



# City of Madison

City of Madison  
Madison, WI 53703  
www.cityofmadison.com

## Meeting Minutes - Approved MONONA TERRACE COMMUNITY AND CONVENTION CENTER BOARD

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Thursday, February 17, 2011

4:30 PM

One John Nolen Drive  
Hall of Fame Room

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### CALL TO ORDER / ROLL CALL

**Present:** 10 -

Sheridan A. Glen; M. Alice O'Connor; Mona Adams Winston; Henry S. Lufler, Jr.; Ann E. Kovich; Dianne Hesselbein; Glenn R. Krieg; Thomas J. Ziarnik; Chet Gerlach and Thomas P. Solheim

**Excused:** 4 -

Jeffrey B. Bartell; William DiCarlo; Judith F. Karofsky and Judy Sidran

### APPROVAL OF MINUTES

A motion was made by Kovich, seconded by Krieg, to Approve the MinutesThe motion passed by voice vote/other.

### PUBLIC COMMENT

There were no citizens present who wished to address the Board.

### DISCLOSURES AND RECUSALS

None.

### NEW BUSINESS

### REPORTS

- [17621](#) GMCVB Year-End Numbers and Outlook for the Year - Deb Archer, President, GMCVB; Kristi Thering-Tuschen, Director of Sales, Greater Madison Convention and Visitors Bureau
  - The 2010 goal for contract revenue, \$625,000, was 99% achieved (\$616,941).
  - Definite significant contracts for Monona Terrace included Health Physics Society, World Triathlon Corporation, National Association of Resource Conservation and Development Councils, Wisconsin Music Educators Association, AIA of Wisconsin, etc.
  - Pending contracts include LeMans Corporation, Symposium on Research in Child Language Disorders, Alpha Kappa Alpha, American Cheese Society, Association of University Research Parks, and American Physical Society.
  - Direct spending for all GMCVB confirmed events equals \$45,145,373 (161% of goal, \$28,000,000).
  - The 2010 total room nights goal, 90,000 was 96% achieved (86,642).

- The 2010 convention trade and destination PR goal of \$750,000 was 72% achieved (\$540,084).
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2. [21173](#)

Year End Review - Patty Lemke, General Manager, Monona Catering

- Total gross revenue for 2010 was \$5,900,000+.
- 2010 services: 403,653 (111,178 meals, 127,534 coffee breaks, 57,749 receptions)
- 2011 projection: \$6,050,000, a 2.29% increase over 2010 (busiest months are May, June, August and October)
- Sustainability: Purchases continue to focus on local and regional products whenever possible.
- Composting: Continues to be very successful with seven tons of pre-consumer products diverted from landfills from August – December 2010. If the pace is similar in 2011, estimated total of diverted products is 15 tons.
- Donated Food: 6,507 pounds of food to local food banks.
- Staff: current roster includes 96 regular and part-time (15 managers, 81 regular and part-time union staff).
- Marketing: staff will continue to work closely with Monona Terrace and the GMCVB on joint efforts to maintain and attract clients.

3. [21181](#)

2012 Base Room Rental Prices / 2012 Guest Price List for Equipment and Services - Henry Lufler, Chair, Finance Committee

A. The Finance Committee met prior to the Board meeting for the annual review of Base Room Rental Prices and Guest Price List for Equipment and Services. Mr. Zeinemann provided background on how the pricing structure was built, and the rates were unanimously approved by the Finance Committee

with no suggested changes. Staff does a thorough rate comparison study with other similar facilities around the country, and sets the pricing carefully so prices are not perceived as too high by prospective clients.

**B. 2010 Year-End**

Monona Terrace had unexpected year-end expenses including:

- A handling or closing cost fee for the WRS bond refinancing amounting to approximately \$24,000. In addition, based on the forecast at the time, funds were released to increase inventory levels in lighting supplies, marketing materials and AV equipment due to an expected positive position at year end.

- Other unexpected expenses were incurred due to the first employee retirement at Monona Terrace. Employees are paid their remaining vacation and sick time at the time of retirement; it was our understanding that the City kept those funds in a separate pool and would not affect the Monona Terrace year-end financials. However, when the payroll report was received from the Comptroller's office, the figures were \$56,000 over budget. Staff then learned sick time is paid out, and the cost is incurred by the agency according to Dean Brassler, the City's Comptroller.

A motion was made by Kovich seconded by Lufler to approve the 2012 Base Room Rental Prices and the 212 Guest Price List for Equipment and Services. The motion passed unanimously by voice vote/other.

4. [14291](#)

Finance Report - Kathi Hurtgen, Director of Finance

- Revenues were -25% for the month of December, and total operating expenses were +24% when compared to budget. Revenue (under) expenditures was -\$263,000 for the month due to two unexpected expenses: a large lump sum payout to a retiree, and \$24,000 in refinancing charges for WRS bonds.

- Despite accurate forecasting by the staff, 2010 showed a loss of -\$31,000 for year-end; monies will be transferred from the Reserve Fund to cover the deficit upon completion of the City audit.

- The Board gave kudos for the staff for a job well done in managing expenses and maximizing profits.

- An analysis of TOT funding was suggested for a future Finance Committee meeting.

(\* The total TOT reconciliation by the Comptroller's Office will be completed once all of the TOT funds for the Fourth Quarter have been collected; this should be done by mid-April).

Total operating revenues for January were +10%, and total operating expenses were -7% when compared to budget. Revenue over expenses was +\$54,000, a great start for the new year.

5. [17074](#)

Booking Pace Update - Bill Zeinemann, Director of Marketing and Events

The current booking pace is:

- Banquets forecasted to total 220, pacing at 210

- Meetings forecasted to total 185, pacing at 205

- Conferences forecasted to total 31, pacing at 29 plus 2 tentative

-Conventions forecasted to total 31, pacing at 31 plus 2 tentative

- A dollar value will be assigned to these events in the near future.
- Conventions are the most profitable business sector and also have the most favorable economic impact on the community.
- Mr. McManners commented that 80 – 95 conventions are targeted in the Ten Year Vision plan, dependent upon an improved infrastructure to support Monona Terrace (a convention hotel, ease of travel to Madison, etc.).
- The Greater Madison Convention and Visitors Bureau tracks lost business, and an update will be presented at a future Board meeting.
- Monona Terrace tracks business that is turned away because the facility is full on requested dates.

6. [21182](#) Director's Report - Gregg McManners, Director

- There were no questions on the Board Report.
- Monona Terrace management staff that are not union members will be hard hit if the budget is passed in its current form with 12% increases in health insurance costs as well as increased contributions toward pension funds (5.8% of annual salary) as soon as the law is passed.
- The remainder of the state budget will be introduced next week which may contain significant cuts in state aid to cities and education.
- The Overture restructure which will be effective in January 2012 is also a concern looking forward.

7. [18300](#) Announcements from the Chair - Mona Adams Winston, Chair

There were no announcements from the Chair.

#### ADJOURNMENT

A motion was made by Krieg, seconded by Kovich, to Approve the MinutesThe motion passed by voice vote/other.