

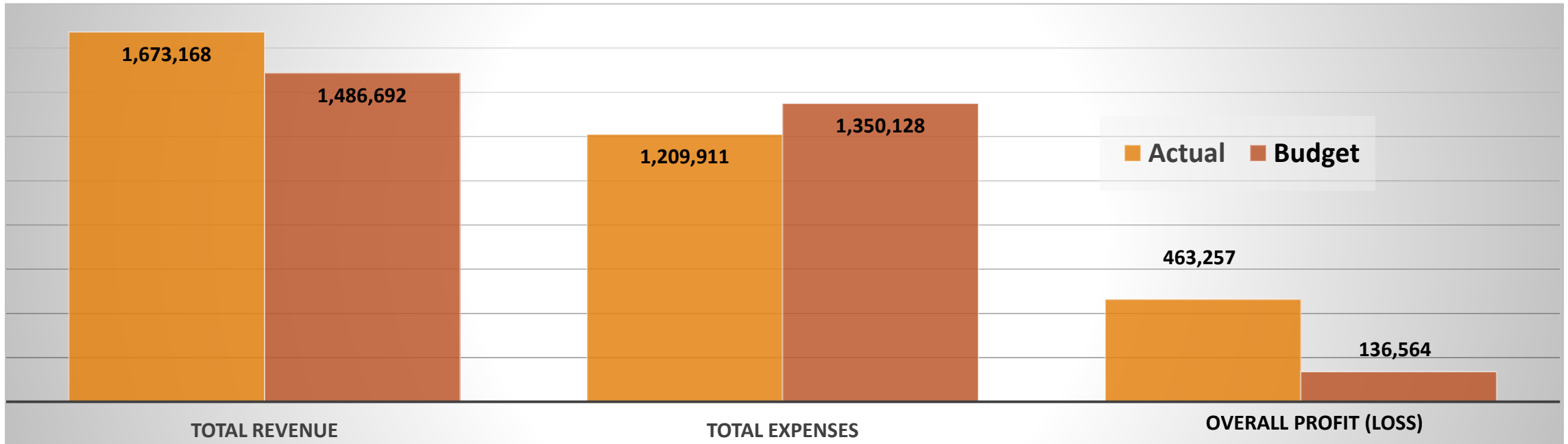


Branson Convention Center 3rd Quarter 2015 Review

PRESENTED – OCTOBER 27, 2015

Actual vs. Budget

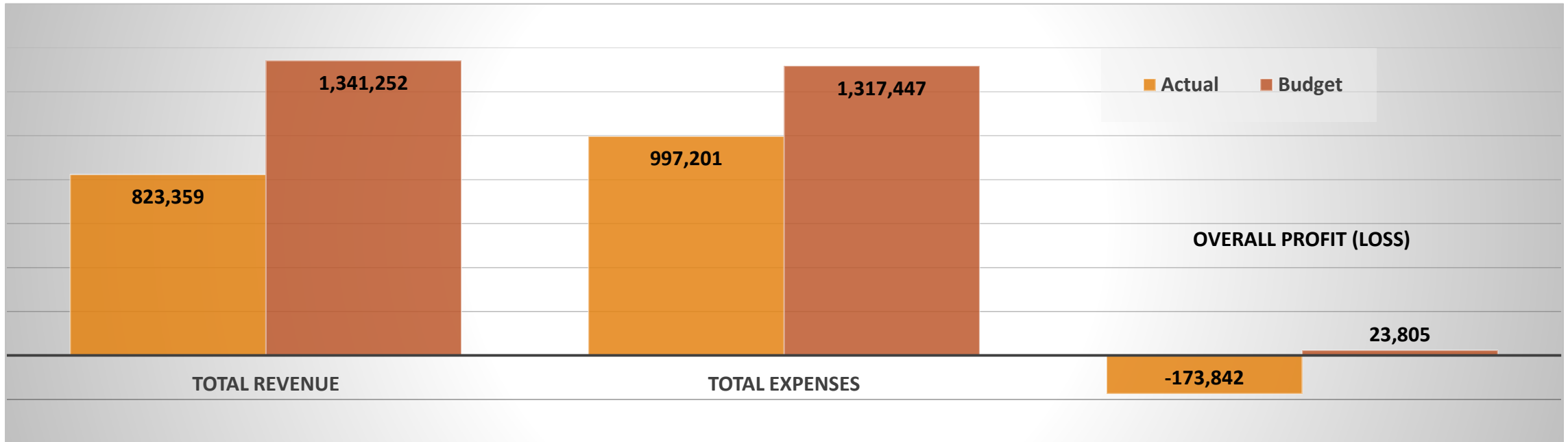
July - September 2015



1. **Total Revenue** - Actual Revenue: \$1,673,168 / Budget = \$1,486,692 / Variance = \$186,476 above budget
2. **Total Expenses** - Actual Expenses: \$1,209,911 / Budget = \$1,350,128 / Variance = (\$140,217) below budget
3. **Overall Profit and Loss** – Profit of \$463,257 was above budgeted profit of \$136,564 by **\$326,693**

Actual vs. Budget

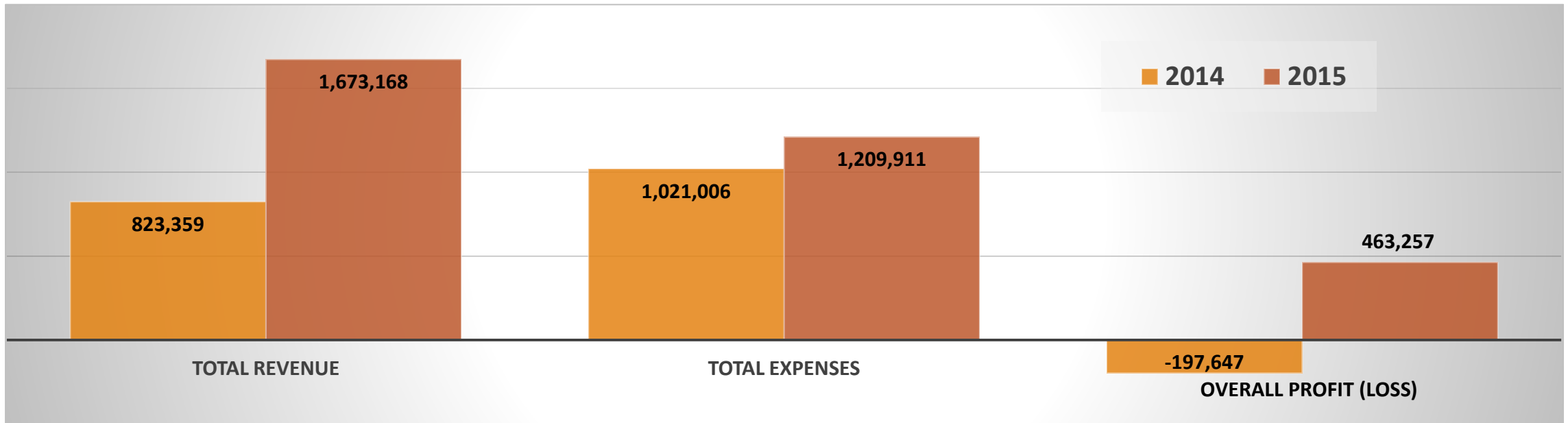
July - September 2014



1. **Total Revenue** - Actual Revenue: \$823,359 / Budget = \$1,341,252 / Variance = (\$517,893) below budget
2. **Total Expenses** - Actual Expenses: \$997,201 / Budget = \$1,317,447 / Variance = (\$320,246) below budget
3. **Overall Profit and (Loss)** – (Loss) of (\$173,842) was below budgeted profit of \$23,805 by **(\$197,647)**

Comparison of Actuals

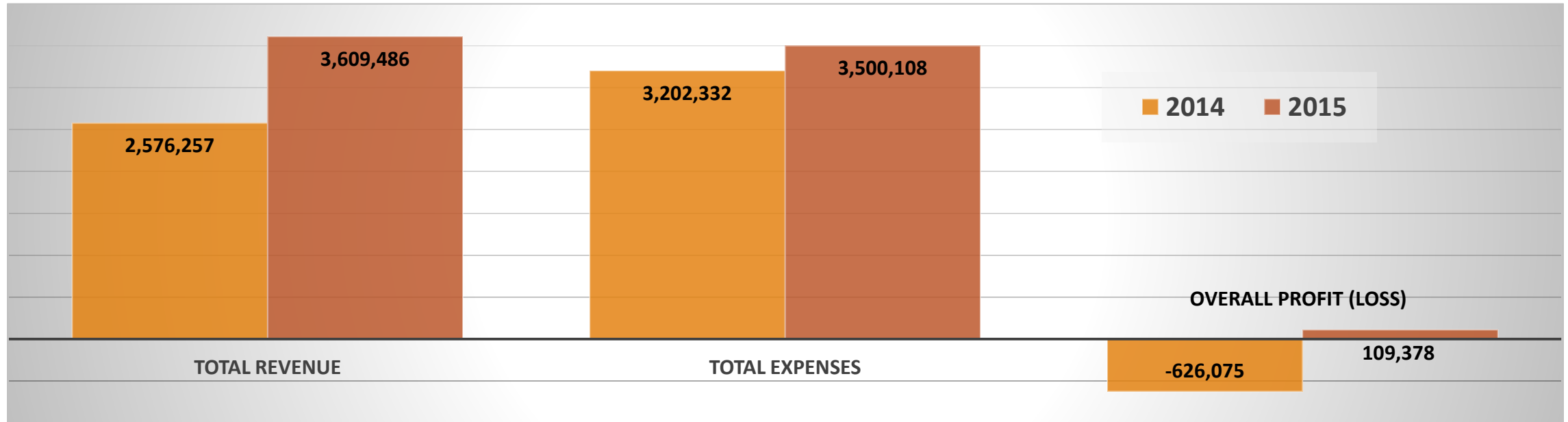
July - September 2014 vs. July - September 2015



1. **Total Revenue** - 2014: \$823,359 / 2015 = \$1,673,168 / Variance = \$849,809 more in 2015 vs. 2014
2. **Total Expenses** - 2014: \$1,021,006 / 2015 = \$1,209,911 / Variance = \$188,905 more in 2015 vs. 2014
3. **Overall Profit and Loss** – 2014: (Loss) of (\$197,647) / 2015: Profit of \$463,257 – difference of **\$660,904** more in 2015 vs. 2014

Comparison of Year-To-Date Actuals

January - September 2014 vs. January - September 2015



1. **Total Revenue** - 2014: \$2,576,257 / 2015 = \$3,609,486 / Variance = \$1,033,229 more in 2015 vs. 2014
2. **Total Expenses** - 2014: \$3,202,332 / 2015 = \$3,500,108 / Variance = \$297,776 more in 2015 vs. 2014
3. **Overall Profit and Loss** – 2014: Loss of (\$626,075) / 2015: Profit of \$109,378 – difference of **(\$735,453)** more in 2015 vs. 2014

Business Overview

3rd Quarter 2015 Review

Financial Review Continued... BCC's Big Four – Revenue

- 1. Room Rental:** Down slightly to budget in the third quarter by (\$14,510). Room Rental actualized at \$138,370 vs. a budget of \$152,880.
- 2. Concessions:** Down slightly to budget by (\$7,952). Concessions continue to produce lower margins at the BCC (Industry Standard). We have been tracking our top food sellers for over 19 months and now continually modify menus accordingly to make sure we are maximizing our potential for each group.
- 3. Catering:** Up to budget by \$243,804. **Simply put**, “Two City Wide Conventions” took place in Branson in the 3rd Quarter. SYTA (Student Youth Travel Association) and ASCE (American Society of Civil Engineers)
- 4. Parking:** Exceeded budget by \$8,011. A major focus for the BCC since we transitioned. In addition, we have already surpassed our yearly budget by **\$36,680**. This is due mostly to a full year of “Special Event Parking” we charge for the larger public shows that come to the BCC. ASCE also had a huge impact with over 1,200 registered attendees. Guests for this convention came from across the United States as well as representing (16) countries and (6) continents. Significant amounts of parking revenue can still be achieved with the implementation of a new parking system.

Business Overview

3rd Quarter 2015 Review

Financial Review Continued... Expenses

- 5. Salaries & Benefits:** Below budget \$41,108. We actualized at \$446,960 vs. a budget of \$488,068. Continued efforts to reduce overtime as well as cross training our management team to assist in other areas of the operation. In addition, we have only lost (1) manager from our **Transition Team** within the last (19) months.
- 6. Contracted Services:** This was down to budget by \$24,917. Primary areas for this are security, public areas cleaning, convention center houseman/setup and dishwashing/stewarding. We have implemented a weekly tracker of these services and needs to make sure our entire team understand and know how much we have spent in these areas.
- 7. General & Administrative:** Up to budget slightly by (\$11,190). The primary reason for G&A's change from 2014 is the marketing and advertising efforts implemented in 2015. Additional advertising for our two MMA fights are one area why this number has increased over budget.
- 8. Utilities:** A continued strong showing in utilities. The BCC team is committed to continually help reduce our carbon footprint. Third quarter utilities were \$12,569 below budget overall. Primary focus was and always will be lights, escalators, Exhibit Hall and Ballroom spaces. These two primary locations (size) are areas we keep an aggressive focus on.

Business Overview

3rd Quarter 2015 Review

Overall Economic Impact for the Branson Convention Center

The Numbers at a Glance....

1. Estimated Attendance at BCC in the Third Quarter: 12,352 people
2. Third Quarter Groups: (50) (Includes In House/City/Special Functions)
***2014 (58) Groups (Slight decrease year over year)
3. Group Event Days: 114 Days
4. Group Room Nights at Hilton Properties: 14,453

Business Overview

3rd Quarter 2015 Review

Overall Economic Impact for the Branson Convention Center

The Numbers at a Glance....

3rd Quarter Market Segments & Per Capture Rates

- (965) Banquet Attendees – Revenue: \$45,857 (*Per Cap Rate: \$47.52*)
- (4,300) Performing Arts Attendees – Revenues \$26,960: (*Per Cap Rate: \$6.26*)
- (5,460) Convention Attendees – Revenue: \$1,104,186 (*Per Cap Rate: \$202.23*)
 - (1,502) Meeting Attendees – Revenue: \$161,504 (*Per Cap Rate: \$107.52*)
- (125) Trade Show Attendees – Revenues: \$16,901. (*Per Cap Rate: \$135.20*)

*****Play-Craft Boats Returning for 2016**

Business Overview

3rd Quarter 2015 Review

Overall Economic Impact for the Branson Convention Center

The Branson Convention Center 2015 Third Quarter significant events:

Star power Dance Competition & Showbiz National Competition (2016)

MO Telecommunications Association (2016)

MO EMS Conference & Expo (2016)

Associated Wholesale Grocers (2016)

MO Healthcare Association (2016)

MFA Oil Association (Split Board –BCC VS. Lake of Ozarks)

Mid-West Public Risk (In contract talks)

Business Overview

3rd Quarter 2015 Review

Overall Economic Impact for the Branson Convention Center

“City Wide Convention Events”

SYTA – Student Youth Travel Association

SYTA, “Big win for the City of Branson & The BCC”!

We were able to showcase our talents and compete with such premier destinations as New York City, Toronto, Sacramento and Los Angeles. The group will be heading to Orlando for their 2016 convention and looking at Albuquerque for 2017 (SMG Property) . I also had the opportunity to talk with many individual guests coming to the event and I can say they too were thrilled with the area and convention center. Conversations did come up with these individuals that needing additional “downtown” overflow hotel room accommodations would be great for future events of this size.

Gross Catering Food & Beverages Revenues: \$170,000

Business Overview

3rd Quarter 2015 Review

Overall Economic Impact for the Branson Convention Center

“City Wide Convention Events”

ASCE – American Society of Civil Engineers

Another hugely successful “City Wide Convention”

ASCE just held their 2015 Annual Convention at the BCC and left completely “blown away” by our city, location, building, food and beverage and our service! This group had attendees from all over the world including (16) Countries and (6) Continents, they used multiple hotels, transportation as well as local attendees who drove in. This was a huge win for us and also provided great exposure to the City of Branson. They will also be sending a letter about our services and events and are looking to bring additional meetings to Branson in the near future!

Gross Catering Food & Beverages Revenues: \$420,000 (In three Days)

Business Overview

3rd Quarter 2015 Review

Customer & Client Satisfaction

What is E-Autofeedback?

E-Autofeedback is a state-of-the-art, Web-based customer feedback software program designed specifically for the hospitality and convention industry. The intuitive, easy-to-use software enables you to easily collect and analyze customer feedback. It compiles data automatically so you can compare trends over time and position your city, hotel, hospitality service company or professional practice to effectively compete against the competition.

2015 Year To Date Survey Information:

- Surveys Sent (117)
- Surveys Returned (46)
- Return Rate of 40%

Business Overview

3rd Quarter 2015 Review

Customer & Client Satisfaction

Survey Information (All Scores based out of 100%)

What is most important to the meeting planners & clients who are coming to the BCC?

BCC Facility Sales Team:

➤ Knowledgeable: **93.9%**

BCC Facility Event/Catering Team:

➤ Readily Available: **98.0%**

Business Overview

3rd Quarter 2015 Review

Customer & Client Satisfaction Continued...

BCC Building Operations & Maintenance:

- Courtesy of Building Staff: **93.9%**
- Cleanliness of the facility (Public space, bathrooms & function space): **96.1%**

Business Overview

3rd Quarter 2015 Review

Customer & Client Satisfaction

Continued...

SAVOR... Branson

Food & Beverage Services:

- Menu Quality, selection & value for price paid: **88.4%**
- Quality of Food: **94.0%**

Business Overview

3rd Quarter 2015 Review

Customer & Client Satisfaction Continued...

SAVOR... Branson Food & Beverage Services:

- Quality of Service: **96.2%**
- Overall performance of food and beverage services: **94.8%**

Business Overview

3rd Quarter 2015 Review

Using a scale of 1 to 100 (100 Being the highest) how would you have rated the Branson Convention Center
PRIOR to your event: **88.0%**

Using a scale of 1 to 100 (100 Being the highest) how do you rate the Branson Convention Center
AFTER your event: **95.3% (8.2% Increase)**

How do we get more people to experience Branson & the BCC??

Overall Satisfaction: 93.6%

Business Overview

3rd Quarter 2015 Review

2015 Specific Operating Goals & Updates

Other New Ideas & Strategic Implementations

- 1. Concessions Survey gathering & tracking:** With the help of SAVOR's Customer K'nekt Program we will now be able to track customer service scores from our guests regarding our Concessions Food and Beverage Operations. We will be able to track menu selection, quality and cleanliness of our concession stands. Survey program in place as of May 1, 2015

Location	Overall Sat.	Return	% Order Accurate	Food Quality	Menu selection	Friendly	Team Appearance	Cleanliness	Value	Total Surveys
Branson Convention Center	90.0%	85.0%	90.0%	87.5%	90.0%	90.0%	95.5%	95.0%	75.0%	10

Business Overview

3rd Quarter 2015 Review

2015 Specific Operating Goals & Updates

Yearly Reduction of Electrical Consumption by 5%

The BCC's cost include: Electricity, Natural Gas, Water & Sewer. The laundry was removed in July 2014 and is self metered.

(KWH Reduction Year over Year Comparison)

	<u>Electric 2014</u>	<u>Electric 2015</u>	<u>+/- Difference</u>
January	662,120	426,960	235,160 (-35%)
February	606,640	484,520	122,120 (-20%)
March	563,320	392,960	170,360 (-30%)
April	361,400	290,280	71,120 (-20%)
May	294,400	285,680	8,720 (-3%)
June	401,000	410,200	9,200 (+2.3%)
July	349,920	420,560	70,640 (+20%)
August	329,000	323,920	5,080 (-1.5%)
September			
October			
November			
December			
TOTALS	3,567,400	3,035,080	532,320 (-14.9%)

Business Overview

3rd Quarter 2015 Review

2015 Specific Operating Goals & Updates

As of January 1, 2015

Sustainability Goal for the Branson Convention Center

Track & Reduce our Diversion Rate and achieve 40% Diversion

The Goal of the BCC is to increase our diversion rate away from our landfills. Reduction will consist of a bigger focus on recycling of cardboard, glass, metal and other items. Some measures have included:

- 1. Glass Recycling Program: (12,440) lbs.**
- 2. Food Composting Program: (15,560) lbs.**
- 3. Cardboard/Metal Recycling Program: (42,261) lbs.**

*****Current Diversion Rate: 31% (70,261 lbs. total diverted/recycled VS. 226,200 lbs. total waste)**

Business Overview

3rd Quarter 2015 Review

Contracted Definite Sales Pace Reporting Revenues 2015 vs. 2016 (F&B, Rent, Equipment, IT & Labor)

	2015	Def (2016)	Pace (15 V 16)	Tentative (2016)	Pace with Tentative	(Strong Prospects)	2016 Pace (Tentative/Prospect)
January	\$121,500	\$78,600	-\$42,900	\$11,000	\$89,600	\$15,000	\$104,600
February	\$185,950	\$168,400	-\$17,550	\$0	\$168,400	\$2,000	\$170,400
March	\$233,020	\$155,100	-\$77,920	\$26,000	\$181,100	\$16,000	\$197,100
April	\$216,873	\$180,704	-\$36,169	\$500	\$181,204	\$15,000	\$196,204
May	\$131,872	\$136,250	\$4,378	\$0	\$136,250	\$0	\$136,250
June	\$419,000	\$385,275	-\$33,725	\$16,500	\$401,775	\$45,000	\$446,775
July	\$250,270	\$234,898	-\$15,372	\$15,000	\$249,898	\$12,000	\$261,898
August	\$358,000	\$171,100	-\$186,900	\$0	\$171,100	\$0	\$171,100
September	\$294,521	\$66,000	-\$228,521	\$36,000	\$102,000	\$40,200	\$142,200
October	\$253,025	\$203,650	-\$49,375	\$27,550	\$231,200	\$60,000	\$291,200
November	\$133,350	\$74,500	-\$58,850	\$0	\$74,500	\$94,500	\$169,000
December	\$135,070	\$28,000	-\$107,070	\$0	\$28,000	\$75,270	\$103,270
Totals	\$2,732,451	\$1,882,477	-\$849,974	\$132,550	\$2,015,027	\$374,970	\$2,389,997

2015 VS.
2016 Sales
Pace:
(-\$342,545)

Business Overview

3rd Quarter 2015 Review

Contract Reporting for 2015

2015 New Contracts Signed

- First Quarter 2015: (33) New/Repeat Contracts Valued at \$379,175
- Second Quarter 2015: (48) New/Repeat Contracts Valued at \$739,818
- Third Quarter 2015: (41) New/Repeat Contracts Valued at \$378,925

Total New Contracts Signed as of January 1, 2015: (122) Valued at \$1,497,918

(Booked In 2015 for 2015 Business: \$424,543)

Source of Business Booked

- Repeat: (59)
- SMG/New: (43)
- Hilton: (11)
- CVB: (9)