

Conference Center

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GRAND RIVER CONFERENCE CENTER

Budget Highlights	FY 2018 Actual	FY 2019 Budget	FY 2020 Requested	% Change From FY 2019 Budget
<u>Expenses</u>				
Supplies and Services	388,393	411,307	485,143	18.0%
Machinery and Equipment	2,807	129,500	26,000	-79.9%
Total Expenses	391,200	540,807	511,143	-5.5%
Debt on Projects paid with Sales Tax Fund (20%)	9,900	18,564	22,175	19.5%
Property Tax Support	391,200	540,807	511,143	(29,664)
Percent Increase (Decrease)				-5.5%

Improvement Package Summary

1 of 1

This improvement package would provide funding for 15 security cameras to be placed inside and outside the Grand River Center (GRC). Currently GRC has cameras on the loading dock and an internal system for the employee service area back of house. The safety and security of the many citizens and visitors to the Grand River Center is of utmost importance. No security monitoring system is in place for all the public areas as well as entrances and exits to the building. There will be a recurring cost of approximately \$4,100 a year for these cameras. The first-year license cost is included in the purchase price. This improvement supports the City Council management agenda high priority goal of surveillance camera funding.

Related Cost: \$ 70,000 Tax Funds Non-Recurring **Recommend - No**
 Property Tax Impact: \$ 0.0275 0.27%
 Activity: Conference Center

Significant Line Items

Supplies & Services

- Platinum Hospitality privately manages the Grand River Center. The following expenses are the responsibility of the City based on the Facility Management Agreement:
 - 50% of energy costs (gas and electric) are estimated to be \$173,466 in FY 2019 and are projected to be \$180,002 in FY 2020. Electric decreased from \$143,314 in FY 2019 to \$138,651 in FY 2020 based on FY 2018 actual. Natural Gas increased from \$30,152 in FY 2019 to \$41,351 in FY 2020 based on FY 2018 actual.
 - Insurance costs (property and general liability) are estimated to be \$40,776 in FY 2019 and are projected to be \$45,791 in FY 2020. An appraisal of all city buildings was completed during FY 2018. Property insurance cost is now allocated to departments based on the appraised value of the building and square footage used by each department.

- During FY 2013 an agreement was renegotiated to require a payment of 25% instead of 50% of the actual Hotel/Motel Tax generated by the Grand Harbor Hotel. Payments and budget are as follows:

FY 2017 - \$88,664
 FY 2018 - \$88,310
 FY 2019 - \$88,664 (Budgeted)
 FY 2020 - \$88,310 (Projected)

2. As per the new Management Agreement, the repairs and maintenance limit and aggregate will increase by the CPI as of July 1 each year. The City is responsible for repairs and maintenance in excess of \$1,125 individually and \$16,875 in aggregate for the fiscal year. Historical actual maintenance costs have been as follows:

FY 2017 - \$86,869
 FY 2018 - \$88,310
 FY 2019 - \$95,644 (Budgeted)
 FY 2020 - \$170,000* (Projected)

*FY 2020 includes an additional \$55,000 to overhaul chiller number 2.

Equipment

3. The following equipment will be replaced in FY 2020 (\$26,000):

Artificial Plants	\$ 10,000
Audio Visual Equipment	\$ 10,000
Portable Radios	\$ 6,000
Total Equipment	<u>\$ 26,000</u>

Debt Service

4. FY 2020 Annual Debt Service is as follows (\$22,175):

Amount	Debt Series	Payment Source	Purpose	Final Payment	Call Date
\$ 9,374	2012D G.O.	Sales Tax 20%	Conference Center Improvements	2027	2019
\$ 12,801	Planned	Sales Tax 20%	Energy Improvements	2039	
<u>\$ 22,175</u>	Total Conference Center Annual Debt Service				

For Conference Center Performance Measures see Five Flags Civic Center Outline

Recommended Operating Revenue Budget - Department Total

33 - CONF CENTER OPERATION

Fund	Account	Account Title	FY17 Actual Revenue	FY18 Actual Revenue	FY19 Adopted Budget	FY20 Recomm'd Budget
100	43235	PLATINUM HOLDINGS LEASE	58,464	82,903	71,700	0
43	USE OF MONEY AND PROPERTY - Total		58,464	82,903	71,700	0
100	53605	MISCELLANEOUS REVENUE	122	0	0	0
100	53620	REIMBURSEMENTS-GENERAL	0	600	0	0
53	MISCELLANEOUS - Total		122	600	0	0
400	59350	FR SALES TAX CONSTRUCTION	5,720	9,900	18,564	22,175
59	TRANSFER IN AND INTERNAL - Total		5,720	9,900	18,564	22,175
CONF CENTER OPERATION - Total			64,306	93,403	90,264	22,175

Recommended Operating Expenditure Budget - Department Total

33 - CONF CENTER OPERATION

Fund	Account	Account Title	FY17 Actual Expense	FY18 Actual Expense	FY19 Adopted Budget	FY 20 Recomm'd Budget
100	62061	DP EQUIP. MAINT CONTRACTS	0	367	0	0
100	62206	PROPERTY INSURANCE	24,758	23,200	39,834	44,825
100	62208	GENERAL LIABILITY INSURAN	912	904	942	966
100	62411	UTILITY EXP-ELECTRICITY	127,390	138,651	143,314	138,651
100	62412	UTILITY EXP-GAS	28,716	41,351	30,152	41,351
100	62431	PROPERTY MAINTENANCE	95,644	94,972	95,644	170,000
100	62614	EQUIP MAINT CONTRACT	485	155	257	0
100	62627	CAMERA MAINTENANCE	0	84	0	240
100	62663	SOFTWARE LICENSE EXP	0	0	11,700	0
100	62664	LICENSE/PERMIT FEES	0	400	800	800
100	62761	PAY TO OTHER AGENCY	88,664	88,310	88,664	88,310
62 - SUPPLIES AND SERVICES			366,569	388,393	411,307	485,143
100	71314	TRUCK-REPLACEMENT	0	0	48,000	0
100	72416	VIDEO EQUIPMENT	0	0	65,000	0
100	72417	CAMERA RELATED EQUIPMENT	0	2,807	0	0
71 - EQUIPMENT			0	2,807	113,000	0
100	73411	EQUIP ACQUISITION	0	0	16,500	26,000
73 - CIP EXPENDITURES			0	0	16,500	26,000
400	74111	PRINCIPAL PAYMENT	4,300	8,600	11,981	15,530
400	74112	INTEREST PAYMENT	1,420	1,300	6,583	6,645
74 - DEBT SERVICE			5,720	9,900	18,564	22,175
33 - CONF CENTER OPERATION TOTAL			372,289	401,100	559,371	533,318

Recommended Expenditure Budget Report by Activity & Funding Source

33 - CONF CENTER OPERATION

CONF CENTER OPERATIONS - 33300

FUNDING SOURCE: GENERAL

Account	FY18 Actual Expense	FY19 Adopted Budget	FY20 Recomm'd Budget
CIP EXPENDITURES	—	16,500	26,000
EQUIPMENT	2,807	113,000	—
SUPPLIES AND SERVICES	388,393	411,307	485,143
CONF CENTER OPERATIONS	391,200	540,807	511,143
DEBT SERVICE	- 33400		

FUNDING SOURCE: DEBT SERVICE

Account	FY18 Actual Expense	FY19 Adopted Budget	FY20 Recomm'd Budget
DEBT SERVICE	9,900	18,564	22,175
DEBT SERVICE	9,900	18,564	22,175
CONF CENTER OPERATION TOTAL \$	401,100.23 \$	559,371.00 \$	533,318.00

Capital Improvement Projects by Department/Division

CONF CENTER OPERATION					
CIP Number	Capital Improvement Project Title	FY 17 Actual Expense	FY 18 Actual Expense	FY 19 Adopted Budget	FY 20 Recomm'd Budget
1002519	GRC TECH REPLC SUPPORT	—	20,897	—	—
1022113	GRC - REPLACE CARPET	120,530	33,960	—	—
1022389	GRC - UPGRDE AV EQUIP	5,626	—	—	—
1022588	GRC KITCHEN EQUIPMENT	6,330	4,809	—	—
1022591	GRC LANDSCAPE IMPROVEMENT	—	—	—	15,000
1022649	GRC REPLACE PATIO CAULK	—	—	—	25,000
1022651	GRC REPLC ELECTR FLR BOX	—	33,100	—	—
1022785	SINK LIGHT FIXTURES	—	—	—	11,500
3002710	EXTERIOR DECORATIVE CONCR	—	—	—	—
3501516	GRC PARKING LOT REPAIRS	—	57,044	—	—
3501598	GRAND RIVER CTR MAINTENAN	18,643	—	—	—
3501990	GRAND RIVER CTR CHAIRS	22,364	15,684	—	15,000
3501993	GRAND RIVER CTR PAINT ENT	—	—	—	—
3502112	GRC-FABRIC WALL COVERING	101,564	—	—	—
3502113	GRC - REPLACE CARPET	79,971	—	—	—
3502302	AUDIO-VIS & SOUND EQUIP	—	—	98,000	13,000
3502306	GRC - OUTDOOR FURN REPL	16,387	2,406	—	—
3502391	GRC - PAINT OFFICE	12,415	27,270	—	40,000
3502519	GRC TECH REPLC SUPPORT	14,042	19,275	0	0
3502520	GRC MAIN EQUIP RPLC	24,766	0	0	0
3502590	GRC ENERGY EFFICIENCY IMP	0	26,300	183,000	0
3502591	GRC LANDSCAPE IMPROVEMENT	520	0	0	0
3502649	GRC REPLACE PATIO CAULK	0	0	0	0
3502650	GRC PORTABLE BAR REPLACEM	0	11,104	0	0
3502784	PAINT EXTERIOR METAL	0	0	0	99,000
3602113	GRC - REPLACE CARPET	0	0	136,382	88,000
CONF CENTER OPERATION	TOTAL	423,157	251,848	417,382	306,500

PROGRAM /DEPT	PROJECT DESCRIPTION	FY 2020	FY 2021	FY 2022	FY 2023	FY 2024	TOTAL	PAGE
CONFERENCE CENTER								
General Government								
	Paint Exterior Metal	\$ 99,000	\$ —	\$ —	\$ —	\$ —	\$ 99,000	53
	Replace Carpet	\$ 88,000	\$ —	\$ —	\$ 100,000	\$ 120,000	\$ 308,000	54
	Paint Interior Rooms and Areas	\$ 40,000	\$ —	\$ —	\$ —	\$ 20,000	\$ 60,000	55
	Replace Patio Caulk	\$ 25,000	\$ —	\$ —	\$ —	\$ —	\$ 25,000	56
	Replace Table, Chairs, and Podiums	\$ 15,000	\$ —	\$ —	\$ 300,000	\$ —	\$ 315,000	57
	Landscape Renovations	\$ 15,000	\$ —	\$ —	\$ —	\$ —	\$ 15,000	58
	Sound Control System Upgrade	\$ 13,000	\$ —	\$ —	\$ —	\$ —	\$ 13,000	59
	Replace Bathroom Sink Light Fixtures	\$ 11,500	\$ —	\$ —	\$ —	\$ —	\$ 11,500	60
	Energy Efficiency Improvements	\$ —	\$ 52,000	\$ 21,000	\$ —	\$ —	\$ 73,000	61
	Market Study and Facility Assessment	\$ —	\$ —	\$ 65,000	\$ —	\$ —	\$ 65,000	62
	Concrete Restoration	\$ —	\$ —	\$ —	\$ 50,000	\$ —	\$ 50,000	63
	Repaint Exhibit Hall Airwalls	\$ —	\$ —	\$ —	\$ —	\$ 40,000	\$ 40,000	64
	Replace Fabric Wall Covering	\$ —	\$ —	\$ —	\$ 35,000	\$ 120,000	\$ 155,000	65
	Replace Exterior Building Sign	\$ —	\$ —	\$ —	\$ —	\$ 40,000	\$ 40,000	66
	Conference Center Total	\$ 306,500	\$ 52,000	\$ 86,000	\$ 485,000	\$ 340,000	\$ 1,269,500	

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