

## Budget by Fund

	2018 Actual	2019 Adopted	2020 C2C	2020 Request	\$ Change
General	-	-	-	-	-
Other-Expenditures	18,227,923	14,693,934	14,943,022	15,025,791	331,857
<b>TOTAL</b>	<b>\$ 18,227,923</b>	<b>\$ 14,693,934</b>	<b>\$ 14,943,022</b>	<b>\$ 15,025,791</b>	<b>\$ 331,857</b>

## Budget by Service

	2018 Actual	2019 Adopted	2020 C2C	2020 Request	\$ Change
COMMUNITY CONVENTION CENTER	18,227,923	14,693,934	14,943,022	15,025,791	331,857
<b>TOTAL</b>	<b>\$ 18,227,923</b>	<b>\$ 14,693,934</b>	<b>\$ 14,943,022</b>	<b>\$ 15,025,791</b>	<b>\$ 331,857</b>

## Budget by Major

	2018 Actual	2019 Adopted	2020 C2C	2020 Request	\$ Change
Personnel	5,537,054	5,306,852	5,598,601	5,619,338	312,486
Non-Personnel	12,478,823	8,971,328	8,906,328	8,968,360	(2,968)
Agency Billings	212,046	415,754	438,093	438,093	22,339
<b>TOTAL</b>	<b>\$ 18,227,923</b>	<b>\$ 14,693,934</b>	<b>\$ 14,943,022</b>	<b>\$ 15,025,791</b>	<b>\$ 331,857</b>



# MONONA TERRACE COMMUNITY AND CONVENTION CENTER

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DATE: July 10, 2019  
TO: Dave Schmiedicke, Finance Director  
FROM: Gregg McManners, Executive Director  
SUBJECT: 2020 Monona Terrace Operating Budget

## 2020 Operating Goals:

Monona Terrace supports the Comprehensive Plan and three key Elements of a Great City: Economy and Opportunity, Green & Resilient, Culture & Character. We also support the elements of Effective Government and Health & Safety.

Our core mission is to:

1. Deliver an Exceptional and Inspirational Customer Experience
2. Seek to optimize revenue sources
3. Pursue optimal operating efficiency
4. Achieve Service Excellence

Criteria used to develop the 2020 Operating Budget:

This is a team approach both from a revenue and expense perspective. We engage our management team to look at the revenue potential for the upcoming year and at the same time review recurring or new expenses that will be required to maintain Monona Terrace in a first-class manner. 2020 promises to be another challenging revenue year as forecasting this far in advance has proven to be formidable the last couple of years. Additionally, we continue to look at repeat event's history, to more accurately project anticipated revenues.

The 2020 Operations Budget reflects our continued focus on Monona Terrace as a:

- A Catalyst for Economic Activity
- Community Gathering Place
- A Tourist Destination

# 2020 Operating Budget Service Budget Proposal

## IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Monona Terrace

SELECT YOUR AGENCY'S SERVICE:

Community Convention Center

SERVICE NUMBER:

801

SERVICE DESCRIPTION:

This service is responsible for operating the Monona Terrace Community and Convention Center. Specific activities provided by this service include maintenance, sales and marketing, and event services.

## Part 1: Base Budget Proposal

## BUDGET INFORMATION

	2017 Actual	2018 Adopted	2018 Actual	2019 Adopted	2020 C2C	2020 Request
<i>Budget by Fund</i>						
General-Net	\$0	\$0	\$0	\$0	\$0	\$0
Other-Expenditures	\$14,634,581	\$14,300,552	\$14,756,283	\$14,693,934	\$14,943,022	\$15,025,791
<i>Total</i>	<i>\$14,634,581</i>	<i>\$14,300,552</i>	<i>\$14,756,283</i>	<i>\$14,693,934</i>	<i>\$14,943,022</i>	<i>\$15,025,791</i>
<i>Budget by Major</i>						
Revenue						
Personnel	\$5,649,672	\$5,199,235	\$5,537,054	\$5,306,852	\$5,598,601	\$5,619,338
Non-Personnel	\$8,784,451	\$8,879,575	\$9,007,184	\$8,971,328	\$8,906,328	\$8,968,360
Agency Billings	\$200,458	\$221,742	\$212,046	\$415,754	\$438,093	\$438,093
<i>Total</i>	<i>\$14,634,581</i>	<i>\$14,300,552</i>	<i>\$14,756,284</i>	<i>\$14,693,934</i>	<i>\$14,943,022</i>	<i>\$15,025,791</i>
FTEs		54.75		54.25	54.75	54.75

## PRIORITY

Citywide Element Economy and Opportunity

Describe how this service advances the Citywide Element:

Monona Terrace is an iconic Community and Convention Center, hosting an average of 500 - 600 events annually. We are an economic catalyst for the downtown Madison area, the City, Dane County, and the State of Wisconsin.

## ACTIVITIES PERFORMED BY THIS SERVICE

Activity	% of Effort	Description
Economic Impact	75	hosting conventions, conferences, consumer shows, banquets, meetings, entertainment events, and community use events which create economic activity for the Downtown
Community Center	20	hosting community based events including rooftop concerts, Educational and Health related events at Monona Terrace and within Madison schools
Tourism Destination	5	Operating a Frank Lloyd Wright facility which includes promotion of the history of the building, providing tours, operating a themed Gift Shop; for clients, visitors, and event attendees

Insert item

**SERVICE BUDGET CHANGES**

Service Impact

What is the proposed change to the service's budget from cost to continue to agency request?

What are the service level impacts of the proposed funding changes?

Monona Terrace's expenses ebb and flow based on the building's revenues, especially as it relates to payroll and hourly wages. The variable in our budget is due to the fluctuation of our revenues. If the business side of our budget is robust, there is an implied increase in expenses to satisfy our customers. The \$82,769 reflects our historical use of hourly staff but would be tempered if business does not materialize as expected.

Personnel-Permanent Positions

Are you proposing an allocation change to the FTEs for this service?

Type	Fund	Amount	Description
Perm Wages	<input type="text"/>	<input type="text"/>	<input type="text"/>
Benefits	<input type="text"/>	<input type="text"/>	<input type="text"/>
Total		<input type="text"/>	

Explain the assumptions behind the allocation change.

What is the justification behind the allocation change?

Personnel-Other Personnel Spending

Are you requesting additional personnel spending for non-annualized pay?

Type	Fund	Amount	Description
Overtime	<input type="text"/>	<input type="text"/>	<input type="text"/>
Premium Pay	2140	\$10,367	Added to cover for night premiums, Sunday differential, and sick leave payout
Hourly	2140	\$10,400	Primarily increased to add an hourly painter in the Maintenance Department at Monona Terrace for a portion of 2020.
Total		\$20,767	

Explain the assumptions behind the requested funding.

The oddity with Monona Terrace's budget is that revenues are not reflected on the expense side of the ledger. Typically any increase in service cost is offset by revenues generated. The dollars reflected simply brings the budget into line with historical spending.

What is the justification behind the increased funding?

To bring the budget more in line with the past 3 years of actual spending.

Revenue

Are you proposing a change to the service's budgeted revenue?

Are you proposing an increase or a decrease to the budgeted revenue?

Fund	Major	Amount	Description
2140	43	(\$50,231)	Based on event analysis for 2020, this is the Event Revenue projection as of July 9, 2019.
2140	47	\$33,000	Estimated increase in contribution to Monona Terrace from Monona Catering, from negotiated agreement in 2018.
2140	48	\$100,000	Money used out of Reserve Financing to cover lower revenue forecast, and increase in expen ses.

Insert item

Explain the assumptions behind the change to budgeted revenue.

Budgeting revenues is not an exact science. Many assumptions are used based on the 22 years of building history. For example, in 2020 we need to sell over \$1,100,000 in business in order to meet budget projections. This is not an exception, this is the rule.

What is the justification behind the proposed change?

Based on the forecasts that we have on hand and historical performance, the number reflects our best estimate for revenues in 2020.

## Non-Personnel

Are you requesting additional non-personnel funding for this service?

Yes ▾

Fund	Major	Amount	Description
2140	53	\$11,882	Primarily an increase in Building Maintenance and Operations building supplies
2140	54	\$50,150	Increase in Consulting fees, and Operations Building Improvement

### Insert item

Explain the assumptions behind the requested funding.

The combination of Monona Terrace revenues, Room Tax contribution, and Reserve Financing are the three components that pay for our operating expenses. With a slightly lower revenue forecast for 2020 than in 2019, and additional requests for Building supplies and improvement for our soon-to-be 23 year old building, this resulted in the above-listed changes.

What is the justification behind the proposed change?

To provide exceptional service to our clients, visitors, and internal customers, the above-listed requests were identified as needed in the 2020 budget.

## Part 2: Scaling Service Delivery

What amount is 2.5% of the service expenditure budget?

### Increase

Explain how you would change the service activities and the level of service as a result of implementing a 2.5% funding increase to this service:

We would not, we provide exemplary service and that is our standard. There is a possibility that we could expand programming but that's all dependent on available space.

Explain the changes by major expenditure category that your agency would implement as a result of a 2.5 % funding increase to this service:

We do not expect to receive any additional increase in spending.

Would the changes include an increase to permanent staffing levels for this service?  ▾ If yes, FTEs:

What impacts would City residents and visitors experience if this service is provided a 2.5% increase in funding?

Possibly expanding programming within the Community Relations Department as well as earmarking some dollars to marketing efforts.

### Decrease

Explain how you would change the service activities and the level of service as a result of implementing a 2.5% funding decrease to this service:

Due to the fact that Monona Terrace's budget is fixed costs i.e. payroll, Interdepartmental, Pilot and utilities, we simply don't have much wiggle room. Accordingly, a decrease of this size will have a detrimental impact on service and programming levels, likely resulting in layoffs.

Explain the changes by major expenditure category that your agency would implement as a result of a 2.5 % funding decrease to this service:

Not open to the public 7 days a week, elimination of the guest services area, fewer community events, reduced service levels for our customers, and a possible reorganization of the management team and staff.

Would the changes include a decrease to permanent staffing levels for this service?  ▾ If yes, FTEs:

What impacts would City residents and visitors experience if this service is provided a 2.5% decrease in funding?

Our customer's experience would be greatly affected due to a decrease in funding, especially their service satisfaction.

Submit