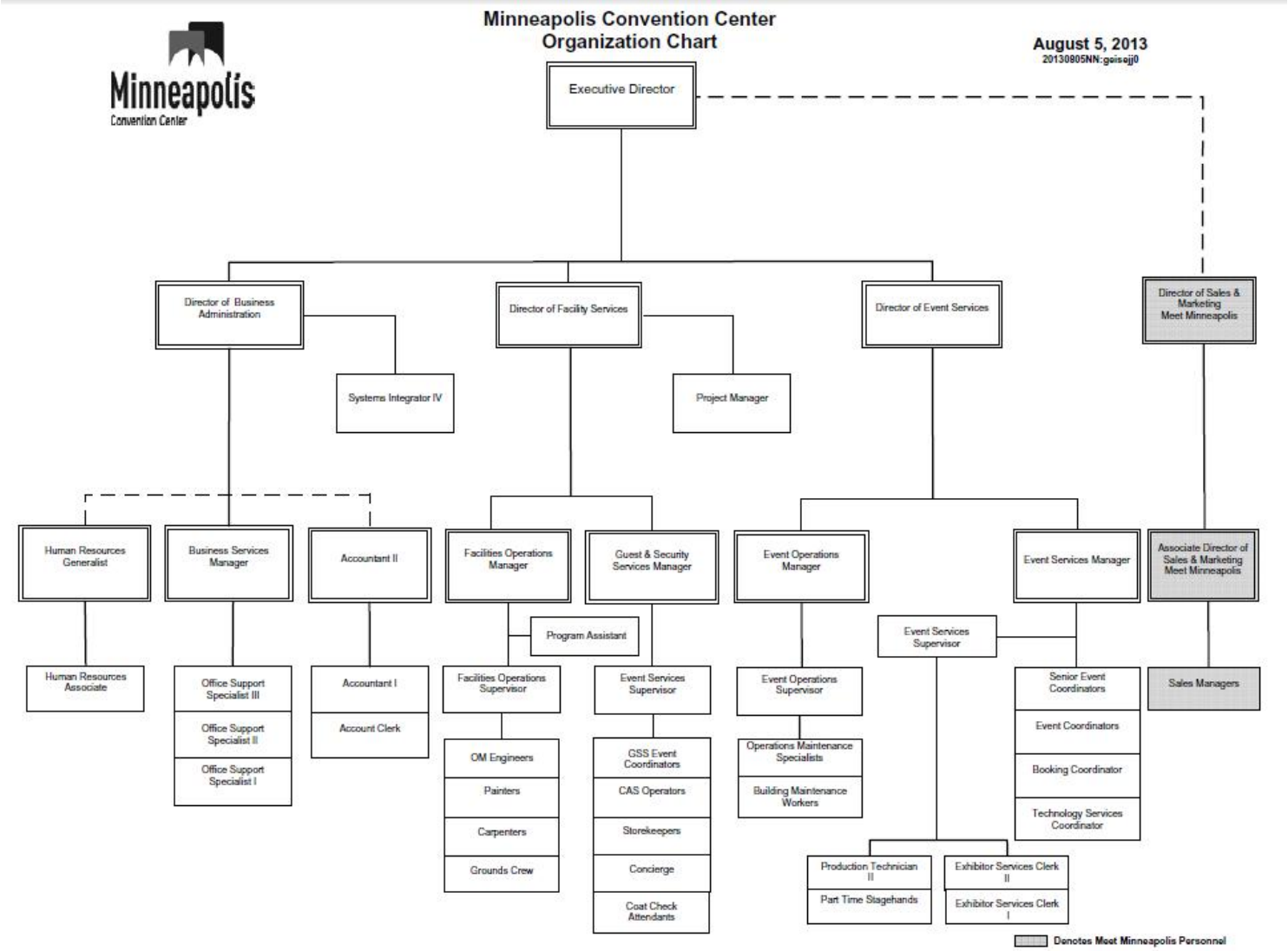
- **Event Services** is responsible for providing an exceptional product through the coordination of both in-house departments and contracted services for these major event activities: Event Services, Event Operations, Custodial Operations and Technology Services. These business units work to address 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, and capital project planning and management.

- **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. We recognize that the labor force at the Convention Center must be fully developed, fully utilized, and fully recognized in order to move us to the next level of superior customer service.

ORGANIZATION CHART



Jobs & Economic Vitality

Minneapolis Convention Center Events Program Other Fund: $22,833,157

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. This program also includes the City's contract with Meet Minneapolis, which provides sales services for the convention center as well as destination marketing for the City of Minneapolis.

Convention Center events drive economic impact to the City as these clients and attendees purchase goods and services from the convention center as well as local businesses contributing to a vibrant downtown. Meet Minneapolis also pursues leisure travelers and sponsorship opportunities.

Minneapolis Convention Center Facilities Other Fund: $20,876,169

The Convention Center Facility Program provides the physical building and grounds of the Convention Center as well as the staff to maintain this City asset. The Events Program utilizes the facility to sell and host events. The Facilities Program includes capital expenditures.

Minneapolis Convention Center Tallmadge Building Other Fund: $200,000

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, the Convention Center will implement our long-term competitive strategy to repurpose this building into a visitor center and restaurant to provide amenities and access to cultural and recreational activities to visitors. This will assist in attracting national business and economic impact to our City.

Target Center Other Fund: $6,931,832

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

Events and Community Engagement Other Fund: $400,000

This program will enhance the City's community engagement by allowing the City to partner with organizations in facilitating events.

FINANCIAL ANALYSIS

Expenditure

The department's budget for 2014 is $51.2M, representing a 5.8% increase over the year 2013. This increase is attributable to the Mayor's recommendation of an additional $400,000 funding.

Revenue

The revenue for the Convention Center drops significantly (75.8%) from 2013 to 2014 because the local-option sales taxes are no longer recognized as revenue in the Convention Center Fund, but rather in the General Fund. A portion ($46.6 million) of the local tax revenue is transferred from the General Fund to the Convention Center Fund at the fund level. Transfers completed at the fund level are not tied to a specific department in the City's budget, which results in the large drop in revenues recognized within this department.

Fund Allocation

This department is 100% funded in the Convention Center Special Revenue Fund.

Mayor's Recommended Budget

The Mayor recommended the transfer of $400,000 ($100,000 in ongoing funding, $300,000 in one-time funding) from the General Fund to the Convention Center Fund to use for events and community engagement programming such as the Secret City Festival and for other events.

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

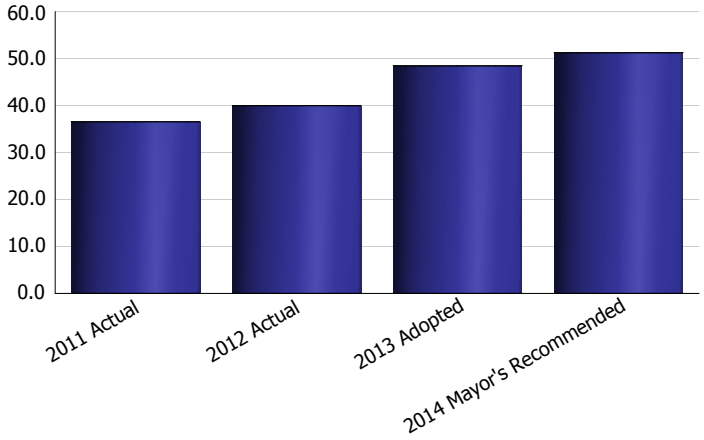
EXPENSE	2011 Actual	2012 Actual	2013 Adopted	2014 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
SALARIES AND WAGES	9,389,459	8,670,074	9,417,127	9,442,105	0.3%	24,979
FRINGE BENEFITS	3,469,041	3,318,568	4,253,453	4,161,173	-2.2%	(92,280)
CONTRACTUAL SERVICES	19,445,533	19,769,760	20,458,213	21,872,001	6.9%	1,413,788
OPERATING COSTS	1,319,460	1,225,580	1,396,883	1,416,915	1.4%	20,032
CAPITAL	2,923,704	6,991,884	12,925,839	14,348,964	11.0%	1,423,125
TOTAL SPECIAL REVENUE	**36,547,198**	**39,975,866**	**48,451,514**	**51,241,158**	**5.8%**	**2,789,644**
TOTAL EXPENSE	**36,547,198**	**39,975,866**	**48,451,514**	**51,241,158**	**5.8%**	**2,789,644**

REVENUE	2011 Actual	2012 Actual	2013 Adopted	2014 Mayor's Recommended	Percent Change	Change
SPECIAL REVENUE						
CHARGES FOR SALES	35,731	552,337	0		0.0%	0
CHARGES FOR SERVICES	5,311,598	5,405,038	5,339,000	5,720,000	7.1%	381,000
CONTRIBUTIONS	250,000	0	0		0.0%	0
INTEREST	359,760	314,359	265,132	214,631	-19.0%	(50,501)
OTHER MISC REVENUES	2,758,318	2,702,235	3,044,000	3,300,000	8.4%	256,000
RENTS	6,580,122	7,005,147	6,400,000	6,980,000	9.1%	580,000
SALES AND OTHER TAXES	65,929,924	56,349,332	57,300,000	1,275,000	-97.8%	(56,025,000)
TRANSFERS IN	1,389,759	1,987,650	0		0.0%	0
SPECIAL REVENUE	**82,615,212**	**74,316,097**	**72,348,132**	**17,489,631**	**-75.8%**	**(54,858,501)**
TOTAL REVENUE	**82,615,212**	**74,316,097**	**72,348,132**	**17,489,631**	**-75.8%**	**(54,858,501)**

CONVENTION CENTER
EXPENSE AND REVENUE INFORMATION

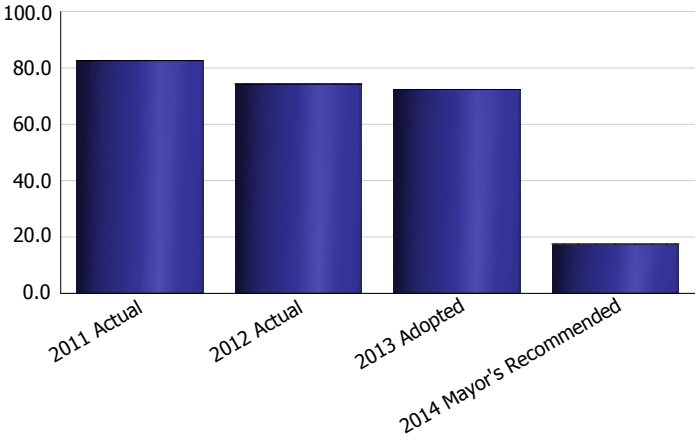
Expense 2011 - 2014

In Millions

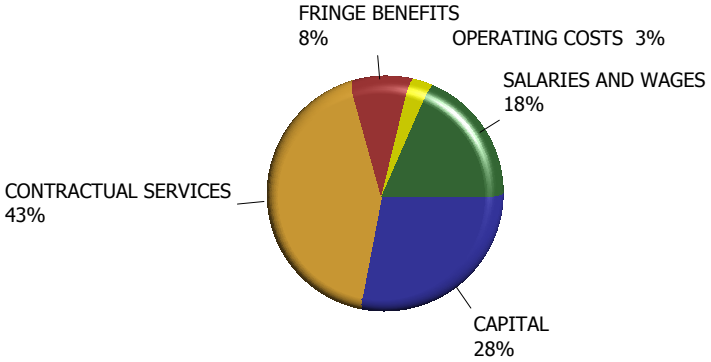


Revenue 2011 - 2014

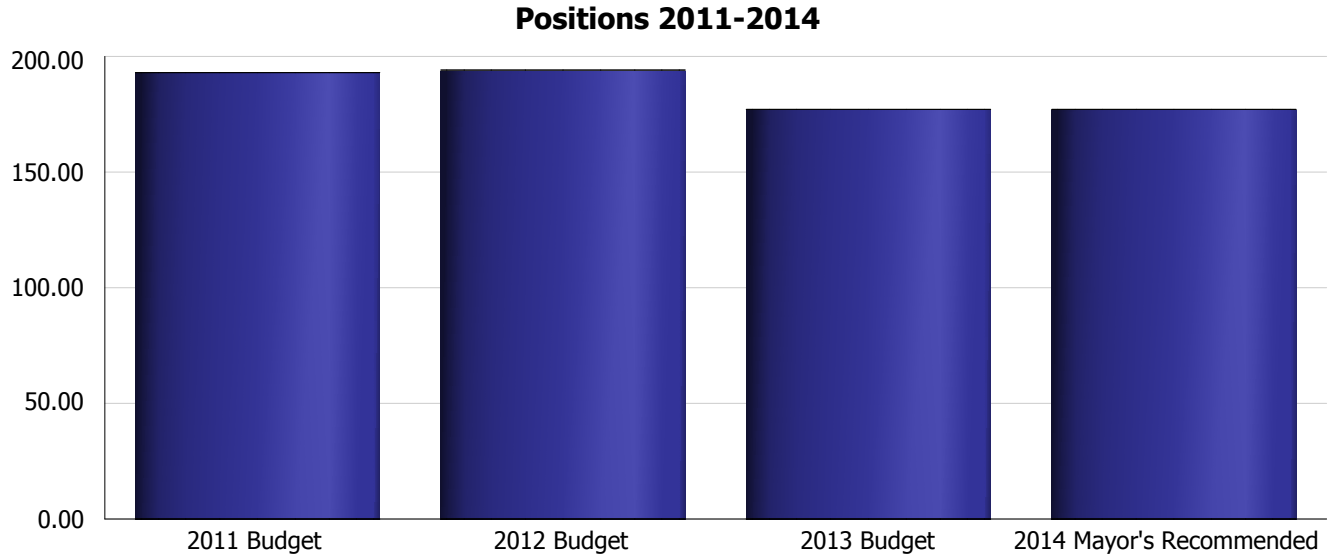
In Millions



Expense by Category



CONVENTION CENTER

Staffing Information

Division	2011 Budget	2012 Budget	2013 Budget	2014 Mayor's Recommended	% Change	Change
CONVENTION CENTER	0.00					0
CONVENTION CENTER OPERATIONS	193.00	194.10	177.10	177.10	0.0%	0
Overall	193.00	194.10	177.10	177.10	0.00	0