

## Cool Springs Conference Center – Summary Financial 2016/2017

Description	2015/2016	2016/2017	Variance
<b>REVENUE BY DEPARTMENT</b>			
TOTAL FOOD REVENUE	6,508,040	6,988,199	480,159
TOTAL BEVERAGE REVENUE	147,026	154,083	7,057
<b>TOTAL F&amp;B REVENUE</b>	<b>6,655,067</b>	<b>7,142,282</b>	<b>487,215</b>
TOTAL OTHER INCOME	9920	0	-9920
<b>TOTAL OPERATIONS REVENUE</b>	<b>6,664,987</b>	<b>7,142,282</b>	<b>477,295</b>
<b>EXPENSES BY DEPARTMENT</b>			
TOTAL FOOD EXPENSES	3,513,502	3,738,835	225,333
TOTAL BEVERAGE EXPENSES	33,450	38,747	5,297
<b>TOTAL F&amp;B EXPENSES</b>	<b>3,546,948</b>	<b>3,777,581</b>	<b>230,633</b>
<b>TOTAL OPERATIONS EXPENSES</b>	<b>3,546,948</b>	<b>3,777,581</b>	<b>230,633</b>
<b>TOTAL GROSS OPERATING PROFIT</b>	<b>3,118,037</b>	<b>3,364,698</b>	<b>246,661</b>
<b>DEDUCTIONS FROM INCOME</b>			
TOTAL ADMIN & GENERAL EXPENSES	434,861	444,235	9,374
TOTAL INFORMATION & TELECOM EXPENSES	140,575	154,154	13,579
TOTAL SALES & MARKETING EXPENSES	1,120,956	1,213,392	92,436
TOTAL UTILITIES EXPENSES	321,700	340,106	18,406
TOTAL MAINTENANCE & REPAIR EXPENSES	268,735	269,303	568
TOTAL MANAGEMENT FEES	192,736	198,360	5,624
<b>TOTAL DEDUCTIONS FROM INCOME</b>	<b>2,479,567</b>	<b>2,619,550</b>	<b>139,983</b>
<b>TOTAL HOUSE PROFIT</b>	<b>638,471</b>	<b>745,151</b>	<b>106,680</b>
<b>HOUSE PROFIT %</b>	<b>9.58%</b>	<b>10.43%</b>	
<b>FIXED CHARGES</b>			
Other Taxes and Assessments	1976	3660	1684
TOTAL INSURANCE EXPENSE	15,055	23,816	8,761
TOTAL INTEREST EXPENSE	0	0	0
TOTAL OTHER FIXED CHARGES	195,372	201,234	5,862
<b>TOTAL FIXED CHARGES</b>	<b>216,363</b>	<b>228,710</b>	<b>12,347</b>
<b>NET OPERATING PROFIT BEFORE DEPRECIATION</b>	<b>422,109</b>	<b>516,435</b>	<b>94,326</b>
<b>NET PROFIT OR LOSS</b>	<b>422,109</b>	<b>516,435</b>	<b>94,326</b>
Reserve (5%)	332,963	357,114	24,151
<b>Net Income Less FF&amp;E Reserve</b>	<b>89,146</b>	<b>159,321</b>	<b>70,175</b>

## Cool Springs Conference Center 2016/2017 Budget Notes

### Financial Overview:

1. Current budgeted revenue for 2016/2017 is up \$477K over 2015/2016. Deducting \$290K, that represents displaced revenue from the renovation in August 2015, year-over-year growth would be \$187K, or 2.7% (in line with current booking pace)
2. Current booking pace for 2016/2017 vs. 2015/2016 is up \$380K. \$191K of this is in August 2016 due to the renovation that closed the conference center for three weeks in August 2015.
3. Net Income, before FF&E Reserve, has steadily increased and is projected to exceed 2013/2014.
4. Expenses Notes: Increase in Sales and Market is attributed to open positions in 2015/2016 and additional spend in marketing tools (increase web presence following renovation). Contract labor continues to impact Banquets, Housekeeping and Kitchen labor with overtime resulting from labor companies also being short-staffed. Information and Telecom growth is resulting from the increased need to manage systems security and guest protection.
5. Overall, the profit margin is improving year-over-year with increases in cover counts and average checks.

### Action Items leading to revenue growth:

Efforts outlined in last year's budget presentation resulted in 2015/2016 revenue growth of 3.8% despite displacing approximately \$290K due to the renovation. Some of the efforts included:

1. Shifted an Event Manager to Director of Catering to increase selling efforts in the local catering market
2. Restructured Sales managers to focus on markets segments that book meetings with food and beverage contribution
3. Target business with needs over shoulder days and weekends
4. Increasing spend in E-Commerce and Social Media to increase on-line presence. Enhance marketing of social functions/weddings.
5. Updated menu items and pricing
6. Enhancing Conference Center Food & Beverage design.
7. Enhancing the Conference Center Beverage program.
8. Creating new Wedding menus.

In addition to continuing these efforts:

1. Mid-week continues to peak out with high demand from Corporate and Association Segments. Potential business will be evaluated to ensure the food and beverage spend per square foot is maximized
2. Low demand periods will remain a focus with creative incentives. Challenges faced include airport market (limited transportation cost for attendees), lower occupancy markets with competitive pricing, freestanding venues
3. The Conference Center has obtained the service of the most popular wedding planning website, Wedding Wire, to increase leads for rehearsal dinners, bridal showers and weddings.
4. Implement an upsell incentive for the Banquet team to increase day-of-revenue with add-ons
5. Establish discount pricing with vendors that provide goods and service such as linen rentals, ice carvings, decorations and entertainment. The Conference Center team would sell these goods and services to group clients at marked-up prices.
6. Add technology components to the Point of Sales System that will give the ability to accept credit cards at "cash" bars and increase capture.
7. Create short video clips and photo presentations that display room sets and audio visual, to improve closure rate in the site visit stage.