



PENTICTON TRADE AND
CONVENTION CENTRE

South Okanagan Events Centre Complex 2019 Operating Budget

2018 AWARDS & ACCOLADES

- VENUES NOW - 2018 Canadian Venues 'TOP STOPS' - **SOEC ranked 5th Top Spot in Canada** (5,000-10,000) capacity group
- **2018 NEWSMAKER OF THE YEAR AWARD** – Penticton Chamber of Commerce
- **2018 GREAT TEAM AWARD** – SOEC – Spectra Venue Management – Company Awards
- **2018 REVENUE GENERATION AWARD** – Penticton Trade & Convention Centre– Spectra Venue Management – Company Awards



2018 SOEC COMPLEX KEY HIGHLIGHTS

- Extensive SOEC suite level renovation
Introduction of new 'Jr.' Founders Package – several suite owners have already extended their term until 2022 as a result.
- HVAC and roof upgrades at the Penticton Trade and Convention Centre
- In 2018 the complex hosted 2 large-scale events:
 - Cirque du Soleil CRYSTAL (8 shows)
 - Scotties Tournament of Hearts (24 draws)



2018 SOEC COMPLEX KEY HIGHLIGHTS cont.

- **SOEC 10 Year Anniversary**

- Partnered with Cannery Brewing to create a 10 Year anniversary beer 'Power Chord Pilsner' with partial proceeds benefiting Canadian Mental Health Association.



- **Success of OHG expansion has contributed to the complex and the City as a whole**

- CSSHL Playoff tournament scheduled to continue in Penticton until March 2020
- Over the past three years, the economic impact to city has grown from
- \$1.623M in 2015 to \$3.5M in 2018



SOEC COMPLEX CHALLENGES

- As one of the largest employers in Penticton of part-time staff, one of our biggest challenges is attaining and retaining qualified employees.
- Minimum wage increase means an unavoidable increase to our budget
- Implementation of the Employee Health Tax increases is another unavoidable increase to our budget
- Young Stars Tournament not returning
- As venue gets older, repairs and maintenance increase
- The addition of the new for profit , private conference centre space in Penticton has affected the PTCC as it pertains to small business meetings and banquet bookings.
- In 2018 we saw two large event bookings with Cirque du Soleil and a Scotties Tournament of Hearts – difficult to replace

SOEC COMPLEX 2019 GOALS

- The PTCC currently has 10 city-wide conventions booked in 2019 – we'll look to maximize these events as much as possible.
- Focus on attracting marquee events to Penticton in 2020.
- Look for innovative ways to attract and retain PT staff.
- We are currently working with the City of Penticton's Sport Tourism Manager to create incentivizing bids for future large scale sporting events like the Scotties Tournament of Hearts.
- Find new ways to work with Travel Penticton to grow the MICE (Meetings, Incentives, Conventions and Exhibitions) tourism market segment through strategic sales and marketing initiatives.



SOEC COMPLEX

	2018 Budget	2018 Unaudited	2019 Budget
Event Operating Income	1,913,613	1,930,540	1,742,685
Other Income	1,662,320	1,674,345	1,718,368
Indirect Expenses			
Executive	190,304	194,053	189,568
Marketing/Sales	636,423	601,203	643,439
Finance	315,017	274,747	284,909
Events	287,090	295,048	306,915
Ops	1,708,865	1,745,622	1,805,488
Food and Beverage	454,085	501,343	518,621
Vees	535,616	520,383	526,411
Box Office	143,307	129,626	151,932
Overhead	431,441	413,042	420,950
Total Indirect Expenses	4,702,148	4,675,068	4,848,233
Net Operating Income	(1,126,215)	(1,070,184)	(1,387,180)
Facility Surcharge Paid to City	54,012	84,737	74,171
Net Income (Loss)	(1,180,228)	(1,154,921)	(1,461,352)

**Impact of part-time labour and employee health tax increases is reflected in net event operating income, operations, food and beverage and box office indirect expenses.

South Okanagan Event Centre

	2018 Budget	2018 Unaudited	2019 Budget
Event Operating Income	962,952	1,024,724	890,703
Other Income	966,271	994,481	1,033,398
Indirect Expenses			
Executive	108,233	120,553	109,066
Marketing/Sales	315,500	321,247	325,906
Finance	209,493	185,541	186,168
Events	208,694	218,086	226,558
Ops	868,045	921,554	920,683
Food and Beverage	225,837	249,557	267,587
Vees	535,616	520,383	526,411
Box Office	143,307	129,680	151,932
Overhead	252,725	252,202	246,830
Total Indirect Expenses	2,867,450	2,918,803	2,961,141
Net Operating Income	(936,091)	(899,598)	(1,037,040)
Facility Surcharge Paid to City	54,012	84,737	74,171
Net Income (Loss)	(990,103)	(984,335)	(1,111,212)

**Impact of part-time labour and employee health tax increases is reflected in net event operating income, operations, food and beverage and box office indirect expenses.

Penticton Trade and Convention Centre

	2018 Budget	2018 Unaudited	2019 Budget
Event Operating Income	969,525	904,349	851,982
Other Income	22,500	21,199	22,000
Indirect Expenses			
Executive	64,165	58,583	62,744
Marketing/Sales	320,923	279,956	317,533
Finance	80,314	70,020	73,023
Events	78,396	76,961	80,357
Ops	270,595	276,405	299,252
Food and Beverage	228,248	251,734	251,033
Vees	-	-	-
Box Office	-	-	-
Overhead	148,717	137,819	144,120
Total Indirect Expenses	1,191,357	1,151,478	1,228,062
Net Operating Income	(199,332)	(225,930)	(354,079)
Facility Surcharge Paid to City	-	-	-
Net Income (Loss)	(199,332)	(225,930)	(354,079)

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OHS Training Centre

	2018 Budget	2018 Unaudited	2019 Budget
Event Operating Income	-	-	-
Other Income	360,816	386,722	373,615
Indirect Expenses			
Executive	8,953	7,458	8,879
Marketing/Sales	-	-	-
Finance	12,605	9,593	12,859
Events	-	-	-
Ops	229,379	230,707	246,415
Food and Beverage	-	-	-
Vees	-	-	-
Box Office	-	-	-
Overhead	17,000	14,162	17,000
Total Indirect Expenses	<u>267,936</u>	<u>261,921</u>	<u>285,154</u>
Net Operating Income	92,879	124,801	88,462
Facility Surcharge Paid to City	-	-	-
Net Income (Loss)	<u>92,879</u>	<u>124,801</u>	<u>88,462</u>

Memorial Arena

	2018 Budget	2018 Unaudited	2019 Budget
Event Operating Income	-	-	-
Other Income	291,734	271,943	289,354
Indirect Expenses			
Executive	8,953	7,458	8,879
Marketing/Sales	-	-	-
Finance	12,605	9,593	12,859
Events	-	-	-
Ops	340,847	316,957	339,138
Food and Beverage	-	-	-
Vees	-	-	-
Box Office	-	-	-
Overhead	13,000	8,858	13,000
Total Indirect Expenses	375,404	342,866	373,877
Net Operating Income	(83,670)	(70,923)	(84,523)
Facility Surcharge Paid to City	-	-	-
Net Income (Loss)	(83,670)	(70,923)	(84,523)

SOEC Operating Historical and Forecast



THANK YOU

