



MONONA TERRACE COMMUNITY AND CONVENTION CENTER

ONE JOHN NOLEN DRIVE MADISON, WI 53703 TEL 608 261-4000 FAX 608 261-4049

Date: July 20, 2016

To: David Schmiedicke, Finance Director

From: Gregg McManners, Monona Terrace

Subject: Monona Terrace 2017 Operating Budget

2017 Operating Goals:

- 1. To deliver Exceptional and Inspirational Customer experiences***
- 2. Efficiency in Operations***
- 3. Optimizing Revenue***
- 4. Cost management***

Criteria used to develop the 2017 Operating Budget:

Key personnel, including Senior Managers and Mid-Managers, meet to identify the key goals and objectives for the upcoming budget cycle. Revenue is projected for 2017 based on the business booked and the anticipated booking pace and event averages based on historical values. A projected upsell amount is applied to larger pieces of business to more closely reflect the complete revenue impact to the facility.

The 2017 Operations Budget reflects cost to continue operations and maintain Monona Terrace as a:

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

Initiatives for 2017

To support these mandates, our efforts will be to improve our social media efforts, as well as redesign the website and manage its contents in-house; safety and security projects identified by Homeland Security will remain a priority and sustainable maintenance and landscaping practices will be enhanced.

2017 Operating Budget: Service Proposals

SERVICE IDENTIFYING INFORMATION

SELECT YOUR AGENCY:

Monona Terrace

SELECT YOUR AGENCY'S SERVICE:

Community Convention Center

SERVICE DESCRIPTION:

This service supports the community in three ways: as a convention center attracting new dollars to Madison and Dane County, as a tourism destination, and as a community center for the citizens of our community.

SERVICE GOALS

Who is the primary customer for the service?

Patrons of Monona Terrace including clients, guests, visitors, tourists

What are the services goals for 2017?

Exceptional and Inspirational experience as measured by guest surveys with a goal of 95% satisfaction or higher

How will achieving these goals improve the customer's experience?

This proactive approach to customer service has proven to show clients having a 100% willingness to return and a 100% willingness to recommend.

What major initiatives are planned within the service for 2017?

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2017 Operating Budget: Savings Scenarios

SELECT YOUR AGENCY:

Monona Terrace

- Option 1: Efficiency Investment
- Option 2: Flat Reduction

SECTION 1: INVESTMENT DESCRIPTION

Investment Name: Purchase of currently rented decor for inventory to rent to clients

Budget by Major

Investment Amount

51: Salaries

52: Fringe

53: Supplies

54: Purchased Services

\$25,000.00

Provide a description of the proposed investment.

The purchase of grey drape would be added to the Monona Terrace AV rental inventory and would consist of purchasing grey drape and additional pipe and drape hardware. Grey drape is a popular option for corporate events and has the opportunity to generate revenue on an ongoing basis without the rental costs currently incurred. The investment will have a lifespan of 10-15 years and a payback period of 3.23 years.

How will the investment improve the efficiency of service delivery within your agency?

Monona Terrace staff would no longer have to facilitate renting the grey drape for events. This is a time consuming exercise to locate and procure rental decor.

What is the timeline for implementation associated with the investment?

3 months

How will the success of the investment be measured?

Revenue generated, reduced rental expense, Client survey results

SECTION 2: REPAYMENT PLAN

| | 2018 | 2019 | 2020 |
|----------------|-------------|-------------|-------------|
| Savings Amount | \$7,687.00 | \$7,687.00 | \$7,687.00 |
| No. of FTEs | | | |

Provide a description of the proposed investment.

Note: Savings amount is revenue generated. Monona Terrace would purchase this decor (grey drape) and begin renting it to clients immediately. Pay back is calculated at 3.23 years. There are no ongoing maintenance costs.

