

FINANCE COMMITTEE MEETING MINUTES

June 21, 2016

11:30 AM - 2nd floor conference room – Peoria Civic Center

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| PRESENT: | PAUL DIGIALLONARDO | PEORIA CIVIC CENTER AUTHORITY |
| | ROBERT MANNING | PEORIA CIVIC CENTER AUTHORITY |
| | MARK WRIGHT | PEORIA CIVIC CENTER AUTHORITY – Left at 1:16pm. |
| | PRATIMA GANDHI | PEORIA CIVIC CENTER AUTHORITY |
| | ANNE CLAYTON | PEORIA CIVIC CENTER |
| | DANETTE SNOPEK | PEORIA CIVIC CENTER |
| | JO STOWELL | PEORIA CIVIC CENTER |
| | BEAU SUTHERLAND | PEORIA CIVIC CENTER |
| | ANDREW VANDEWEGHE | PEORIA CIVIC CENTER |
| | WILL KENNEY | PEORIA CIVIC CENTER |
| | BEN HOLETON | PEORIA CIVIC CENTER |
| | DAWN HOLLY | PEORIA CIVIC CENTER |

Call to Order

The meeting was called to order by Paul DiGiallonardo at 11:36am.

Introduction

Anne introduced the new Booking Manager, Ben Holeton, to the Finance Committee.

Finance Meeting Minutes

Robert Manning made a motion to approve the minutes from the May 24, 2016 finance meeting. It was seconded by Mark Wright. The motion was passed unanimously.

May 2016 FINANCIALS

Danette Snopek reported that May was a good month. There were 61 event days versus a budget of 53 and event income was over budget by \$158,000. In the Convention Center we had 4 assemblies that were not budgeted. We had 14 banquets versus a budget of 5 and Passage to India was budgeted in April, but occurred in May. Meetings came in \$29,000 over budget. In the Arena the WWE Live event was budgeted in February, but occurred in May. We had one Rivermen Playoff game in May. Advertising income was slightly under budget. Wages/benefits and heating fuel were under budget and electricity was over budget. The HRA subsidy was estimated this month. Last month our reprojected loss was \$769,909. This month our reprojected loss is \$667,785. This is a decrease of \$102,000. Robert Manning asked what we are doing different this year for our assemblies, banquets, and consumer

shows because our Year to Date event days numbers are up. Assemblies include events such as graduations and a church that holds their weekly service in the meeting rooms. Jo Stowell reported that with the banquets we are more flexible with our rates because of our partnership with Savor. Anne stated that we also brought Lauren McBain onto our sales staff to focus on short term banquet and meeting business. The different graduations that we hold each year were also discussed. Pratima Gandhi asked about Book of Mormon. We had a younger demographic that we were able to introduce to our Broadway Theater Series.

Other Business

Metal Detectors - The metal detectors were discussed. Paul DiGiallonardo stated that the capital committee has purchased 6 additional metal detectors to bring the total up to 12.

FY2017 Preliminary Budget – Anne stated that this year she is presenting a preliminary budget to the committee in a little different format hoping to give some additional historical information. The biggest change for FY2015 to FY2016 was that we had our first full year of Savor. Anne discussed the Event Income Budget by building and by category. There was discussion about how arena and theater events are booked and what type of risk should be taken when these events are being looked at. Anne discussed all of the categories for the Convention Center. There was a discussion about how rent is calculated for the conventions. Robert Manning stated that we need to strive to do better with our banquets and meetings. Our Advertising signage is at 98% capacity. Other income producing ideas were discussed. Contract renewals were discussed as well as when contracts should go out for bid. Anne discussed Indirect Expenses. Salaries are budgeted with a 6.7% increase. The board asked for a breakdown of this increase. This year we had some open positions for part of the year as well as Anne covering as interim General Manager for part of the year. The average raise for staff is 2.5%. Union raises are specified in their contracts. In 2008 we had 54 full time employees. In 2017 we are budgeting for 41 plus Savor with 10. The board requested to see a separate Profit and Loss Statement for Savor. We are budgeting a 3.5% increase in Employee

Benefits. We are budgeting a 5% increase in Business Insurance, a 3% increase in Electricity and a 5% increase in Heating Fuel. The board wants to see that we are getting a return on investment for the amounts budgeted in Client Gifts and Community Relations. We have 2 new preventative maintenance agreements that are in the FY2017 budget. The board asked that event income be increased in the FY2017 budget to cover the increase in the Indirect Expenses. Paul DiGiallonardo requested a three year strategic plan. HRA, debt repayments, and cash flow were also discussed. Paul DiGallornado asked for a prioritized capital project list. Paul DiGiallonardo also stated the need for a special meeting to finalize the FY2017 budget. The revenue sharing agreement was discussed as well as the Department of Labor Overtime Rule.

Adjournment

Robert Manning made a motion to adjourn the meeting at 1:59pm. It was seconded by Pratima Gandhi. The motion was passed unanimously.